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ELECTRONICALLY FILED

Superior Court of California,
County of Orange

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Clerk of the Superior Court
By Tamara Rabb, Deputy Clerk

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF ORANGE – CENTRAL JUSTICE CENTER

Judge Derek W. Hunt

10 LAURA MAALOULI, an individual.

11 Plaintiff,

12 vs.

13 NATIONSTAR MORTGAGE, LLC, a limited
14 liability company; AZTEC FORECLOSURE
15 CORPORATION, a California Corporation; and
16 U.S. BANCORP d/b/a U.S. BANK, NATIONAL
17 ASSOCIATION, AS TRUSTEE FOR THE
18 CERTIFICATEHOLDERS OF THE LXS 2006-
19 2N TRUST FUND, an unknown business entity;
20 and DOES 1-50

21 Defendants.

Case No.

Prior Case No.: 30-2017-00942039-CU-OR-CJC

VERIFIED COMPLAINT

1. VIOLATION OF CIVIL CODE § 2923.55;
2. VIOLATION OF CIVIL CODE § 2923.6;
3. VIOLATION OF CIVIL CODE § 2923.7;
4. VIOLATION OF CIVIL CODE § 2924(a)(6);
5. VIOLATION OF CIVIL CODE § 2924.9;
6. VIOLATION OF CIVIL CODE § 2924.10;
7. VIOLATION OF CIVIL CODE § 2924.17;
8. NEGLIGENCE & NEGLIGENCE PER SE;
and
9. VIOLATION OF BUSINESS &
PROFESSIONS CODE § 17200.

PRAYERS FOR RELIEF:

1. PRELIMINARY AND PERMANENT
INJUNCTION;

DEMAND FOR JURY TRIAL

COME NOW, Plaintiff Laura Maalouli (“Ms. Maalouli” or “Plaintiff”) alleges as follows:

PARTIES

1. At all times relevant herein, Ms. Maalouli owned and resided, and does reside, at the real property located at 1 Drackert Lane, Mission Viejo, California 92694 a/k/a 1 Drackert Lane, Landera Ranch, California 92694 (“subject property” or “home”), in the County of Orange, State of California. At all times relevant herein, Ms. Maalouli has resided, and does reside, in the subject property as her primary place of residence.
 2. Upon information and belief, Defendant Nationstar Mortgage, LLC (“Nationstar”), is, and at all times mentioned herein, a limited liability company doing business in the County of Orange, State of California.
 3. Upon information and belief, Defendant AZTEC FORECLOSURE CORPORATION (“Aztec”), is, and at all times mentioned herein, a California Corporation doing business in the County of Orange, State of California.
 4. Upon information and belief, Defendant U.S. BANCORP d/b/a U.S. BANK, NATIONAL ASSOCIATION, AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE LXS 2006-2N TRUST FUND (“US Bank”), is, and at all times mentioned herein was, an unknown business entity doing business in the County of Orange, State of California.
 5. The true names and capacities, whether individual, corporate, associate, or otherwise, of Defendant(s) named herein as Does 1-50, inclusive, and each of them, are unknown to Ms. Maalouli, who therefore sues said Defendant(s) by its fictitious names under *California Code of Civil Procedure* § 474. Ms. Maalouli will seek leave of Court to amend this Complaint to include the true names and capacities of said Defendant(s) when the same have been ascertained.

JURISDICTION

6. The transactions and events which are the subject matter of this Complaint all occurred within the County of Orange, State of California.
 7. The subject property is located within the County of Orange, State of California.

FACTUAL ALLEGATIONS

8. On or about November 1, 2005, Ms. Maalouli took out a loan against the subject property from Countrywide Home Loans, Inc. (“Countrywide”) in the amount of \$712,678. (A true and correct copy of the deed of trust [recorded in the Orange County Recorder’s Office as Instrument No. 2005000901148; recorded on November 9, 2005] is attached hereto as **Exhibit A**, and herein incorporated by reference). Pursuant to the deed of trust, the original beneficiary under the deed of trust was Mortgage Electronic Registration Systems, Inc., as the sole nominee for Countrywide (“MERS”), and the original trustee under the deed of trust was Recontrust Company, N.A. (“Recontrust”). *See Exhibit A.*

9. In or about 2010, Ms. Maalouli, a small business owner, began experiencing significant financial hardship, as her small retail business, which was wholly dependent on consumer spending and the overall economic health, began suffering significant losses due to the economic downturn. However, despite Ms. Maalouli’s financial struggles, she, in good-faith, attempted to maintain her monthly mortgage payments by using her savings.

10. On October 28, 2011, Jeanine Abramoff (“Ms. Abramoff”), as the purported assistant secretary for MERS, executed a Corporation Assignment of deed of trust against the subject property (“Assignment #1”) purportedly assigning all interest in the deed of trust to U.S. Bank, National Association, as Trustee for the Certificateholders of the LXS 2006-2N Trust Fund (“US Bank”). (A true and correct copy of the Corporation Assignment of deed of trust [recorded with the Orange County Recorder’s Office as Instrument No. 2011000579834; recorded on November 15, 2011] is attached hereto as **Exhibit B**, and hereinafter incorporated by reference). Pursuant to Assignment # 1, the Assignment was prepared by Youda Crain, a Bank of America, N.A. (“BOA”) employee (“Ms. Crain”), recorded by CoreLogic, Inc. (“Corelogic”), and notarized by Violet Thomas-Hicks (“Ms. Hicks”). *See Exhibit B;* (A true and correct copy of Youda Crain’s Linkedin profile, printed on September 5, 2017, is attached hereto as **Exhibit C**, and hereinafter incorporated by reference). However, Assignment #1 is nothing more than a fraudulently prepared, executed, and recorded instrument created solely by, and for the benefit of, BOA.

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1 11. First, though Ms. Abramoff executed Assignment #1 on behalf of MERS, Ms. Abramoff was
2 not an employee of MERS as of October 28, 2011, nor did she possess the authority to
3 execute Assignment #1 on behalf of MERS. Rather, Ms. Abramoff is an infamous
4 robosigner who admittedly works for BOA, as indicated on the various foreclosure
5 instruments she executed as BOA's Assistant Vice-President in and outside of California.
6 (True and correct copies of two foreclosure instruments executed by Jeanine Abramoff,
7 dated September 17, 2012 and February 26, 2013, are attached hereto **Exhibit D**, and
8 hereinafter incorporated by reference). Ms. Abramoff's robosigning violations are so well
9 documented that borrowers in California, Washington, and Florida have brought countless
10 wrongful foreclosure actions against their lender alleging instruments executed by Ms.
11 Abramoff, on behalf of MERS, were fraudulently executed. These very allegations were
12 confirmed in the Forensic Examination Report commissioned by the Florida Circuit Courts
13 and Armando Ramirez, an elected public official. (A true and correct copy of relevant
14 sections of the Forensic Examination of the Real Property Records and the Circuit Court
15 Records Osceola County, Florida, dated December 29, 2014, is attached hereto as **Exhibit E**,
16 and hereinafter incorporated by reference). Specifically, the Forensic Examination Report
17 examined three different foreclosure instruments executed by Ms. Abramoff on behalf of
18 MERS, each of which were recorded in Florida between 2012 and 2014; the report
19 determined that that each instrument contained numerous "marker[s] of document
20 robosigning [... and] document manufacturing", and ultimately held each instrument was
21 fraudulently executed and recorded in violation of countless Florida civil and criminal
22 statutes. *See e.g.*, **Exhibit E**, pp. 2-6. In its analysis, the Report noted that each fraudulently
23 executed and recorded instrument all contained identical or similar markers of "criminal
24 activity", including each instrument was (1) executed by the known robosigner Ms.
25 Abramoff; (2) prepared by a BOA employee, such as Ms. Crain or Mr. Danilo Cuenca; (3)
26 recorded by Corelogic, an affiliated BOA company; and (4) notarized by a known
27 robonotary, such as Ms. Hick. *See e.g.*, **Exhibits B-E**. Not surprisingly, each of these
28 markers exist in Assignment #1, as it was executed by Ms. Abramoff, prepared by Ms.
 Crain, recorded by Corelogic, and notarized by Ms. Hicks. Consequently, Assignment #1

was fraudulently recorded, and **VOID** *ab initio*.

12. Lastly, *assuming arguendo* that Assignment #1 was lawfully executed and recorded, which is not the case, Assignment #1 does not transfer interest in both the promissory note and deed of trust to US Bank, as Courtywide only ever assigned MERS interest in the deed of trust and not the promissory note. *See Exhibit A.* This makes sense, as allowing MERS, the nominee for the lender, to transfer complete interest in the note, the underlying debt, and the deed of trust, the instrument securing the note against the subject property, would result in potentially two rival claimants, one via a lender's negotiation of the note, and a second via MERS's assignment to a third party entity. Consequently, Assignment #1, at most, transferred US Bank interest in the deed of trust, but not to any underlying debt or payments regarding the note.
 13. In or about early-2012, Ms. Maalouli received devastating news, as her doctors informed her she had cancerous cells in her throat. Specifically, Ms. Maalouli was diagnosed with Stage IV cancer, which had already spread to her lymph nodes. Due to the severity of Ms. Maalouli's prognosis, doctors informed Ms. Maalouli that she needed immediate surgery to remove the cancerous cells, and, thereafter, followed by various rounds of radiation and chemotherapy. With no other option, Ms. Maalouli immediately underwent surgery to remove the cancerous cells from her throat, and subsequently began radiation and chemotherapy. It was during this time period that Ms. Maalouli was rendered physically unable to work, and, therefore, was forced to close her business. With no monthly income coming in from her now closed business, Ms. Maalouli quickly defaulted on her mortgage.
 14. In or about early-2013, after nearly a year of battling her stage IV cancer, Ms. Maalouli was diagnosed cancer-free by her doctors. Immediately after obtain the good news, Ms. Maalouli, determined to bring her home loan current, re-opened her business, and began working and saving. Ultimately, Ms. Maalouli's gross income increased to approximately \$12,000 a month. With hope of saving her home, Ms. Maalouli, on or about March 22, 2013, submitted a complete loan modification application to her loan servicer, Nationstar Mortgage LLC ("Nationstar"). Included in the 2013 loan modification application, Ms. Maalouli submitted documentation evidencing her material change in finances, including a request for mortgage

- 1 assistance form, a HAMP hardship letter, a profit and loss statement, and various bank
2 statements.
- 3 15. Over the course of the next two years, Ms. Maalouli regularly contacted Nationstar for
4 updates on her 2013 loan modification application. However, each time Ms. Maalouli
5 contacted Nationstar for an update, she was almost always transferred to a random Nationstar
6 agent who was unfamiliar with her loan or situation. Rather, each agent generally confirmed
7 receipt of the 2013 loan modification application, but requested updated, and, often times,
8 duplicate documentation that had been lost or misplaced by Nationstar. Despite Ms.
9 Maalouli's frustration, she complied with each and every document request.
- 10 16. On June 28, 2013, Graciela Fernandez ("Ms. Fernandez"), as the assistant Vice-President of
11 BOA, executed an Assignment of deed of trust against the subject property ("Assignment #2")
12 purportedly assigning all beneficiary interest in the deed of trust to Nationstar Mortgage, LLC
13 ("Nationstar"). (A true and correct copy of the Corporation Assignment of deed of trust
14 [recorded with the Orange County Recorder's Office as Instrument No. 2013000603959;
15 recorded on October 29, 2013] is attached hereto as **Exhibit F**, and hereinafter incorporated by
16 reference). However, BOA did not have the ability to assign beneficiary interest away, as it was
17 never properly assigned interest in the deed of trust. Rather, pursuant to the original deed of
18 trust, MERS was assigned beneficiary interest in the deed of trust, and, therefore, the only entity
19 with the ability to assign away beneficiary interest on June 28, 2013. *See Exhibit A.* Secondly,
20 assuming *arguendo* that Assignment #1 and Assignment #2 were lawfully recorded, which is
21 not the case, MERS, per Assignment #1, transferred its beneficiary interest in the deed of trust to
22 US Bank on October 28, 2011, and not BOA, thereby rendering US Bank as the only entity with
23 the ability to assign away beneficiary interest in the deed of trust. Consequently, for BOA and
24 Corelogic to state, under the penalty of perjury, that BOA had beneficiary interest to execute
25 Assignment #2 is inconceivable, as both BOA and Corelogic had actual knowledge that
26 Assignment #1, an assignment they prepared and recorded, caused MERS to assign away its
27 beneficiary interest to US Bank. *See Exhibit B-E.* Lastly, even if BOA had the ability to
28 execute Assignment #2, Assignment #2 is still invalid, as Ms. Fernandez failed to execute
Assignment #2 under penalty of perjury of the state laws of California, as required per code. *See*

- 1 **Exhibit F.** Instead, Assignment #2, on its face, appears to be executed by BOA in, and under
2 the state laws of, Texas. *See Exhibit F.* Based on the foregoing, Assignment #2 was recorded in
3 violation of Civil Code §§ 2924(a)(6) and 2924.17, and, therefore, is **VOID ab initio**.
- 4 17. On February 12, 2014, Amanda Duschlbauer (“Ms. Duschlbauer”), as the Assistant Secretary
5 for Nationstar, the purported attorney in fact for US Bank, executed a Substitution of Trustee
6 (“Substitution #1) purporting to substitute in Aztec Foreclosure Corporation (“Aztec”) as the
7 new trustee under the deed of trust. (A true and correct copy of the Substitution is attached
8 hereto as **Exhibit G** [recorded with the Orange County Recorder’s Office as Instrument No.
9 2014000065520; recorded on February 20, 2014], and hereinafter incorporated by reference).
10 However, as discussed in detail *supra*, neither Nationstar nor US Bank had any beneficiary
11 interest in the deed of trust, as both Assignment #1 and Assignment #2 are **VOID ab initio**.
12 Moreover, MERS, pursuant to the deed of trust, was the only entity with the ability to execute
13 and record Substitution #1. *See Exhibit A.* Lastly, even if Nationstar or US Bank had the ability
14 to execute Substitution #1, Substitution #1 is still invalid, as Ms. Duschlbauer failed to execute
15 Substitution #1 under the penalty of perjury of the state laws of California, as required per code.
16 Instead, Substitution #1, on its face, appears to be executed by Nationstar in, and under the state
17 laws of, Texas. *See Exhibit G*, pp 2. Based on the foregoing, Substitution #1 was recorded in
18 violation of Civil Code §§ 2924(a)(6) and 2924.17, and, therefore, is **VOID ab initio**.
- 19 18. In or about mid-February 2014, Ms. Maalouli contacted Nationstar for an update on her 2013
20 loan modification. Upon being connected to a Nationstar agent, the agent confirmed receipt of
21 Ms. Maalouli’s 2013 loan modification application and her recently submitted documents, and
22 indicated that her application was complete and pending review.
- 23 19. On February 24, 2014, Aztec, as the purported trustee of the deed of trust, recorded a Notice
24 of Default (“NOD”) against the subject property, despite Nationstar failing to first (1) provide
25 Ms. Maalouli with a written determination of her pending 2013 loan modification application (a
26 violation of Civil Code § 2923.6(c)(1)); (2) provide Ms. Maalouli a written letter advising her of
27 her appeal rights (a violation of Civil Code § 2923.6(f)(1)); (3) provide Ms. Maalouli with an
28 opportunity to appeal Nationstar’s determination of the 2013 loan modification application, if any
(a violation of Civil Code § 2923.6(d)); and (4) wait the statutory appeal period prior to recording

- 1 the NOD against the subject property (violations of Civil Code § 2923.6(e)(2)). (A true and
2 correct copy of the Notice of Default [recorded in the Orange County Recorder's Office as
3 Instrument No. 2014000070242; recorded on February 24, 2014] is attached hereto as **Exhibit H**,
4 and here incorporated by reference). However, as discussed in detail *supra*, Aztec had no
5 authority to execute or record the NOD against the subject property, as Aztec was never
6 substituted in as the trustee under the deed of trust properly. Rather, per the deed of trust,
7 Recontrust was the original trustee, and the only entity with authority to execute and record the
8 NOD against the subject property. Consequently, the NOD was recorded against the subject
9 property in violation of Civil Code §§ 2924(a)(6) and 2924.17, and, therefore, is **VOID ab
initio**.
- 10 20. Additionally, attached to the NOD is a declaration of due diligence in which Nationstar alleges it
11 contacted Ms. Maalouli, per code, and has complied with the necessary requirements of Civil Code
12 § 2923.55(b)(2). *See Exhibit H.* However, contrary to the declaration of due diligence, Ms.
13 Maalouli has not received a single telephone or in person communication from Nationstar
14 attempting to assess her finances, and explore all five of her non-foreclosure options¹ (violations
15 of Civil Code § 2923.55(b)(2)). Moreover, Ms. Maalouli did not receive any missed calls or
16 voice messages from Nationstar's agents attempting to comply with the tenets of Civil Code
17 § 2923.55. In addition, contrary to its declaration, Nationstar also failed to provide Ms.
18 Maalouli with a written letter informing her that she may request (1) a copy of her
19 promissory note or other evidence of indebtedness; (2) a copy of her deed of trust or
20 mortgage; (3) a copy of any assignment, if applicable, of her mortgage or deed of trust
21 required to demonstrate the right of the mortgage servicer to foreclose; and (4) a copy of her
22 payment history since she was last less than 60 days past due (violations of Civil Code §
23 2923.55(b)(1)(B)). As such, Nationstar's declaration of due diligence is patently false (a
24 violation of Civil Code § 2923.55(c)). *See Exhibit H.*
- 25 21. Lastly, the sheer fact that the NOD was recorded against Ms. Maalouli's home, despite
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27 28

¹ At the time the NOD was recorded, Ms. Maalouli had five non-foreclosure alternatives available to her, including
reinstatement of the loan by paying her arrears in full, a deed-in-lieu of foreclosure, chapter 13 bankruptcy protection, a
short-sale, and a loan modification.

- 1 Nationstar's failure to comply with Civil Code §§ 2923.55, 2923.6, 2924(a)(6), and 2924.17,
2 evidence Defendants' failure to assign Ms. Maalouli with a single point of contact, either an
3 individual or team (a violation of Civil Code § 2923.7), as, had a single point of contact been
4 assigned, said contact would have prevented Defendants from initiating the foreclosure
5 process on Ms. Maalouli's home without first complying with the foregoing foreclosure
6 statutes. The sheer fact that an entity, without authority to foreclose on Ms. Maalouli's home,
7 foreclosed on Ms. Maalouli's home, speaks volumes of Defendants' interest in complying
8 with the California foreclosure statutes.
- 9 22. On December 22, 2015, Joseph Luis Rosario ("Mr. Rosario"), as the Assistant Vice-President of
10 BOA, and BOA's purported capacity as the attorney in fact for Nationstar, executed a
11 Corrective Assignment of deed of trust purporting to correct Assignment #2, and assign all
12 beneficiary interest to US Bank ("Assignment #3"). (A true and correct copy of the Corporation
13 Assignment of deed of trust [recorded with the Orange County Recorder's Office as Instrument
14 No. 2016000007643; recorded on January 8, 2016] is attached hereto as **Exhibit I**, and
15 hereinafter incorporated by reference). However, as discussed in detail *supra*, at no time did
16 BOA or Nationstar have the ability to assign beneficiary interest in the deed of trust, as neither
17 entity was properly assigned interest in the deed of trust. Moreover, pursuant to the original deed
18 of trust, MERS was assigned beneficiary interest in the deed of trust, and, therefore, is the only
19 entity with ability to assign another entity interest in the deed of trust. *See Exhibit A*. Lastly,
20 even if Nationstar or BOA had the ability to execute Assignment #3, Assignment #3 is still
21 invalid, as Mr. Rosario failed to execute Assignment #3 under the penalty of perjury of the state
22 laws of California, as required per code. Instead, Assignment #3, on its face, appears to be
23 executed by BOA in, and under the state laws of, Florida. *See Exhibit I*, pp 2. Based on the
24 foregoing, Assignment #3 was recorded in violation of Civil Code §§ 2924(a)(6) and 2924.17,
and, therefore, is **VOID ab initio**.
- 25 23. On or about February 12, 2016, Nationstar sent Ms. Maalouli a letter denying her 2013 loan
26 modification application based on Nationstar's calculation of Ms. Maalouli's purported negative
27 net present value ("NPV"). However, Nationstar's denial letter failed to (1) list the full set of
28 input units it used in calculating Ms. Maalouli's NPV (a violation of Civil Code §

- 1 2923.6(f)(3)); and (2) advise Ms. Maalouli of her right to request a full list of inputs it used
2 in the NPV calculations (a violation of Civil Code § 2923.6(f)(3)). However, based on the
3 few NPV units that were provided with Nationstar's February 2016 denial letter, it was clear
4 that Nationstar's denial was based on patently false financial figures, as Nationstar overvalued Ms.
5 Maalouli's home by at least \$170,000, and overvalued her monthly income by approximately
6 \$500. As a result, Ms. Maalouli subsequently submitted a formal appeal of Nationstar's February
7 2016 denial ("2016 Appeal"), and requested that Nationstar re-consider her 2013 loan
8 modification application using the correct financial figures, and take into account the \$11,000 in
9 assets available to her (money and income that was not listed and/or taken account of in
10 Nationstar's February 2016 denial letter). However, Defendants, within five business days
11 after receiving any part of Ms. Maalouli's 2016 Appeal, failed to provide Ms. Maalouli a
12 writing acknowledging receipt of her 2013 Appeal (a violation of Civil Code § 2924.10).
- 13 24. On or about May 3, 2016, Nationstar sent Ms. Maalouli a letter denying her 2016 Appeal based
14 the same reasoning as previously indicated in Nationstar's February 2016 denial letter, i.e. based
15 on Nationstar's calculation of Ms. Maalouli's negative NPV. However, Nationstar's May 2016
16 denial letter failed to (1) list the full set of input units it used in re-calculating Ms.
17 Maalouli's NPV (a violation of Civil Code § 2923.6(f)(3)); and (2) advise Ms. Maalouli of
18 her right to request a full list of inputs it used in the NPV calculations (a violation of Civil
19 Code § 2923.6(f)(3)). Nationstar's failure to comply with Civil Code § 2923.6(f)(3) was
20 material, as Ms. Maalouli's 2016 Appeal was based, in part, on the fact that Nationstar's
21 February 2016 denial was based on inaccurate financial figures, and failed to take into account
22 Ms. Maalouli's \$11,000 in assets available to her. As such, Nationstar's May 2016 denial letter
23 was nothing more than lip service to Civil Code § 2923.6, as the review and re-review were in
24 bad-faith.
25. In or about July 2016, Ms. Maalouli sought financial help from family and friends in an attempt
26 to bring her loan current. In total, Ms. Maalouli was able to obtain financial commitments from
27 family and friends in the amount of approximately \$2,000 a month toward any loan modification.
28 With renewed hope, Ms. Maalouli, in or about mid to late-July 2016, submitted a new loan
modification application to Nationstar for review ("2016 loan modification application").

- Attached to the 2016 loan modification application, Ms. Maalouli included documentation (i.e. a new request for mortgage assistance form, bank statements, and an appraisal of the subject property) evidencing Ms. Maalouli's monthly income had increased by approximately \$2,000 per month, and her monthly expenses decrease by approximately \$1,000 per month. Subsequently, in or about early-August 2016, a Nationstar agent telephonically confirmed receipt of Ms. Maalouli's 2016 loan modification application, and that such application was complete and pending review.
26. On August 8, 2016, Aztec, as the purported trustee under the deed of trust, recorded a Notice of Trustee's Sale against the subject property ("NOS"), despite the fact that Nationstar failed to first (1) provided Ms. Maalouli with a written determination of her pending 2016 loan modification application (violations of Civil Code § 2923.6(c)(1)); (2) advise Ms. Maalouli of her appeal rights regarding her 2016 loan modification application (a violation of Civil Code § 2923.6(f)(1)); (3) provide Ms. Maalouli with an opportunity to appeal any determination made on her 2016 loan modification application, if any (a violation of Civil Code § 2923.6(d)); and (4) wait the statutory appeal period before recording the NOS (violations of Civil Code § 2923.6(e)(2)). (A true and correct copy of the Notice of Trustee's Sale [recorded in the Orange County Recorder's Office as Instrument No. 2016000377123; recorded on August 10, 2016] is attached hereto as **Exhibit J**, and here incorporated by reference). However, as discussed in detail *supra*, Aztec was not the trustee of the deed of trust, as it was never substituted in properly by any entity with authority to do so. Accordingly, the NOS was recorded in violation of Civil Code §§ 2924(a)(6) and 2924.17, and, therefore, is **VOID ab initio**.
27. Over the course of the next several months, Ms. Maalouli regularly contacted Nationstar for updates on her 2016 loan modification application, as Nationstar regularly failed to initiate contact with Ms. Maalouli to provide her updates on her pending loan modification application. Each time Ms. Maalouli contacted Nationstar, she was almost always transferred to a random Nationstar agent who was not familiar with her finances or situation. Rather, Nationstar's agents would generally inform Ms. Maalouli that Nationstar had received her 2016 loan modification application, but needed updated, and, oftentimes, duplicate documentation to replace the documents Nationstar had lost or misplaced. However, despite Ms. Maalouli's

- 1 frustration with Nationstar's review process, Ms. Maalouli timely complied with each and every
2 document request, including those for duplicate documentation.
- 3 28. In or about May 2017, Ms. Maalouli contacted Nationstar to obtain an update on her 2016 loan
4 modification. Upon being connected to an agent, the agent confirmed receipt and review of the
5 2016 loan modification application, but requested that Ms. Maalouli submit updated financial
6 documentation, including an update P & L statement. Subsequently thereafter, Ms. Maalouli
7 submitted the updated documentation, and Nationstar confirmed receipt of the updated
8 documentation, and confirmed that the 2016 loan modification application was complete and
9 pending review.
- 10 29. In or about June 2017, Ms. Maalouli contacted Nationstar to obtain an update on her 2016 loan
11 modification. Per usual, Ms. Maalouli was transferred to a random Nationstar agent who was
12 unfamiliar with her loan or file. The agent, after reviewing Ms. Maalouli's file, indicated that he
13 did not see any record that Ms. Maalouli and her loan were presently being reviewed for a loan
14 modification. Ms. Maalouli protested, and recounted her submission, and re-submission, of her
15 2016 loan modification application and subsequent documents due to Nationstar's constant loss
16 of her documentation. The agent, after further review, informed Ms. Maalouli that Nationstar did
17 not have any record of her 2016 loan modification application, or that her loan was being
18 reviewed for a modification since the previous denial of her 2016 Appeal, and there was nothing
19 further he or Ms. Maalouli could do, as the investor of her loan intended on foreclosing on her
20 home. To date, Defendants, including Nationstar, have yet to provide Ms. Maalouli with a written
21 determination of her 2016 loan modification application, nor provided her an opportunity to appeal
22 Defendants' determination of such application, pursuant to Civil Code §§ 2923.6(c)(1), 2923.6(d).
- 23 30. Defendants intend on foreclosing on Ms. Maalouli's home on Monday, September 11, 2017 at
24 9:00 a.m. without first (1) providing Ms. Maalouli with a written determination of her pending
25 2016 loan modification application (violations of Civil Code § 2923.6(c)(1)); (2) advising Ms.
26 Maalouli of her appeal rights regarding her 2016 loan modification application (a violation of
27 Civil Code § 2923.6(f)(1)); (3) providing Ms. Maalouli with an opportunity to appeal any
28 determination made on her 2016 loan modification application, if any (a violation of Civil Code
§ 2923.6(d)); and (4) waiting the statutory appeal period before foreclosing on the subject

1 property (violations of Civil Code § 2923.6(e)(2)). (A true and correct copy propertyradar.com's
2 property profile for the subject property as of September 6, 2017 is attached hereto as **Exhibit**
3 **K**, and hereinafter incorporated by reference.)
4

5 CALIFORNIA HOMEOWNER'S BILL OF RIGHTS

6 (Effective January 1, 2013)

- 7 31. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though
8 fully set forth herein.
- 9 32. On July 11, 2012, Governor Edmund G. Brown signed into law the Homeowner's Bill of
10 Rights (hereinafter "HBOR") AB 268 (Ch. 86, Stats. 2012) and SB 900 (Ch. 87, Stats. 2012).
11 HBOR became effective on January 1, 2013.
- 12 33. HBOR reformed California's non-judicial foreclosure process so that borrowers have greater
13 protection from wrongful foreclosures and a meaningful opportunity to be considered for,
14 and obtain, a loan modification or other alternative to foreclosure.
- 15 34. Under HBOR, both *California Civil Code §§ 2923 et seq.* and *2924 et seq.* have been
16 amended and renewed to provide greater protections to borrowers to prevent unnecessary and
17 improper foreclosures of their homes, borrowers like Ms. Maalouli.
- 18 35. The intent of the HBOR is to ensure that, as part of the non-judicial foreclosure process,
19 borrowers, such the Sterns, are considered for, and have a meaningful opportunity to obtain
20 available loss mitigation options, if any, as an alternative to foreclosure. *See California Civil*
21 *Code § 2923.4.*
- 22 36. The HBOR now authorizes borrowers to seek an injunction and damages for material
23 violations of certain provisions, as set forth *infra*. Moreover, if violations of certain HBOR
24 provisions (*e.g.*, Civil Code §§ 2923.55, 2923.6, 2923.7, 2924.9, 2924.10, and 2924.17) are
25 found to be intentional or reckless or results from willful misconduct, the HBOR authorizes
26 the greater of treble actual damages or \$50,000.00 in statutory damages. Also, an award for
27 attorney's fees to prevailing borrowers is authorizes under certain provisions. *See California*
28 *Civil Code § 2924.12.*

37. Defendants are residential lenders and/or servicers licensed and regulated by the Department of Corporations under the California Residential Mortgage Lending Act and the California Finance Lenders Law, and are therefore required to comply with recent changes to California foreclosure-prevention laws, effective January 1, 2013, including the HBOR.

FIRST CAUSE OF ACTION

Violation of California Civil Code § 2923.55

(Against All Defendants)

38. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.
 39. Pursuant to Civil Code §§ 2923.55(a), Defendants may NOT record a notice of default or notice of trustee's sale unless Defendants satisfy the following two requirements:
 - a. Defendants must first contact the borrower to assess the borrower's financial situation and explore non-foreclosure options available, or attempt to make such contact with due diligence (*see* Civil Code §§ 2923.55(b)(2)); and
 - b. Where the borrower has submitted a first lien loan modification application that is pending, Defendants must first make a determination either approving or denying the modification application and providing the borrower notification of such a determination in writing, and not until any appeal period has expired pursuant to Civil Code § 2923.6(c).
 40. Pursuant to Civil Code § 2923.55(b)(1)(B), Defendants must send the borrower a statement in writing, informing the borrower that he or she may request the following:
 - a. A copy of the borrower's promissory note or other evidence of indebtedness;
 - b. A copy of the borrower's deed of trust or mortgage;
 - c. A copy of any assignment, if applicable, of the borrower's mortgage or deed of trust required to demonstrate the right of the mortgage servicer to foreclose; and
 - d. A copy of the borrower's payment history since the borrower was last less than 60 days past due.

41. Pursuant to Civil Code § 2923.55(c), Defendants must include a declaration that the mortgage servicer has contacted the borrow, has tried with due diligence to contact the borrower as required by this section, or that no contact was required.

Violation of Civil Code §§ 2923.55(a)

42. On or about February 24, 2014, Aztec recorded a Notice of Default (“NOD”) against the subject property. *See Exhibit H.* However, prior to recording the Notice of Default, Defendants failed to contact or attempted to contact Ms. Maalouli, in person or by telephone, at least 30 days prior to recording the Notice of Default in order to assess her financial situation and discuss her non-foreclosure options going forward, as Ms. Maalouli had no missed calls or voice messages from any of Defendants’ agents attempting to comply with Civil Code § 2923.55. Rather, the *only* non-foreclosure alternative that any Defendant, including Nationstar, ever discussed with Ms. Maalouli was a loan modification, which was reviewed in bad-faith as discussed herein, and *only after* Ms. Maalouli initiated discussions by contacting Nationstar for its assistance. Moreover, as the loan servicer, Nationstar never discussed the array of non-foreclosure options that were actually available to Ms. Maalouli, including reinstatement of her loan by paying her arrears, short sale, deed in lieu of foreclosure, or Chapter 13 bankruptcy prior to recording the Notice of Default. As such, Defendants, at most, were only 20% (1/5th) in compliance with Civil Code § 2923.55, as Defendants failed to discuss all five non-foreclosure options with Ms. Maalouli.

43. Additionally, pursuant to Civil Code § 2923.6, Defendants may not recorded a notice of default, notice of trustee’s sale or foreclose on a property until 30 days after a written determination has been provided to the borrower. When Defendants recorded the Notice of Default on February 24, 2014, Defendants had not yet first provided Ms. Maalouli a determination of her 2013 modification application was still pending review. As such, 30 days had not expired prior to Defendants’ recording the Notice of Default.

44. Notwithstanding Defendants’ failure to contact Ms. Maalouli in person or by telephone, as the code requires, Defendants also neglected to comply with the additional requirement set forth under the statute. Defendants failed to (1) send a first class letter with a toll-free

telephone number to find a HUD certified housing counseling agency (as well as information about the lender's contact information); (2) make direct telephonic efforts to contact Ms. Maalouli at least three times on different hours and on different days, made to the primary telephone number on file; (3) if the telephone call requirements have been met, the lender must then send a certified letter, return receipt requested, including a telephone number; (4) provide a toll-free telephone number for contact purposes that will be answered by a live person during business hours; and (5) have a prominent link on the home page of its Internet site setting forth specified information required for borrowers to pursue discussing options before foreclosure, including contact information both for the lender and for HUD.

Violation of Civil Code §§ 2923.55(b)(1)(B)

45. On or about February 24, 2014, Aztec recorded a Notice of Default against the subject property. *See Exhibit H.* However, Defendants failed to comply with Civil Code § 2923.55(b)(1)(B) in that Defendants did not send Ms. Maalouli a statement in writing, informing her that she may request (1) a copy of her promissory note or other evidence of indebtedness; (2) a copy of her deed of trust or mortgage; (3) a copy of any assignment of deed of trust required to demonstrate the right of the mortgage servicer to foreclose; and (4) a copy of her payment history since the loan was last less than 60 days past due. At no point did Ms. Maalouli receive any correspondence or communication from Defendants informing him that she could request any of the aforementioned documents and information.

Violation of Civil Code §§ 2923.55(c)

46. On or about February 24, 2014, Aztec recorded a Notice of Default against the subject property. *See Exhibit H.* Attached to the NOD is a declaration of due diligence which alleges that thirty days or more have passed since Nationstar made contact with Ms. Maalouli, pursuant to Civil Code § 2923.55(b)(2), assessed her financial situation, and explored her non-foreclosure options to avoid foreclosure. *See Exhibit H.* However, Nationstar's declaration of due diligence is patently false, as no Defendant, including Nationstar, (1) contacted Ms. Maalouli by telephone or in person, as required by code; (2) assess Ms. Maalouli's finances; and (3) explored all of Ms. Maalouli's non-foreclosure options, including reinstatement of her loan by paying her arrears

1 in full, a deed-in-lieu, or chapter 13 bankruptcy protection, as Ms. Maalouli had no missed
2 calls or voice messages from any of Defendants' agents attempting to comply with Civil
3 Code § 2923.55. Accordingly, the NOD was recorded without compliance to Civil Code §
4 2923.55, and is void and invalid.

* * *

47. As an actual and proximate result of Defendants' complete failure to comply with the contact, assessment, and information requirements of Civil Code § 2923.55, Ms. Maalouli's interest in her home is in jeopardy, and she is subject to unlawful eviction without ever being provided the opportunity to save her home from foreclosure. Ms. Maalouli was not apprised of her options to avoid foreclosure in advance of Defendants' filing of the Notice of Default, and Defendants' failure to contact Ms. Maalouli, assess her finances, and explore all of her non-foreclosure options substantially contributed to the fact that the unlawful foreclosure sale and her eviction remains imminent.
 48. The fact that Ms. Maalouli was denied a meaningful opportunity to save her home from foreclosure substantially contributed to the harm that Ms. Maalouli has suffered, which is an opportunity to bring her home loan current by being reviewed for the plethora of non-foreclosure alternatives available to her.
 49. As a direct result of Defendants' failure to comply with Civil Code § 2923.55, Ms. Maalouli has been damaged in that the foreclosure process has been allowed to unlawfully continued against her home and she is now subject to imminent foreclosure; she has expended considerable time, energy, and effort in preparing her financial information for her loan modification application reviews, as well as considerable time and effort preparing, providing, and vouching for the truth of her financial information; her credit was severely damaged; thousands of dollars in Defendants' attorneys' fees, excess interest, late fees, foreclosure fees, and other improper amounts were added to Ms. Maalouli's default amount and arrears that keep increasing due to Defendants' misconduct; she has expended at least \$20,000.00 in litigation fees in order to protect her real property rights; and additional amounts, according to proof at the time of trial, all in excess of the jurisdictional minimum of

this Court.

50. In addition, as a result of Defendants' violation of Civil Code § 2923.55, Ms. Maalouli is **specifically entitled to injunctive relief**, an order enjoining Defendants from selling the subject property at a foreclosure sale, pursuant to Civil Code § 2924.12.

SECOND CAUSE OF ACTION

Violation of California Civil Code § 2923.6

(Against all Defendants)

51. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.
 52. Civil Code § 2923.6(c)(1) states in pertinent part, “If a borrower submits a complete application for a first lien loan modification offered by, or through, the borrower's mortgage servicer, [the] mortgage servicer [or its agents] **shall not** [...] **record a notice of default or notice of sale, or conduct a trustee's sale**, while the complete first lien loan modification application is pending...until...[t]he mortgage servicer makes a **written determination that the borrower is not eligible for a first lien loan modification, and any appeal period [...] has expired.**” (Emphasis added).
 53. Also, per Civil Code § 2923.6(e), as part of the borrower's “appeal rights,” “If the borrower's application for a first lien loan modification is denied, the mortgage servicer...shall not [...] **conduct a trustee's sale** until the later of:
 - (1) **Thirty-one days after the borrower is notified in writing of the denial...**
(Emphasis added).
 54. Further, per Civil Code § 2923.6(f), “following the denial of a first lien loan modification application, the mortgage servicer **shall send a written notice to the borrower identifying the reasons for denial**, including the following: The amount of time from the date of the denial letter in which the borrower may request an appeal of the denial of the first lien loan modification and instructions regarding how to appeal the denial.”

111

First Violation

55. In or about March 2013, given her significant change in financial circumstances, Ms. Maalouli submitted a complete loan modification application to Nationstar for review. Included with her application was documentation evidencing Ms. Maalouli's material change in her finances, including a request for mortgage assistance form, a HAMP hardship letter, an executed request for tax return transcript, a profit and loss statement, and bank statements.
56. Sometime thereafter, Nationstar confirmed Ms. Maalouli's 2013 application was complete.
57. On February 24, 2014, Defendants caused the Notice of Default to be recorded against the subject property. *See Exhibit H.* However, neither on nor before the date of February 24, 2014, did Defendants first provide Ms. Maalouli a determination of her 2013 modification application. As such, Defendants' conduct constituted a material violation of Civil Code § 2923.6.

Second Violation

58. In or about March 2013, given her significant change in financial circumstances, Ms. Maalouli submitted a complete loan modification application to Nationstar for review. Included with her application was documentation evidencing Ms. Maalouli's material change in her finances, including a request for mortgage assistance form, a HAMP hardship letter, an executed request for tax return transcript, a profit and loss statement, and bank statements.
59. Sometime thereafter, Nationstar confirmed Ms. Maalouli's 2013 application was complete.
60. On or about February 12, 2016, Nationstar sent Ms. Maalouli a letter denying her 2013 loan modification application based on Nationstar's calculation of Ms. Maalouli's NPV results. However, Nationstar's denial letter failed to (1) list the full set of input units used in calculating Ms. Maalouli's NPV results, nor (2) advise Ms. Maalouli of her right to request a full list of inputs used in the NPV calculations. Such conduct, or lack thereof, by Defendants, constituted a material violation of Civil Code § 2923.6(f).

Third Violation

61. In or about March 2013, given her significant change in financial circumstances, Ms. Maalouli submitted a complete loan modification application to Nationstar for review. Included with her application was documentation evidencing Ms. Maalouli's material change in her finances, including a request for mortgage assistance form, a HAMP hardship letter, an executed request for

- 1 tax return transcript, a profit and loss statement, and bank statements.
- 2 62. Sometime thereafter, Nationstar confirmed Ms. Maalouli's 2013 application was complete.
- 3 63. On or about February 12, 2016, Nationstar sent Ms. Maalouli a letter denying her 2013 loan
- 4 modification application based on Nationstar's calculation of Ms. Maalouli's NPV results.
- 5 64. Shortly thereafter, Ms. Maalouli timely appealed Nationstar's denial of her 2013 modification
- 6 application ("2016 Appeal").
- 7 65. On or about May 3, 2016, Nationstar sent Ms. Maalouli a letter denying her 2016 Appeal.
- 8 However, Nationstar's denial letter failed to (1) list the full set of input units used in
- 9 calculating Ms. Maalouli's NPV results, nor (2) advise Ms. Maalouli of her right to request
- 10 a full list of inputs used in the NPV calculations. Such conduct, or lack thereof, by
- 11 Defendants, constituted a material violation of Civil Code § 2923.6(f).

12 **Fourth Violation**

- 13 66. In or about July 2016, Ms. Maalouli submitted a complete loan modification application to
- 14 Nationstar for review. Included with her application was documentation evidencing Ms. Maalouli's
- 15 her material change in her finances (i.e., an approximate \$2,000 increase in monthly income and
- 16 approximate \$1,000 decrease in monthly expenses), including a request for mortgage assistance
- 17 form, a HAMP hardship letter, an executed request for tax return transcript, a profit and loss
- 18 statement, and bank statements.
- 19 67. In or about early August 2016 and in January 2017, Nationstar confirmed Ms. Maalouli's 2016
- 20 application was complete and pending further review.
- 21 68. On August 8, 2016, Defendants caused the Notice of Trustee's Sale to be recorded against
- 22 the subject property. *See Exhibit J.* However, neither on nor before the date of August 8, 2016,
- 23 did Defendants first provide Ms. Maalouli a determination of her July 2016 modification
- 24 application, nor did Defendants advise Ms. Maalouli of her appeal rights regarding her 2016 loan
- 25 modification application, provide her an opportunity to appeal any determination made on her
- 26 2016 loan modification application, if any, nor did Defendants wait the statutory appeal period
- 27 before recording the Notice of Trustee's Sale. As such, Defendants' conduct constituted several
- 28 material violations of Civil Code § 2923.6.

///

Fifth Violation

- 1 69. In or about July 2016, Ms. Maalouli submitted a complete loan modification application to
2 Nationstar for review. Included with her application was documentation evidencing Ms. Maalouli's
3 her material change in her finances (i.e., an approximate \$2,000 increase in monthly income and
4 approximate \$1,000 decrease in monthly expenses), including a request for mortgage assistance
5 form, a HAMP hardship letter, an executed request for tax return transcript, a profit and loss
6 statement, and bank statements.
- 7 70. In or about early August 2016 and in January 2017, Nationstar confirmed Ms. Maalouli's 2016
8 application was complete and pending further review.
- 9 71. In or about early September 2017, Defendants have informed Ms. Maalouli that they
10 intended to proceed with foreclosure of the subject property on September 11, 2017. See
11 **Exhibit K**. Yet to date, Defendants still have not first provide Ms. Maalouli a determination of
12 her July 2016 modification application, nor did Defendants advise Ms. Maalouli of her appeal
13 rights regarding her 2016 loan modification application, provide her an opportunity to appeal
14 any determination made on her 2016 loan modification application, if any, nor did Defendants
15 wait the statutory appeal period before recording the Notice of Trustee's Sale. As such,
16 Defendants' conduct constituted several material violations of Civil Code § 2923.6.

- 17 72. As an actual and proximate result of Defendants complete failure to abide by Civil Code §
18 2923.6, Ms. Maalouli's interest in her home is in jeopardy, as her home is set for foreclosure
19 sale, and she is subject to imminent eviction from the subject property. But for Defendants'
20 failure to comply with the tenets of Civil Code § 2923.6, Defendants would not have had the
21 authority to proceed with the unlawful foreclosure of Ms. Maalouli's home, as they would
22 have been prevented from recording the NOS, and proceeding with the forthcoming
23 foreclosure sale of the subject property. *See Exhibit J*
- 24 73. To date, Ms. Maalouli has been diligent in contacting Nationstar in attempting to resolve the
25 situation, including applying and timely sending in loan modification application documents
26 and supplemental documentation. At all times, Defendants were, and are, keenly aware of
27 Ms. Maalouli's loan modification applications, appeal, and general account status.

74. As a direct result of Defendants' failure to comply with Civil Code § 2923.6, Ms. Maalouli has been damaged in that the foreclosure process has been allowed to unlawfully continued against her home and she is now subject to imminent foreclosure; she has expended considerable time, energy, and effort in preparing her financial information for her loan modification application reviews, as well as considerable time and effort preparing, providing, and vouching for the truth of her financial information; her credit was severely damaged; thousands of dollars in Defendants' attorneys' fees, excess interest, late fees, foreclosure fees, and other improper amounts were added to Ms. Maalouli's default amount and arrears that keep increasing due to Defendants' misconduct; she has expended at least \$20,000.00 in litigation fees in order to protect her real property rights; and additional amounts, according to proof at the time of trial, all in excess of the jurisdictional minimum of this Court.

75. In addition, as a result of Defendants' violation of Civil Code § 2923.6, Ms. Maalouli is specifically entitled to injunctive relief, an order enjoining Defendants from selling the subject property at a foreclosure sale, pursuant to Civil Code § 2924.12.

THIRD CAUSE OF ACTION

Violation of California Civil Code § 2923.7

(Against Defendant Nationstar)

76. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

77. Here, Defendants violated Civil Codes §§ 2923.7(b)(1), 2923.7(b)(2), 2923.7(b)(3),
2923.7(b)(4), and 2923.7(b)(5).

78. **POLICY:** Civil Code § 2923.7 was enacted by the California legislature specifically to head off the disarray in lenders' and servicers' loss mitigation departments, *which caused inconsistencies and significant delays within the loan modification process*. Agents in loss mitigation departments did not know what other agents were doing, advising, or promising borrowers. One department did not know what the other department was doing. Agents

- would ask borrowers to supplement a loan modification application with the same documents over and over again, such as a tax return from the prior year, though the borrower had already submitted the document on multiple occasions and though nothing in that document was subject to change. In order to bring a modicum of *consistency, authority, and accountability* within the loan modification process, the HBOR, which was enacted in 2013, required that there be a “single point of contact” assigned to every loan modification application to assist the borrower in navigating Defendants’ procedures to avoid foreclosure. *See Civil Code § 2923.7.* The single point of contact must remain assigned to the borrower until all loss mitigation options are exhausted or the borrower’s account is current.
79. In order to accommodate lenders who found it overly burdensome to assign a single person to act as a “single point of contact”, the legislature extended the definition of a single point of contact to include a “team of personnel”. However, in keeping with the policy behind Civil Code § 2923.7, the legislature required that every member of this “team” must be concurrently knowledgeable about the status of the borrower’s file, offer information about the borrower’s file that the borrower may or may not know (i.e. which documents are missing from the borrower’s loan modification application, the borrowers’ foreclosure alternatives), and have the authority to immediately stop a sale if proceeding with it would be unlawful, amongst other things. *See Civil Code § 2923.7(b)(1-5).*
80. Here, Nationstar had a duty to promptly provide Ms. Maalouli with a single point of contact to assist her through the foreclosure alternative review process, as she requested assistance in reinstating her loan in or about 2013 through present date. However, despite its duty to provide Ms. Maalouli with a single point of contact, Nationstar failed to assign Ms. Maalouli *a single point of contact* who would work with her throughout the loss mitigation process and *until her non-foreclosure options are exhausted.*
81. Despite Defendants’ duty, Defendants failed to provide Ms. Maalouli with a single point of contact, as no agent, acting as a team or otherwise, was able to comply with all of the tenets of Civil Code § 2923.7(b)(1-5) due to the fact that each agent was unfamiliar with Ms. Maalouli’s file, and were not apprised of Ms. Maalouli’s particular financial situation. Instead, Ms.

- 1 Maalouli was forced to speak with dozens different customer service representatives, none of
2 whom were familiar with her finances or situation.
- 3 82. Further, each representative Ms. Maalouli spoke with failed to act as a *single point of*
4 *contact* for Ms. Maalouli, either individually or as a team of personnel, due to the sheer fact
5 that (1) no agent reviewed Ms. Maalouli for a non-foreclosure option other than a loan
6 modification (a violation of Civil Code § 2923.7(b)(4)); (2) no agent was able to coordinate the
7 receipt of Ms. Maalouli documentation, evidenced by the fact that Nationstar (i) repeatedly
8 insisted she submit duplicative documentation; (ii) previously denied her 2013 loan modification
9 application and appeal on false financial figures, (iii) have failed to render a written
10 determination on Ms. Maalouli 2016 loan modification application, and (iv) Defendants
11 completely lost her July 2016 application (violations of Civil Code § 2923.7(b)(2)); (3) no agent
12 was able to accurately inform Ms. Maalouli of the status of her loan modification application
13 review, which is evidenced by Nationstar denying her 2016 loan modification application and
14 appeal based on false financial figures, and unable to provide her with proper NPV input figures
15 (violations of Civil Code § 2923.7(b)(3)); and (4) no agent had the ability and authority to stop
16 the unlawful foreclosure process, which is evidenced by the fact that Ms. Maalouli was
17 unlawfully subjected to dual tracking, as the NOD was recorded while Ms. Maalouli's 2013
18 modification application was pending review loan and the NOS recorded while Ms. Maalouli's
19 2016 modification application was under active review (a violation of Civil Code §
20 2923.7(b)(5)).
- 21 83. Because Defendants' agents, either as an individual or otherwise, failed to comply with each and
22 every requirement imposed by Civil Code § 2923.7(b), Defendants violated Civil Code § 2923.7
23 by failing to provide Ms. Maalouli with a single point of contact.
- 24 84. Defendants' violation of Civil Code § 2923.7 was prejudicial to Ms. Maalouli because it
25 deprived her of a meaningful opportunity to prevent foreclosure and become current on her loan.
26 Each time Ms. Maalouli spoke with a different agent, she was provided with deficient
27 information that prevented her from reasonably assessing her situation and avoiding foreclosure
28 at pivotal times when such information would have made a difference.

- 1 85. As an actual and proximate result of Defendants' complete failure to abide by Civil Code §
2 2923.7, Ms. Maalouli's interest in her home had been placed in jeopardy, and she now faces
3 imminent eviction.
- 4 86. Had Defendants complied with the requirements and tenets of Civil Code § 2923.7, Ms.
5 Maalouli would have been aware of the measures that would have prevented the foreclosure.
- 6 87. As a direct result of Defendants' failure to comply with Civil Code § 2923.7, Ms. Maalouli
7 has been damaged in that the foreclosure process has been allowed to unlawfully continued
8 against her home and she is now subject to imminent foreclosure; she has expended
9 considerable time, energy, and effort in preparing her financial information for her loan
10 modification application reviews, as well as considerable time and effort preparing,
11 providing, and vouching for the truth of her financial information; her credit was severely
12 damaged; thousands of dollars in Defendants' attorneys' fees, excess interest, late fees,
13 foreclosure fees, and other improper amounts were added to Ms. Maalouli's default amount
14 and arrears that keep increasing due to Defendants' misconduct; she has expended at least
15 \$20,000.00 in litigation fees in order to protect her real property rights; and additional
16 amounts, according to proof at the time of trial, all in excess of the jurisdictional minimum of
17 this Court.
- 18 88. In addition, as a result of Defendants' violation of Civil Code § 2923.7, Ms. Maalouli is
19 specifically entitled to injunctive relief, an order enjoining Defendants from selling the
20 subject property at a foreclosure sale, pursuant to Civil Code § 2924.12.

22 **FOURTH CAUSE OF ACTION**

23 **Violation of California Civil Code § 2924(a)(6)**

24 (Against All Defendants)

- 25 89. Ms. Maalouli re-allege and incorporate by reference all preceding paragraphs as though fully
26 set forth herein

27 ///

28 ///

90. Pursuant to *Civ. Code* § 2924(a)(6), no entity has the authority to initiate the foreclosure process by ***executing and recording*** a Notice of Default, nor proceed with the foreclosure process, unless that entity is either (1) the holder of a beneficial interest under the mortgage, or (2) the original trustee or a substituted trustee under the deed of trust.
91. Pursuant the Deed of Trust, MERS was the beneficiary, and Recontrust was the trustee, under the Deed of Trust. *See Exhibit A.*
92. However, as detailed *supra*, the entities that executed and recorded Assignment #1, 2, and 3, Substitution #1, the NOD, and NOS were not authorized to execute or record such documents. Therefore, such foreclosure documents are in violation of Civil Code § 2924(a)(6).
93. As a direct result of Defendants' failure to comply with Civil Code § 2924(a)(6), Ms. Maalouli has been damaged in that the foreclosure process has been allowed to unlawfully continued against her home and she is now subject to imminent foreclosure; she has expended considerable time, energy, and effort in preparing her financial information for her loan modification application reviews, as well as considerable time and effort preparing, providing, and vouching for the truth of her financial information; her credit was severely damaged; thousands of dollars in Defendants' attorneys' fees, excess interest, late fees, foreclosure fees, and other improper amounts were added to Ms. Maalouli's default amount and arrears that keep increasing due to Defendants' misconduct; she has expended at least \$20,000.00 in litigation fees in order to protect her real property rights; and additional amounts, according to proof at the time of trial, all in excess of the jurisdictional minimum of this Court.

FIFTH CAUSE OF ACTION

Violation of California Civil Code § 2924.9

(Against All Defendants)

94. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.

- 1 95. Pursuant to Civil Code § 2924.9, within five business days after recording a Notice of
2 Default, lenders and/or mortgage servicers must inform the affected borrowers **in writing of**
3 **the availability and process for requesting the Defendants' foreclosure prevention**
4 **alternative options, and whether an application must be submitted to be considered.**
- 5 96. On or about February 24, 2014, Aztec recorded a Notice of Default ("NOD") against the
6 subject property. *See Exhibit H.* However, within five business days after recording their
7 Notice of Default, Defendants failed to send Ms. Maalouli written correspondence informing
8 him of the availability and process for requesting Defendants' other non-foreclosure
9 prevention alternative options, including a short-sale, a deed-in-lieu, or reinstatement by
10 paying her arrears in full, as Ms. Maalouli had not received any communications, including
11 letters, from any Defendant attempting to comply with Civil Code § 2924.9. As a result,
12 Defendants violated the tenets of Civil Code § 2924.9.
- 13 97. As a direct result of Defendants' failure to comply with Civil Code § 2924.9, Ms. Maalouli
14 has been damaged in that the foreclosure process has been allowed to unlawfully continued
15 against her home and she is now subject to imminent foreclosure; she has expended
16 considerable time, energy, and effort in preparing her financial information for her loan
17 modification application reviews, as well as considerable time and effort preparing,
18 providing, and vouching for the truth of her financial information; her credit was severely
19 damaged; thousands of dollars in Defendants' attorneys' fees, excess interest, late fees,
20 foreclosure fees, and other improper amounts were added to Ms. Maalouli's default amount
21 and arrears that keep increasing due to Defendants' misconduct; she has expended at least
22 \$20,000.00 in litigation fees in order to protect her real property rights; and additional
23 amounts, according to proof at the time of trial, all in excess of the jurisdictional minimum
24 of this Court.
- 25 98. In addition, as a result of Defendants' violation of Civil Code § 2924.9, Ms. Maalouli is
26 **specifically entitled to injunctive relief**, an order enjoining Defendants from selling the
27 subject property at a foreclosure sale, pursuant to Civil Code § 2924.12.
- 28

SIXTH CAUSE OF ACTION

Violation of California Civil Code § 2924.10

(Against Defendant Nationstar)

99. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.
 100. Civil Code § 2924.10 provides the procedures and guidelines that a lender/servicer must follow in reviewing a borrower for foreclosure prevention alternatives.
 101. Civil Code § 2924.10 states, in pertinent, that:
 - "(a) When a borrower submits a complete first lien modification application or any document in connection with a first lien modification application, the mortgage servicer ***shall provide written acknowledgment of the receipt of the documentation within five business days of receipt***. In its initial acknowledgment of receipt of the loan modification application, the mortgage servicer ***shall include*** the following information:
 1. A description of the loan modification process, including an estimate of when a decision on the loan modification will be made after a complete application has been submitted by the borrower and the length of time the borrower will have to consider an offer of a loan modification or other foreclosure prevention alternative.
 2. Any deadlines, including deadlines to submit missing documentation, that would affect the processing of a first lien loan modification application.
 3. Any expiration dates for submitted documents.
 4. Any deficiency in the borrower's first lien loan modification application."

(Emphasis added).

2013 LOAN MODIFICATION APPLICATION

102. In or about March 2013, given her significant change in financial circumstances, Ms. Maalouli submitted a complete loan modification application to Nationstar for review. Included with her application was documentation evidencing Ms. Maalouli's material change

- 1 in her finances, including a request for mortgage assistance form, a HAMP hardship letter, an
2 executed request for tax return transcript, a profit and loss statement, and bank statements.
3
103. Thereafter, Ms. Maalouli submitted updated and supporting modification documentation to
4 Nationstar for several years.
5
104. However, after receiving Ms. Maalouli's 2013 loan modification application or associated
6 documents, Defendants did not provide Ms. Maalouli written acknowledgment of receipt of
7 her application or associated documents within five business days of receipt, nor did
8 Defendants advise Ms. Maalouli of the description of the loan modification processes,
9 deadlines, or expiration dates in writing (a violation of Civil Code § 2924.10). Rather, the
10 only documents Ms. Maalouli received relating to her 2013 loan modification application
11 was a deficient February 12, 2016 denial letter of her 2013 application. As such, Defendants'
12 conduct constituted material violations of Civil Code § 2924.10
13

2016 APPEAL

- 14
15. In or about March 2013, given her significant change in financial circumstances, Ms. Maalouli
16 submitted a complete loan modification application to Nationstar for review. Included with her
17 application was documentation evidencing Ms. Maalouli's material change in her finances,
18 including a request for mortgage assistance form, a HAMP hardship letter, an executed request for
19 tax return transcript, a profit and loss statement, and bank statements.
20
106. Defendants denied Ms. Maalouli's 2013 application in February 2016.
21
107. Shortly thereafter, Ms. Maalouli timely appealed Nationstar's denial of her 2013 modification
22 application ("2016 Appeal").
23
108. However, after receiving Ms. Maalouli's 2016 Appeal, Defendants did not provide Ms.
24 Maalouli written acknowledgment of receipt of her appeal or associated documents within
25 five business days of receipt, nor did Defendants advise Ms. Maalouli of the description of
26 the loan modification processes, deadlines, or expiration dates in writing. As such,
27 Defendants' conduct constituted material violations of Civil Code § 2924.10.
28 ///
29 ///

2016 LOAN MODIFICATION APPLICATION

109. In or about July 2016, Ms. Maalouli submitted a complete loan modification application to Nationstar for review. Included with her application was documentation evidencing Ms. Maalouli's her material change in her finances (i.e., an approximate \$2,000 increase in monthly income and approximate \$1,000 decrease in monthly expenses), including a request for mortgage assistance form, a HAMP hardship letter, an executed request for tax return transcript, a profit and loss statement, and bank statements.
 110. Thereafter, Ms. Maalouli submitted updated and supporting modification documentation to Nationstar over the next 11 months.
 111. However, after receiving Ms. Maalouli's 2016 loan modification application or associated documents, Defendants did not provide Ms. Maalouli written acknowledgment of receipt of her application or associated documents within five business days of receipt, nor did Defendants advise Ms. Maalouli of the description of the loan modification processes, deadlines, or expiration dates in writing. As such, Defendants' conduct constituted material violations of Civil Code § 2924.10

* * *

112. Defendants' failure to comply with Civil Code § 2924.10 was material because Ms. Maalouli was rendered ignorant of the loan modification process, as the only information regarding the loan modification process came from Defendants' various agents, who, as detailed *supra*, provided Ms. Maalouli with inaccurate, incomplete, or contradictory information about (1) the loan modification review process; (2) deadlines to submit missing documents; (3) expiration of submitted documents; and (4) deficiencies in Ms. Maalouli's loan modification application. As a result, Ms. Maalouli were injured by Defendants' failure to comply with Civil Code § 2924.10, as Ms. Maalouli's loan modification reviews were delayed due to (1) Defendants' failure to acknowledge which documents had been received, and which documents Ms. Maalouli needed to send in for review; and (2) required Ms. Maalouli to resubmit duplicate documentation. In addition, had Defendants complied with Civil Code § 2924.10, it is completely logical that Defendants would not have denied Ms. Maalouli's 2013

- 1 loan modification application and appeal, nor would have Defendants completely lost her
2 2016 modification application.
- 3 113. As an actual and proximate result of Defendants' failure to abide by Civil Code § 2924.10,
4 Ms. Maalouli's loan modification applications and appeal were negligently reviewed and/or
5 denied. As such, Ms. Maalouli's home in subject to imminent foreclosure, and she subject to
6 imminent eviction.
- 7 114. To date, Ms. Maalouli has been diligent in attempting to reinstate her loan, including
8 applying and timely sending in her loan modification application documents, and calling
9 Defendants on frequent and numerous occasions to get updates and guidance on her loan
10 modification. At all times, Defendants were, and are, keenly aware of Ms. Maalouli's loan
11 modification applications and general account status.
- 12 115. As a direct result of Defendants' failure to comply with Civil Code § 2924.10, Ms. Maalouli
13 has been damaged in that the foreclosure process has been allowed to unlawfully continued
14 against her home and she is now subject to imminent foreclosure; she has expended
15 considerable time, energy, and effort in preparing her financial information for her loan
16 modification application reviews, as well as considerable time and effort preparing,
17 providing, and vouching for the truth of her financial information; her credit was severely
18 damaged; thousands of dollars in Defendants' attorneys' fees, excess interest, late fees,
19 foreclosure fees, and other improper amounts were added to Ms. Maalouli's default amount
20 and arrears that keep increasing due to Defendants' misconduct; she has expended at least
21 \$20,000.00 in litigation fees in order to protect her real property rights; and additional
22 amounts, according to proof at the time of trial, all in excess of the jurisdictional minimum of
23 this Court.
- 24 116. In addition, as a result of Defendants' violation of Civil Code § 2924.10, Ms. Maalouli is
25 **specifically entitled to injunctive relief**, an order enjoining Defendants from selling the
26 subject property at a foreclosure sale, pursuant to Civil Code § 2924.12.

27 ///
28 ///

SEVENTH CAUSE OF ACTION

Violation of California Civil Code § 2924.17

(Against all Defendants)

117. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though fully set forth herein.
 118. California Civil Code § 2924.17 provides specific declaration requirements a servicer must meet in order to proceed with foreclosure of a borrower's home.
 119. Civil Code § 2924.17(a) states that, “[a] *declaration* recorded pursuant... to Section 2923.55, a *notice of default*, *notice of sale*, *assignment of a deed of trust*, or *substitution of trustee* recorded by or on behalf of a mortgage servicer in connection with a foreclosure subject to the requirements of Section 2924...**shall be accurate and complete and supported by competent and reliable evidence.**” (Emphasis added).
 120. Civil Code § 2924.17(b) further states, “[b]before recording or filing any of the documents described in subdivision (a), a mortgage servicer shall ensure that it has reviewed competent and reliable evidence to substantiate the borrower's default and the right to foreclose, including the borrower's loan status and loan information.

The Notice of Default and Notice of Trustee's Sale are Void as a Matter of Law

121. On or about February 24, 2014, Aztec recorded a Notice of Default (“NOD”) against the subject property. *See Exhibit H.* On August 8, 2016, Defendants caused the Notice of Trustee’s Sale to be recorded against the subject property. *See Exhibit J.* However, it is impossible that Defendants could have ensured that they reviewed competent and reliable evidence to substantiate Ms. Maalouli’s default and Defendants’ right to foreclose based on Defendants’ numerous violations as discussed *supra*, including their violations of Civil Code §§ 2923.55, 2923.6, 2924(a)(6), 2923.7, 2924.9, 2924.10, and 2924.17. In addition, the sheer fact that Aztec, the entity that recorded the NOD and NOS, did not have properly authority to record such foreclosure documents (*see supra*), evidences Defendants’ failure to review competent and reliable evidence prior to recording such documents. Accordingly, it is impossible that Defendants could “ensure that [they have] reviewed competent and reliable

- 1 evidence to substantiate the borrower's default and the right to foreclose" to support the
2 Notice of Default and the Notice of Trustee's Sale, pursuant to Civil Code § 2924.17(b).
- 3 122. As an actual and proximate result of Defendants' violations of California Civil Code §
4 2924.17, Ms. Maalouli's interest in her home has been placed in jeopardy, and she is subject
5 to imminent eviction from the subject property.
- 6 123. As a direct result of Defendants' failure to comply with Civil Code § 2924.17, Ms. Maalouli
7 has been damaged in that the foreclosure process has been allowed to unlawfully continued
8 against her home and she is now subject to imminent foreclosure; she has expended
9 considerable time, energy, and effort in preparing her financial information for her loan
10 modification application reviews, as well as considerable time and effort preparing,
11 providing, and vouching for the truth of her financial information; her credit was severely
12 damaged; thousands of dollars in Defendants' attorneys' fees, excess interest, late fees,
13 foreclosure fees, and other improper amounts were added to Ms. Maalouli's default amount
14 and arrears that keep increasing due to Defendants' misconduct; she has expended at least
15 \$20,000.00 in litigation fees in order to protect her real property rights; and additional
16 amounts, according to proof at the time of trial, all in excess of the jurisdictional minimum of
17 this Court.
- 18 124. In addition, as a result of Defendants' violation of Civil Code § 2924.17, Ms. Maalouli is
19 **specifically entitled to injunctive relief**, an order enjoining Defendants from selling the
20 subject property at a foreclosure sale, pursuant to Civil Code § 2924.12.

22 **EIGHTH CAUSE OF ACTION**

23 **Negligence & Negligence *Per Se***

24 (Against All Defendants)

- 25 125. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though
26 fully set forth herein.

27 ///
28 ///

1 **DEFENDANTS OWED A DUTY OF CARE TO MS. MAALOULI, AS THEY EXCEEDED**
2 **THEIR ROLE OF TRADITIONAL MONEY LENDERS.**

- 3 126. A recent growing trend of California Courts have found that a lender and servicer owe a duty
4 of care to a borrower during the loan modification review process, should the lender or
5 servicer agree to review the borrower for a loan modification. For example California courts
6 have recently found that a lender and servicer, in reviewing a borrower for a loan
7 modification, owe the borrower a duty to handle the borrower's applications with due care
8 such as not to lose or misplace the application and not foreclose on the borrower's home
9 while the application is pending.
- 10 127. Based on the recent trend in California authority, it is clear that Defendants owed Ms.
11 Maalouli a duty of care in servicing her loan and reviewing her loan modification
12 applications and appeal, as Defendants (1) urged Ms. Maalouli to submit such modification
13 applications for review; (2) accepted such applications for review; and (3) actively reviewed
14 such applications. Also, pursuant to the Doctrine Negligence Per Se, Defendants, and each of
15 them owed a duty to comply with the laws, and Defendants are liable for violating the very
16 laws intended to protect Ms. Maalouli from unlawful foreclosure proceedings and said
17 violations caused the injuries suffered by Ms. Maalouli.
- 18 128. Defendants violated numerous statutes that serve as the underlying violations for liability
19 under the doctrine of negligence per se:
20 a. Violating Civil Code § 2923.55;
21 b. Violating Civil Code § 2923.6;
22 c. Violating Civil Code § 2923.7;
23 d. Violating Civil Code § 2924(a)(6);
24 e. Violating Civil Code § 2924.9;
25 f. Violating Civil Code § 2924.10; and
26 g. Violating Civil Code § 2924.17.

27 ///
28 ///

1 129. Civil Code §§ 2923.55, 2923.6, 2923.7, 2924(a)(6), 2924.9, 2924.10, and 2924.17 were
2 enacted by the California legislature specifically to protect the rights of innocent
3 homeowners suffering from financial hardships. These statutes were also enacted by the
4 California legislature specifically to prevent the same injury that Ms. Maalouli will
5 imminently suffer: **wrongful foreclosure, and eviction resulting from a wrongful,**
6 **unlawful, and improper foreclosure.**

7 **DEFENDANTS BREACHED THEIR DUTY OF CARE OWED TO MS. MAALOULI**

8 130. Defendants breached their duty of due care owed to Ms. Maalouli by partaking in the
9 numerous unfair and unlawful violations as discussed *supra*, including their violations of
10 Civil Code §§ 2923.55, 2923.6, 2923.7, 2924(a)(6), 2924.9, 2924.10, and 2924.17.
11 131. Defendants' breach was the actual and proximate cause of the foreclosure proceedings
12 against the subject property, as well as depriving Ms. Maalouli of a meaningful opportunity
13 to prevent foreclosure of the subject property.
14 132. Defendants assumed a duty of due care in reviewing and servicing Ms. Maalouli's loan
15 modification applications for foreclosure alternative options, and are obligated to handle Ms.
16 Maalouli's home loan account in good-faith and fair deal. Ms. Maalouli would have been
17 able to avoid foreclosure if Defendants had acted reasonably and prudently with respect to
18 Ms. Maalouli's home loan account.
19 133. The actions of Defendants summarily denied Ms. Maalouli any opportunity to utilize the
20 avenues at her disposal to avoid the loss of her home. Defendants' actions, therefore, are a
21 substantial factor, proximate and actual cause of the resulting foreclosure proceedings.
22 134. Defendants' violations of these statutes directly and proximately caused the injuries suffered
23 by Ms. Maalouli. Had Defendants complied with these laws to begin with, Ms. Maalouli
24 would not have suffered the very injuries that give rise to this Complaint because Ms.
25 Maalouli would have been able to successfully pursue and obtain a non-foreclosure
26 alternative and become current on her loan. Furthermore, Defendants' violations are the
27 factual and proximate cause of the injuries suffered by Ms. Maalouli because Ms. Maalouli's
28 attempts to pursue and obtain a non-foreclosure alternative were unreasonably handled by

- 1 Defendants and, in fact, Defendants affirmatively interfered with Ms. Maalouli's ability to
2 avoid foreclosure.
- 3 135. But for Defendants' negligence, Ms. Maalouli would have been cured the default on the
4 subject loan, and her home loan account reinstated.
- 5 136. As a direct result of Defendants' negligence, Ms. Maalouli has been damaged in that she did
6 not have a meaningful opportunity to prevent foreclosure and become current on her home
7 loan. Furthermore, Ms. Maalouli has suffered substantial injury in that the foreclosure
8 process has been allowed to unlawfully continued against her home and she is now subject to
9 imminent foreclosure; she has expended considerable time, energy, and effort in preparing
10 her financial information for her loan modification application reviews, as well as
11 considerable time and effort preparing, providing, and vouching for the truth of her financial
12 information; her credit was severely damaged; thousands of dollars in Defendants' attorneys'
13 fees, excess interest, late fees, foreclosure fees, and other improper amounts were added to
14 Ms. Maalouli's default amount and arrears that keep increasing due to Defendants'
15 misconduct; she has expended at least \$20,000.00 in litigation fees in order to protect her real
16 property rights; and additional amounts, according to proof at the time of trial, all in excess
17 of the jurisdictional minimum of this Court.
- 18
- 19

NINTH CAUSE OF ACTION

Violation of California Business & Professions Code Section 17200

(Against All Defendants)

- 20 137. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as through
21 fully set forth herein.
- 22 138. California Business & Professions Code § 17200 et seq., also known as the California Unfair
23 Competition Law ("UCL"), prohibits acts of "unfair competition," including any unlawful
24 and unfair or deceptive business act or practice as well as "unfair, deceptive, untrue or
25 misleading advertising."
- 26
- 27
- 28 ///

139. The UCL authorizes restitution and disgorgement of money or property wrongfully obtained by means of such unfair competition. Bus. & Prof. Code § 17203.
 140. The conduct and business practices of Defendants and their agents, alleged herein, constituted unfair and unlawful business practices within the provisions of California Business & Professions Code § 17200 et seq. As such, Defendants, and each of them, are liable for the unfair and unlawful conduct of itself, its agents, and its predecessors.

VIOLATIONS OF BUS. & PROF. CODE § 17200, ET. SEQ.

BASED ON “UNFAIR” CONDUCT

141. Courts adjudicating wrongful foreclosure actions, such as this action, have uniformly chosen to define unfair as **conduct that threatens to violate public policy**. The inherent public policy emanating at the core of this action is undeniably clear: **foreclosure is the absolute last resort and lenders must not only refrain from acting so as to encourage foreclosure, but must instead act so as to prevent it.**
 142. Here, as detailed *supra*, Defendants' unfair and improper business practices include Defendants' unfair violations of Civil Code §§ 2923.55, 2923.6, 2923.7, 2924(a)(6), 2924.9, 2924.10, and 2924.17.
 143. Defendants', and their agents', conduct and business practices violated Bus. & Prof. Code § 17200 in that their utility is significantly outweighed by the gravity of the harm that it imposes on homeowners. Defendants have alternatives to this conduct that would be less harmful to homeowners and borrowers, but which do not employ because their present conduct is more profitable and beneficial than these alternatives.
 144. On the same grounds already alleged herein, Defendants' violations of Civil Code §§ 2923.55, 2923.6, 2923.7, 2924(a)(6), 2924.9, 2924.10, and 2924.17 also violated the policy behind said statutes.
 145. Additionally, the conduct of Defendants and their agents, and through each other, also violates the "unfair" prong because the practice is oppressive, unscrupulous, and/or substantially injurious to borrowers.

11

VIOLATIONS OF BUS. & PROF. CODE § 17200, ET. SEQ.,

BASED ON “UNLAWFUL” CONDUCT

146. “Unlawful” conduct under Bus & Prof. Code § 17200 is any practices forbidden by law whether civil or criminal, federal, state, or municipal, statutory, regulatory, or court-made.
 147. Defendants’ conduct was unlawful and, therefore, violated Bus. & Prof. Code § 17200. Specifically, Defendants’ conduct was unlawful, in violation of Bus. & Prof. Code § 17200, as follows:
 - a. Violating Civil Code § 2923.55;
 - b. Violating Civil Code § 2923.6;
 - c. Violating Civil Code § 2923.7;
 - d. Violating Civil Code § 2924(a)(6);
 - e. Violating Civil Code § 2924.9;
 - f. Violating Civil Code § 2924.10; and
 - g. Violating Civil Code § 2924.17.
 148. Civil Code §§ Civil Code §§ 2923.55, 2923.6, 2923.7, 2924(a)(6), 2924.9, 2924.10, and 2924.17 were enacted by the California legislature specifically to protect the rights of innocent borrowers suffering from financial hardships. These statutes were also enacted by the California legislature specifically to prevent the same injury that Ms. Maalouli will imminently suffer: eviction resulting from a wrongful, unlawful, and improper foreclosure.
 149. As a direct and proximate result of Defendants’ unfair, deceptive, and unlawful business practices, Ms. Maalouli, said Defendants’ other borrowers, and the public in general have been injured.
 150. The unlawful and unfair business practices of Defendants described herein present a continuing threat to Ms. Maalouli. The public in general is likely to be deceived into relying on Defendants’ prompt and accurate servicing of their mortgage to avoid foreclosure, Defendants adhering to California’s statutory foreclosure scheme, and Defendants adhering to the terms of their own promise and agreement with borrowers. Defendants are likely to persist and continue to engage in these practices, and will not cease doing so unless and until

- 1 forced to do so by this Court.
- 2 151. Defendants' conduct is causing and will continue to cause irreparable injury to Ms. Maalouli
3 and the public in general unless enjoined or restrained.
- 4 152. Defendants' Business & Professions Code § 17200 violations and Civil Code violations have
5 also caused injury to Ms. Maalouli in that Defendants have unlawfully added thousands of
6 dollars in attorney's fees, late fees, and additional costs to the subject loan's arrears and
7 default amount.
- 8 153. As a direct result of Defendants' violation of Business & Professions Code § 17200, Ms.
9 Maalouli has been damaged in that she did not have a meaningful opportunity to prevent
10 foreclosure and become current on her home loan. Furthermore, Ms. Maalouli has suffered
11 substantial injury in that the foreclosure process has been allowed to unlawfully continued
12 against her home and she is now subject to imminent foreclosure; she has expended
13 considerable time, energy, and effort in preparing her financial information for her loan
14 modification application reviews, as well as considerable time and effort preparing,
15 providing, and vouching for the truth of her financial information; her credit was severely
16 damaged; thousands of dollars in Defendants' attorneys' fees, excess interest, late fees,
17 foreclosure fees, and other improper amounts were added to Ms. Maalouli's default amount
18 and arrears that keep increasing due to Defendants' misconduct; she has expended at least
19 \$20,000.00 in litigation fees in order to protect her real property rights; and additional
20 amounts, according to proof at the time of trial, all in excess of the jurisdictional minimum of
21 this Court.
- 22
- 23

PRAYERS FOR RELIEF

Preliminary and Permanent Injunction

(Against All Defendants)

- 24 154. Ms. Maalouli re-alleges and incorporates by reference all preceding paragraphs as though
25 fully set forth herein.

26 ///

155. Pursuant to the wrongful and improper pending foreclosure sale of the subject property on September 11, 2017, Ms. Maalouli is at risk of permanent loss of the subject property should Defendants sell the subject property to a third-party bona fide purchaser for value.
 156. Monetary damages will not suffice to make Ms. Maalouli whole as a result of the unique nature of real property. Accordingly, Ms. Maalouli has no adequate remedy at law.
 157. Ms. Maalouli is entitled to an injunction until such time that Defendants can verify their compliance with the foregoing statutes. Ms. Maalouli respectfully requests the Court enjoin Defendants to rescind any unlawfully recorded Notices, including the Notice of Default and Notice of Trustee's Sale, and prohibit Defendants from selling the subject property during the pendency of this action.
 158. Ms. Maalouli is also entitled to injunctive relief under Business & Professions Code §§ 17200 & 17203. A trial court has broad authority to enjoin conduct that violates Business & Professions Code § 17200.

FURTHER PRAYERS FOR RELIEF

WHEREFORE, Ms. Maalouli prays for judgment against Defendants as follows:

1. For damages according to proof;
 2. For damages according to statute;
 3. For restitution;
 4. For reasonable attorneys' fees and costs according to proof;
 5. For reasonable attorneys' fees and costs according to statute;
 6. For an order enjoining Defendants to rescind the Notice of Default (*see Exhibit H*);
 7. For an order enjoining Defendants to rescind the Notice of Trustee's Sale (*see Exhibit J*);
 8. For an order enjoining Defendants and their agents and assigns from selling the subject property during the pendency of this action; and

///

1
9. For such other and further relief as this Court deems just and proper.
2

3 DATED: September 6, 2017

HAROUNI LAW GROUP

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5 By:
6

Kaivan Harouni, Attorney for Plaintiff
Laura Maalouli



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VERIFICATION

I am the plaintiff in the above-entitled action. I have read the foregoing Complaint and know the contents thereof. The same is true of my own knowledge, except as to those matters which are therein alleged on information and belief, and as to those matters, I believe it to be true.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed in Mission Viejo, California on September 6, 2017.

By: Laura Maalouli
Laura Maalouli

EXHIBIT A

FIDELITY NATIONAL TITLE COMPANY
SUBDIVISION DEPARTMENT

Recording Requested By:
K. BUDDE

OR # 983498 J-KC

After Recording Return To:
COUNTRYWIDE HOME LOANS, INC.

MS SV-79 DOCUMENT PROCESSING
P.O. Box 10423
Van Nuys, CA 91410-0423

Prepared By:
KATE S. ANDERSON

Recorded in Official Records, Orange County

Tom Daly, Clerk-Recorder



87.00

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DEED OF TRUST

MIN 1000157-0005962245-2

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated NOVEMBER 01, 2005 , together with all Riders to this document.

(B) "Borrower" is

LAURA MAALOULI, A WIDOW

CALIFORNIA-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT WITH MERS

Page 1 of 16

Initials:

L/M

Form 3005 1/01

VMP -6A(CA) (0207) CONV/VA

CHL (09/02)(d)

VMP MORTGAGE FORMS - (800)521-7291



* 2 3 9 9 1 *



* 1 1 5 0 4 1 8 9 7 0 0 0 0 0 1 0 0 6 A *

Borrower's address is

15 PARLIAMENT, LADERA RANCH, CA 92694

Borrower is the trustor under this Security Instrument.

(C) "Lender" is

COUNTRYWIDE HOME LOANS, INC.

Lender is a CORPORATION

organized and existing under the laws of NEW YORK

Lender's address is

4500 Park Granada, Calabasas, CA 91302-1613

(D) "Trustee" is

RECONTRUST COMPANY, N.A.

225 W HILLCREST DRIVE, MSN: TO-02, THOUSAND OAKS, CA 91360

(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) 679-MERS.

(F) "Note" means the promissory note signed by Borrower and dated NOVEMBER 01, 2005 . The Note states that Borrower owes Lender

SEVEN HUNDRED TWELVE THOUSAND SIX HUNDRED SEVENTY EIGHT and 00/100

Dollars (U.S. \$ 712,678.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than DECEMBER 01, 2035

(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]:

- | | | |
|---|--|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input checked="" type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> 1-4 Family Rider |
| <input type="checkbox"/> VA Rider | <input type="checkbox"/> Biweekly Payment Rider | <input type="checkbox"/> Other(s) [specify] |

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

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

[Type of Recording Jurisdiction]

[Name of Recording Jurisdiction]

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

Parcel ID Number: 74155114

which currently has the address of

1 DRACKERT LANE, LADERA RANCH

[Street/City]

California 92694 ("Property Address"):

[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,



CHL (09/02)

Page 3 of 16

Initials: LH
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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.

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

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

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

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

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

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

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

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

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

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

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of

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

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

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

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

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



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

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

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

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

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

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower

shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

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

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

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

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

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

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

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

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

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security

Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in

compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

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

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

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

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.



-6A(CA) (0207)

CHL (09/02)

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Initials: L M
Form 3005 1/01

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

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

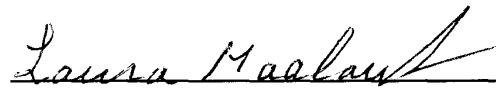
23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without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

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

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

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

Witnesses:



(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

(Seal)

-Borrower

State of California
County of Orange

} ss.

On November 3, 2005 before me, L. E. Rudzinski, Notary Public
personally appeared

Laura Maalouli

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

WITNESS my hand and official seal.



L. E. Rudzinski (Seal)

Government Code 27361.7

I certify under the penalty of perjury that the notary seal on
this document read as follows:

Name of Notary: L.E. RUDZINSKI

Date Commission Expires: JANUARY 10, 2006

County where bond is Filed: ORANGE

Commission No.: 1334395

Manufacturer/Vendor No.: MGC1

Place of execution - Newport Beach

Date - November 6, 2005



FIDELITY NATIONAL TITLE COMPANY

EXHIBIT A

PARCEL NO. 1:

LOT 27 OF TRACT NO. 16392, AS SHOWN ON A SUBDIVISION MAP ("MAP") FILED ON JULY 6, 2004, IN BOOK 859, PAGES 22 TO 27, INCLUSIVE, OF MISCELLANEOUS MAPS, IN THE OFFICE OF THE ORANGE COUNTY RECORDER.

EXCEPTING FROM THE PROPERTY, ANY AND ALL OIL, OIL RIGHTS, MINERALS, MINERAL RIGHTS, NATURAL GAS RIGHTS AND OTHER HYDROCARBONS BY WHATSOEVER NAME KNOWN, GEOTHERMAL STEAM, AND ALL PRODUCTS DERIVED FROM ANY OF THE FOREGOING, THAT MAY BE WITHIN OR UNDER THE PROPERTY, TOGETHER WITH THE PERPETUAL RIGHT OF DRILLING, MINING, EXPLORING AND OPERATING THEREFOR, AND STORING IN AND REMOVING THE SAME FROM SAID PROPERTY OR ANY OTHER LAND, INCLUDING THE RIGHT TO WHIPSTOCK OR DIRECTIONALLY DRILL AND MINE FROM LANDS OTHER THAN THE PROPERTY, AND TO BOTTOM SUCH WHIPSTOCKED OR DIRECTIONALLY DRILLED WELLS AND BORINGS UNDER AND BENEATH OR BEYOND THE EXTERIOR LIMITS THEREOF, AND TO REDRILL, EQUIP, MAINTAIN, REPAIR, DEEPEN AND OPERATE ANY SUCH WELLS OR MINES, BUT WITHOUT, HOWEVER, THE RIGHT TO ENTER THE PROPERTY OR THE RIGHT TO DRILL, MINE, STORE, EXPLORE OR OPERATE THROUGH THE SURFACE OF THE UPPER FIVE HUNDRED (500) FEET OF THE SUBSURFACE OF THE PROPERTY, AS RESERVED BY LADERA DEVELOPMENT COMPANY, L.L.C. IN THE DEED RECORDED DECEMBER 10, 1996, AS INSTRUMENT NO. 19960624029, OF OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA ("OFFICIAL RECORDS").

PARCEL NO. 2:

NONEXCLUSIVE EASEMENTS FOR ACCESS, USE AND ENJOYMENT, DRAINAGE, ENCROACHMENT, SUPPORT, MAINTENANCE, REPAIRS, AND FOR OTHER PURPOSES, ALL AS DESCRIBED IN THE MAP, AND THE MASTER DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND RESERVATION OF EASEMENTS FOR LADERA RANCH, AS AMENDED OR RESTATED ("MASTER DECLARATION"), RECORDED ON JUNE 18, 1999, AS INSTRUMENT NO. 19990456273; AND THE SUPPLEMENTAL MASTER DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND RESERVATION OF EASEMENTS FOR PHASE 3 OF AMARANTE, AS AMENDED OR RESTATED ("SUPPLEMENTAL DECLARATION"), RECORDED ON NOVEMBER 4, 2004, AS INSTRUMENT NO. 2004000993083; BOTH OF OFFICIAL RECORDS.

PLANNED UNIT DEVELOPMENT RIDER

After Recording Return To:

COUNTRYWIDE HOME LOANS, INC.
MS SV-79 DOCUMENT PROCESSING
P.O.Box 10423
Van Nuys, CA 91410-0423

Prepared By:

KATE S. ANDERSON

10202-DT 00011504189711005
[Escrow/Closing #] [Doc ID #]

THIS PLANNED UNIT DEVELOPMENT RIDER is made this FIRST day of NOVEMBER, 2005 , and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the

MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
VMP-7R (0411) CHL (11/04)(d) Page 1 of 4 Initials: L.M.
VMP Mortgage Solutions, Inc. (800)521-7291 Form 3150 1/01



* 2 3 9 9 1 *



* 1 1 5 0 4 1 8 9 7 0 0 0 0 0 1 0 0 7 R *

DOC ID #: 00011504189711005

undersigned (the "Borrower") to secure Borrower's Note to
COUNTRYWIDE HOME LOANS, INC.

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

1 DRACKERT LANE
LADERA RANCH, CA 92694
[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in THE COVENANTS, CONDITIONS, AND RESTRICTIONS FILED OF RECORD THAT AFFECT THE PROPERTY

(the "Declaration"). The Property is a part of a planned unit development known as
AMARANTE

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

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

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and 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, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Initials: L/H

VMP-7R (0411)

CHL (11/04)

Page 2 of 4

Form 3150 1/01

DOC ID #: 00011504189711005

undersigned (the "Borrower") to secure Borrower's Note to
COUNTRYWIDE HOME LOANS, INC.

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

1 DRACKERT LANE
LADERA RANCH, CA 92694
[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in THE COVENANTS, CONDITIONS, AND RESTRICTIONS FILED OF RECORD THAT AFFECT THE PROPERTY

(the "Declaration"). The Property is a part of a planned unit development known as
AMARANTE

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

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

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and 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, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

Initials: L/H

VMP-7R (0411)

CHL (11/04)

Page 2 of 4

Form 3150 1/01

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

Initials: L M

DOC ID #: 00011504189711005

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

Laura Maalouli
LAURA MAALOULI

(Seal)
- Borrower

(Seal)
- Borrower

(Seal)
- Borrower

(Seal)
- Borrower

VMP-7R (0411)

CHL (11/04)

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Form 3150 1/01

ADJUSTABLE RATE RIDER

(PayOption MTA Twelve Month Average Index - Payment Caps)

10202-DT 00011504189711005
[Escrow/Closing #] [Doc ID #]

THIS ADJUSTABLE RATE RIDER is made this FIRST day of NOVEMBER, 2005, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to COUNTRYWIDE HOME LOANS, INC.

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

1 DRACKERT LANE
LADERA RANCH, CA 92694
[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 MAXIMUM 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 agrees as follows:

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

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

- PayOption MTA ARM Rider
1E310-XX (12/04)(d)

Page 1 of 6



* 2 3 9 9 1 *



* 1 1 5 0 4 1 8 9 7 0 0 0 0 0 1 E 3 1 0 *

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 1.750 %. 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 first day of JANUARY, 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 & 40/100 percentage point(s) (3.400 %) ("Margin") to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be my new interest rate until the next Interest Rate Change Date. My interest 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 FIRST day of each month beginning on January, 2006. I will make these payments every month until I have paid all the Principal and interest and any other charges described below that I may owe under the Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on DECEMBER 01, 2035, I still owe amounts under the Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

• PayOption MTA ARM Rider

1E310-XX (12/04)

Page 2 of 6

I will make my monthly payments at
P.O. Box 10219, Van Nuys, CA 91410-0219

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

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments until the first Payment Change Date will be in the amount of
U.S. \$ 2,546.00 , unless adjusted under Section 3 (F).

(C) Payment Change Dates

My monthly payment may change as required by Section 3(D) below beginning on the
first day of JANUARY, 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 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 the Maximum Limit equal to ONE HUNDRED FIFTEEN percent (115 %) 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 Minimum Payment until my monthly 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.

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

Section 18 of the Security Instrument entitled "Transfer of the Property or a Beneficial Interest in Borrower" 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.

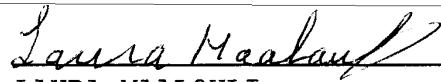
To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements 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

DOC ID #: 00011504189711005

this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

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



LAURA MAALOULI

-Borrower

_____ -Borrower

_____ -Borrower

_____ -Borrower

• PayOption MTA ARM Rider
1E310-XX (12/04)

Page 6 of 6

EXHIBIT B

Recording Requested By:

Bank of America

Prepared By: Youda Crain

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# **20711504189782286**

Property Address:

1 Drackett Ln

Ladera Ranch, CA 92694-1400

CA0-ADT 14223908

10/26/2011

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



12.00

2011000579834 2:29 pm 11/15/11

47 412 A32 2

0.00 0.00 0.00 0.00 3.00 0.00 0.00 0.00

This space for Recorder's use

MIN #: 1000157-0005962245-2

MERS Phone #: 888-679-6377

IT
2P

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 **U.S. BANK, NATIONAL ASSOCIATION, AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE LXS 2006-2N TRUST FUND** whose address is **10350 PARK MEADOWS DR, LITTLETON, CO 80124** 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: **COUNTRYWIDE HOME LOANS, INC.**

Original Borrower(s): **LAURA MAALOULI, A WIDOW**

Original Trustee: **RECONTRUST COMPANY, N.A.**

Date of Deed of Trust: **11/1/2005**

Original Loan Amount: **\$712,678.00**

Recorded in **Orange County, CA** on: **11/9/2005**, book **N/A**, page **N/A** and instrument number **2005000901148**

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

10/28/2011

**MORTGAGE ELECTRONIC REGISTRATION SYSTEMS,
INC.**

By: Jeanine Abramoff
Jeanine Abramoff Assistant Secretary

State of California
County of Ventura

On 10/28/11 before me, Violet Thomas-Hicks, Notary Public, personally appeared
Jessamine Abramoff

, 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.

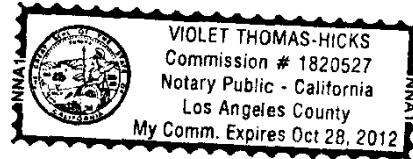
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Violet Thomas-Hicks

Notary Public: _____
My Commission Expires: _____

(Seal)



DocID# 20711504189782286

EXHIBIT C



Youda Crain

Mortgage Loan Underwriter
Greater Los Angeles Area | Banking

Current Bank of America
Previous Skyline Financial Corp
Education California State University, Northridge

104
connections

View this profile in another language

People Also Viewed



Cara Farley
Broker Associate at Surterre Properties



Radwa Moussa-Youssef



John M Hedlund
Chief Operating Officer and Managing Director, AmeriHome Mortgage Company LLC



Larry I. Smith
Broker Associate at Surterre Properties



KAREN SALDATE
UNDERWRITER at RADIANT GUARANTY



Dan Thompson
Senior Director Of Operations at Market Fresh Produce



april hendricks
FHA/CONVENTIONAL Underwriter over 20 yrs plus experience



Diane Uehlinger
Senior Loan Officer at Bank of Hope - Orange County/LA Areas



Raymond Gilbuena
Broker



Steve Chung
Sr. Disbursement Admin at Washington Mutual

View Youda's full profile. It's free!

Your colleagues, classmates, and 500 million other professionals are on LinkedIn.

[View Youda's Full Profile](#)

Experience

Underwriter

Bank of America
May 2012 – Present (5 years 5 months)



Underwriter

Bank of America
February 2011 – Present (6 years 8 months)



Funder

Skyline Financial Corp
2003 – 2010 (7 years)



Languages

English

Native or bilingual proficiency

Khmer

Public profile badge

Include this LinkedIn profile on other websites

[View profile badges](#)

French

Thai

Chinese

Find a different Youda Crain

First Name Last Name

Example: Youda Crain

Youda Crain
Bank of America
United States

Youda Crain
Mortgage Funder at BBCN Bank
United States

More professionals named Youda Crain

Skills

Mortgage Mortgage Lending VA loans FHA Mortgage Banking

Loan Origination FHA financing Refinance Loans Credit

Residential Mortgages Mortgage Underwriting Underwriting Credit Analysis

Real Estate USDA VA Loans

Jobs similar to Youda's

Bank of America jobs



California State University, Northridge
B.S. Finance
1999 – 2001

Groups

TRADEING PLATFORMS
ARE A DIME A DOZEN.

START ➔

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View Youda's full profile to...

- See who you know in common
- Get introduced
- Contact Youda directly

[View Youda's Full Profile](#)

Not the Youda you're looking for? [View more](#)

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EXHIBIT D

Recording Requested By:
Bank of America

Prepared By: Danilo Cuenca
1800 Tapo Canyon Road
Simi Valley, CA 93063
800-444-4302
When recorded mail to:
CoreLogic
Mail Stop: ASGN
1 CoreLogic Drive
Westlake, TX 76262-9823



DocID# 53383664613936

Property Address:
758 ROBIN DR
SANTA CLARA, CA 950500000
CAO-ADT 19656607 E 9/4/2012

DOCUMENT: 21861502

Pages: 2



0021861502

Fees....	21.00
Taxes...	.00
Copies ..	.00
AMT PAID	21.00

REGINA ALCOMENDRAS
SANTA CLARA COUNTY RECORDER
Recorded at the request of
Bank of America NA - Ingeo

RDE # 102
9/19/2012
08:38 AM

This space for Recorder's use

ASSIGNMENT OF DEED OF TRUST

For Value Received, the undersigned holder of a Deed of Trust (herein "Assignor") whose address is 800 5TH AVENUE, SEATTLE, WASHINGTON 98104-3176 does hereby grant, sell, assign, transfer and convey unto CHAMPION MORTGAGE COMPANY whose address is 350 HIGHLAND DRIVE, LEWISVILLE, TEXAS 75067 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: BANK OF AMERICA, N.A., A NATIONAL BANKING ASSOCIATION
Original Borrower(s): JAMES A. TAYLOR AND PHYLLIS JEAN TAYLOR, CO-TRUSTEES OF THE
TAYLOR FAMILY TRUST DATED NOVEMBER 14, 1990
Original Trustee: RECONTRUST COMPANY, N.A.
Date of Deed of Trust: 8/24/2010
Original Loan Amount: \$772,500.00

Recorded in Santa Clara County, CA on: 8/30/2010, book N/A, page N/A and instrument number 20848546

IN WITNESS WHEREOF, the undersigned has caused this Assignment of Deed of Trust to be executed on
SEP 17 2012

BANK OF AMERICA, N.A.

By: Jeanine Abramoff
Jeanine Abramoff
Assistant Vice President

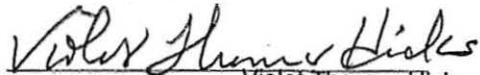
State of California
County of Ventura

On SEP 17 2012 before me, Violet Thomas-Hicks, Notary Public, personally appeared Jeanine Abramoff

, 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.

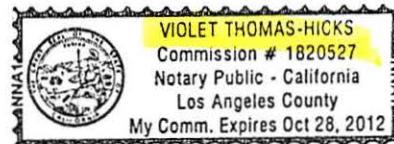
I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.



Notary Public: Violet Thomas-Hicks
My Commission Expires: October 28, 2012

(Seal)





201303050010
Skagit County Auditor

3/5/2013 Page 1 of 2 8:53AM

When recorded mail to:

CoreLogic
Mail Stop: ASGN
1 CoreLogic Drive
Westlake, TX 76262-9823

This space for Recorder's use

 DocID# 10687112619316699	Recording Requested By: Bank of America
Tax ID: P19643,340124-1-003-0006	Prepared By: Danilo Cuenca 800-444-4302 1800 Tapo Canyon Road Simi Valley, CA 93063
Property Address: 5784 State Route 20 Anacortes, WA 98221-8442 WA0-ADT 22933045 2/4/2013 FCL01	

ASSIGNMENT OF DEED OF TRUST

For Value Received, BANK OF AMERICA, N.A. whose address is 1901 E VOORHEES ST, STE C, DANVILLE, IL 61834 does hereby grant, sell, assign, transfer and convey unto U.S. BANK, NATIONAL ASSOCIATION, AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF BANC OF AMERICA FUNDING CORPORATION MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2006-J whose address is C/O BAC, M/C: CA6-914-01-43, 1800 Tapo Canyon Road, Simi Valley, CA 93063 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: BANK OF AMERICA, N.A.
Made By: GI HWAN CHON
Original Trustee: PRLAP, INC.
Date of Deed of Trust: 5/12/2006
Original Loan Amount: \$188,800.00
Certificate of Title Number: ABSTRACT LAND

Recorded in Skagit County, WA on: 5/18/2006, book N/A, page N/A and instrument number 200605180155

Property Legal Description:

THAT PORTION OF THE WEST HALF OF THE NORTHEAST QUARTER OF THE NORTHEAST QUARTER, SECTION 24, TOWNSHIP 34 NORTH, RANGE 1 EAST OF THE WILLAMETTE MERIDIAN, LYING EAST OF DECEPTION PASS HIGHWAY, SKAGIT COUNTY, WASHINGTON; SITUATED IN SKAGIT COUNTY, WASHINGTON.

IN WITNESS WHEREOF, the undersigned has caused this Assignment of Deed of Trust to be executed on
FEB 26 2013

BANK OF AMERICA, N.A.

By: Jeanine Abramoff
Jeanine Abramoff
Assistant Vice President

State of California
County of Ventura

On FEB 26 2013 before me, Carmen L. Morse, Notary Public, personally appeared Jeanine Abramoff, 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.

Notary Public: Carmen L. Morse
My Commission Expires: October 16, 2015

(Seal)

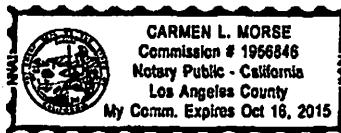
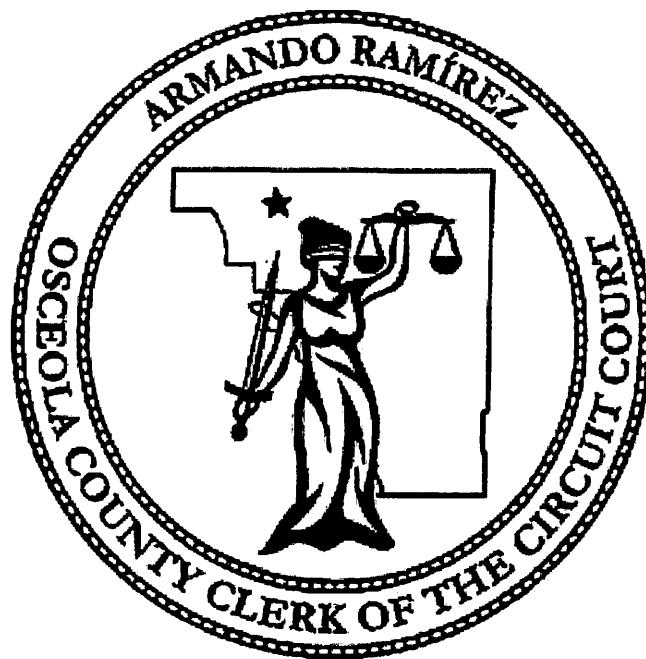


EXHIBIT E

FORENSIC EXAMINATION OF THE REAL PROPERTY RECORDS AND THE CIRCUIT COURT RECORDS OSCEOLA COUNTY, FLORIDA

PART 1 OF 2: SECTIONS 1 - 4



**EXAMINATION CONDUCTED BY DK CONSULTANTS LLC
SAN ANTONIO, TEXAS
July 14, 2014 - December 20, 2014**

REPORT ISSUED: December 29, 2014

INTRODUCTION

The forensic examination of the real property records of Osceola County, Florida was commissioned by Armando Ramirez, a duly elected public official with the title of Clerk of the Circuit Court of Osceola County, Florida. In all times and places within this report, the Clerk of the Circuit Court shall be hereinafter referred to as "Clerk".

In Florida, the Clerks of the Court have a dual role as both a clerk of the official records (which contain vital statistics as well as real property records, the focus of this examination) and as clerks of the circuit courts in the counties which they serve. It is this Clerk's opinion, being autonomous from legislative and judicial influence, that it is his moral duty to the property owners of Osceola County to conduct a comprehensive forensic examination of not only his Court Records but also of his Official Property Records in light of the ongoing foreclosure crisis.

While the Florida Statutes do not specifically state that among the duties of the Clerks is to be concerned with the integrity of the records they were elected to maintain, there is nothing in the Statutes that prohibit the Clerks from engaging the services of examiners to review and investigate the records as to whether the records violate civil or criminal statutes by virtue of their submission for recordation or filing with said Clerks. Thus, it appears that the Clerk in question desired to undertake such a task, believing that the records he was duly elected to maintain have been compromised as to their integrity. To that end, the Clerk took it upon himself to investigate and seek out examiners worthy of such a task, a specialty which proffers very few contenders, and entered into a contract with DK Consultants LLC, a Texas-based limited liability company, that performs such tasks. DK Consultants LLC did not solicit the Osceola County Clerk.

By mutual agreement, specific filing dates of June 1, 2012 through June 1, 2014 were selected as target filing dates; however, there was nothing prohibiting the examiners from conducting a forensic examination outside of those target dates if they found probable cause to search outside of those parameters where alleged criminal violations would apply; such was the case here.

It was the initial intent of this Clerk to have this forensic examination and investigation conducted of his records due to the current state of suspect affairs surrounding certain corporate entities operating within the United States and the State of Florida that appear to have tainted his real property and court records with false, misrepresentative and malicious filings that have not only comprised the integrity of the records he was duly elected to maintain, but also may have committed crimes against the people of the State of Florida as well as against the real property owners of Osceola County, Florida. The Clerk therefore contractually retained the examiners to conduct such an investigation by virtue of a comprehensive forensic examination, which initially took place between July 14 through July 18, 2014, and continued thereafter until the time the results of the examination were released in this report. There appears to be probable cause to believe that criminal activity within both sets of these records did in fact occur.

**COMPREHENSIVE FORENSIC EXAMINATION OF THE
REAL PROPERTY RECORDS OF OSCEOLA COUNTY, FLORIDA**

The Assignment of Mortgage, in effect, resulted in the apparent improper taking of the property because Christiana Trust:

- (a.) was taking a property whose mortgage loan was allegedly non-performing at the time the Assignment was drafted; and
- (b.) the issues involving the LPOA would have negated the Assignment.

Thus, there is probable cause for violation of Florida Criminal Code § 817.535 and Florida RICO statute violations. See *Section Six*, Case No. 123 (Klein) for a complete analysis.

Marinosci Law Group, P.C.

(MARINOSCI EX. 1) CFN#2012050138, electronically recorded on 04-02-2012 (first mortgage, preceded by CFN#2012044448, electronically recorded on 03-28-2012 (second mortgage)

The earlier Assignment (CFN#2012044448; second mortgage loan) appears to have been relied upon when Daphne Blum Tako (FBN51621) filed a Notice of Lis Pendens (CFN#2012162828) on 11-05-2012 in a foreclosure case against the Defendants, Jose A. Baez Sanchez et al (Case No. 2012 CA 4961).

Signors: Jeanine Abramoff and Srbui Muradyan, both claiming to be Assistant Secretaries of MERS in an alleged Assignment using MERS (as a standalone Assignor; using an address belonging to Metro Detective Agency in Danville, Illinois) to allegedly assign a mortgage and note into a closed Countrywide CWHEQ, Inc. Revolving Home Equity Loan 2007-D REMIC trust (using an address that appears to belong to Bank of New York Mellon in Chicago, Illinois).

Notary: Violet Thomas-Hicks (California Notary Commission No. 1820527; expired)

Witnesses: Talisha Wallace, Bad Kamyabi (known robosigner)

The latter Assignment (CFN#2012050138; first mortgage loan) appears to have been relied upon when Daphne Blum Tako (FBN51621) filed a Notice of Lis Pendens (CFN#2012162828) on 11-05-2012 in a foreclosure case against the Defendants, Jose A. Baez Sanchez et al (Case No. 2012 CA 4961).

Signors: Amanda Stackhouse and Chester Leving, both claiming to be Assistant Secretaries of MERS in an alleged Assignment using MERS (as a standalone Assignor; using an Ocala, Florida address, ignoring MERSCORP policies which prohibit the use of that address after December 6, 2010) into a closed Deutsche Alt-A 2007-OA4 REMIC trust (using Wells Fargo Bank, N.A.'s Master Servicer address in Columbia, Maryland).

Notary: Cynthia R. Goldbeck (California Notary Commission No. 1808746; expired)

Witnesses: Beverly Brooks, Rene Rosales

COMPREHENSIVE FORENSIC EXAMINATION OF THE REAL PROPERTY RECORDS OF OSCEOLA COUNTY, FLORIDA

There are multiple issues with these Assignments as they relate to the current case file, to wit:

- (1) The Assignments of Mortgage contain scribbled signatures of all of the signors executing the document, a marker of document **robosigning**;
- (2) The Assignments of Mortgage contain rubber-stamped names, titles and dates, common markers of **document manufacturing** (sped-up document processing);
- (3) False and misrepresentative addresses for BOTH Assignor and Assignee;
- (4) The documents were prepared by Bank of America employees without the purview of the signors of the documents; thus, they lacked personal knowledge of the alleged details contained within the documents;
- (5) The documents were certified by the Notaries under penalty of perjury under the laws of the State of California;
- (6) MERS, as party of the first part does NOT have an interest in the Note; thus, it cannot transfer something it does not have an interest in. It can only transfer the Mortgage; thus, there is an issue with bifurcation, which is in conflict with the Florida Courts' assumption that the Mortgage allegedly "follows" the Note and does not precede it;
- (7) The alleged Note proffered as an exhibit to the Complaint shows two (2) indorsements. The first appears to have been affixed by employees of Bank of America's ReconTrust unit (the Laurie Meder stamp) showing an endorsement from Countrywide Bank, FSB to Countrywide Home Loans, Inc. The second stamp is an indorsement-in-blank from Countrywide Home Loans, Inc. (using the stamp naming Michele Sjolander, whose **deposition is included as a USB Exhibit** to this report), who may have not personally affixed this stamp to the Note. Both endorsements were undated; thus, there is no demonstration of when effective transfer of the Note and Mortgage occurred; and
- (8) The transfers, as recorded in the real property records of Osceola County, Florida are void because the effective date of the transfers needed to occur in 2007 and not 2012, in violation of both REMIC trust's Pooling and Servicing Agreements.

Thus, without the dates proving effective transfer of the Note in either instance (the second mortgage was not shown, yet there appears a separate claimant not named in the Complaint here), there are issues with standing to bring a foreclosure action. In light of the two misrepresentative Assignments, there is probable cause to believe that at least two violations of Florida Criminal Code Section 817.535 have occurred.

**COMPREHENSIVE FORENSIC EXAMINATION OF THE
REAL PROPERTY RECORDS OF OSCEOLA COUNTY, FLORIDA**

(B OF A EX. 12) CFN#2012013482, electronically recorded on 01-30-2012

Signors: Bud Kamyabi, Luis Roldan (both known robosignors for Bank of America, N.A.), claiming to be Assistant Secretaries of MERS, using MERS as a standalone Assignor (using Metro Detective Agency's Danville, Illinois address) to attempt assignment of BOTH the Mortgage and Note into a closed CWABS, Inc. 2005-9 REMIC trust in violation of New York trust law and IRS regulations, nearly seven (7) years too late.

Notary: Desiree Carson (California Notary Commission No. 1873687; still active)

Witnesses: Jeanine Abramoff, Srbui Muradyan (both known robosignors for Bank of America)

Issues: MERS doesn't own the Note. America's Wholesale Lender mortgage and note invalid according to *Bank of America, N.A. v. Linda Nash* (as previously noted and attached as an exhibit to this report).

This Assignment was created with the intent to deprive the homeowners of their property using false and misrepresentative information, probable cause for violation of Florida Criminal Code § 817.535 and the Florida RICO statutes. There is also probable cause for unauthorized practice of law, since these employees appear to be unsupervised by legal counsel.

NOTE: See *Section Six*, Case No. 62 for details on how this Assignment was utilized.

(B OF A EX. 13) CFN#2012065899, electronically recorded on 05-02-2012

Document Prepared by: Unknown employee of Bank of America, N.A.

Signers: Juan Soto and Ebony Clayborn (alleged Bank of America, N.A. employees), claiming to be Assistant Secretaries of MERS as a standalone Assignor, attempting to convey BOTH the Mortgage and Note into the Defendant REMIC trust, which was already closed by then and could not accept it. The Closing Date of the REMIC was March 30, 2006.

Notary: Emmanuel Oluwole Adetula (California Notary Commission #1831707; expired; signed under penalty of perjury under California law)

Witnesses: Lance Cohen, Aaron Hawkes (also alleged Bank of America, N.A. employees)

(a.) The foregoing Assignment utilizes a misrepresentative MERS address in Danville, Illinois which actually belongs to Metro Detective Agency;

(b.) Specific language from this trust REMIC's own pooling and servicing agreement ("PSA") states: For each of these mortgage loans, MERS® serves as a mortgagee of record on the mortgage solely as a nominee in an administrative capacity on behalf of the owner trustee, and does not have any interest in that mortgage loan; thus,

(c.) Since MERS does not have an interest in the Note, it cannot convey what it does not own;

**COMPREHENSIVE FORENSIC EXAMINATION OF THE
REAL PROPERTY RECORDS OF OSCEOLA COUNTY, FLORIDA**

- (d.) The Assignment is suspect as a recording containing false and misrepresentative information to be relied upon by Defendant's counsel (Amina M. McNeil; FBN 67239), from the Gladstone Law Group, P.A., who on September 9, 2014, filed a Motion claiming an interest in the property and further asking that any surplus funds (after sale) be awarded to said REMIC trust;
- (e.) It is also highly likely that due to the nature of the way REMIC trusts operate, this loan may have been paid in whole or in part due to third-party payments (insurance, credit default swap payments, etc.), and would thus appear to contain false and misrepresentative information, relied upon by Defendant REMIC trust's counsel for the purpose of depriving the homeowner of her property, probable cause for violation of Florida Criminal Code § 817.535; and
- (f.) Because this Assignment was electronically recorded, probable cause also exists for violation of 18 USC 1343 (wire fraud); and
- (4) Because all of these parties appear to be acting in concert with one another in an apparent attempt to defraud the homeowner, probable cause also exists for violation of Florida RICO statutes;
- (5) Due to the fact that this Assignment was executed under penalty of perjury, likely without attorney supervision, probable cause also exists for unauthorized practice of law involving the drafting of, execution of and recordation of this Assignment of Mortgage; and
- (6) The originating lender of both of these loans withdrew its right to do business in the State of Florida on June 12, 2012. Up until that time, it could have generated the foregoing Assignment of Mortgage.

NOTE: See *Section Six*, Case No. 117 for details on how this Assignment was utilized.

(B OF A EX. 14) CFN#2012072753, electronically recorded on 05-16-2012

Document Prepared by: unknown Bank of America, N.A. employee

Signors: Jeanine Abramoff, Talisha Wallace (**known robosignors; employees of Bank of America**), signing as Assistant Secretaries of MERS, attempting to convey the Mortgage and Note to Bank of America, N.A., as Assignee, in what appears to be a self-assignment.

Notary: Kim Williams (California Notary Commission #1956846; expired 10-23-2014)

Witnesses: Srbui Muradyan, Bud Kamyabi (also known Bank of America robosigners)

**COMPREHENSIVE FORENSIC EXAMINATION OF THE
REAL PROPERTY RECORDS OF OSCEOLA COUNTY, FLORIDA**

NOTES: The document was executed 05-10-2012 by Bank of America employees, who swore under penalty of perjury that they had "authorized capacities" to assign both the note and mortgage, which are suspect absent solid proof. Additionally, MERS does not have an interest in the Note and cannot convey what it does not have an interest in. Thus, using MERS as a sole Assignor, hiding the chain of custody of the Note and chain of title from the Borrower (and the world via the public record) represents false and misleading information as to the real party in interest, which is Fannie Mae, because Fannie Mae's Herndon, VA address is shown for Bank of America, N.A., which in of itself, now conceals the true owner of the Note in the real property records until the suit to foreclose is filed (at Paragraph 3 of the Complaint). See *Section Six*, Case No. 94 for details on how this Assignment was utilized.

(B OF A EX. 15) CFN#2012089034, electronically recorded on 06-12-2012

This document appears to have been prepared by Bank of America employees in Ventura County, California in concert with CoreLogic in Chapin, South Carolina, using MERS (with no nominee status listed as to the current lender's assigns; using MERS Danville, IL Metro Detective Agency address) to attempt assignment to a closed LXS 2005-7N REMIC trust. There are numerous issues involving document manufacturing, including swearing under penalty of perjury under California law, which also provides for criminal penalties for filing false documents in the real property records. This appears to be a restatement of an Assignment of Mortgage recorded earlier under the direction of the Greenspoon Marder, P.A. law firm (*see the law firm for further details*).

(B OF A EX. 16) CFN#2012090526, electronically recorded on 06-14-2012

Bank of America, N.A. employees appear to have manufactured an assignment of mortgage using MERS as nominee for defunct Greenpoint Mortgage Funding, Inc. (using Metro Detective Agency's address in Danville, Illinois) to attempt assignment to a closed Goldman-Sachs Home Equity 2004-11 REMIC trust. CoreLogic's computer system appears to have been used as part of the digital information highway to relay hearsay information amongst the parties. Several robosigning and document manufacturing markers present. This was the first of two recorded assignments by Bank of America with the intention to direct foreclosure law firm Smith, Hiatt & Diaz to commence proceedings against the Property owners in Case No. 2009 CA 9273 (see CFN#2012104688 filed by presentment on 07-16-2012 under the law firm heading SH&D EX. 1), Demetrio and Margarita Costa.

**COMPREHENSIVE FORENSIC EXAMINATION OF THE
REAL PROPERTY RECORDS OF OSCEOLA COUNTY, FLORIDA**

(B OF A EX. 17) CFN#2012104688, recorded by presentment on 07-16-2012

This document was prepared by Tanya D. Simpson, an attorney with the law firm of Smith, Hiatt & Diaz, P.A. in Fort Lauderdale, Florida and sent to Bank of America employees in Ventura County, California for execution and recording prior to the law firm's filing of a foreclosure action against Demetrio and Margarita Costa.

Signer: Aida Duenas, who claims to be an Assistant Secretary of MERS as a nominee for the then-defunct Greenpoint Mortgage Funding, Inc.

Notary: Eric T. Way (California Notary Commission No. 1835518; expired 02-07-2013)

Witnesses: None (two are customarily seen in Florida)

Issues: Closing Date is December 30, 2004; this was executed over seven (7) years later, in contravention of the trust regulations; thus, the transfer is void. The document claims that the loan was held by the Assignee prior to the August 25, 2009 foreclosure action; however, this Assignment was not recorded until July of 2012, nearly three (3) years after the fact. It is obvious that the intent of Simpson and SH&D was to manufacture the document with the intent to deprive the homeowners of their property by and through the use of a recorded document containing false and deceptive, self-serving information which is sufficient to create probable cause for two separate violations of Florida Criminal Code Section 817.535.

(B OF A EX. 18) CFN#2012165596, recorded by presentment on 11-08-2012

Document Prepared by: Diana DeAvila (known Bank of America, N.A. employee)

Signors: Jane Martorana, Miguel Romero (known robosignors; employees of Bank of America), signing as Assistant Vice Presidents of Bank of America, N.A., attempting to convey the Mortgage and Note to Green Tree Servicing, LLC, as Assignee.

Notary: Carmen L. Morse (California Notary Commission #1956846; expires 10-16-2015)

Witnesses: Richard Paz, Edward Gallegos (also known Bank of America robosigners)

NOTES: The document was executed 11-05-2012 by Bank of America employees, who swore under penalty of perjury that they had "authorized capacities" to assign both the note and mortgage, which appears to have been executed by the Defendant in favor of Countrywide Home Loans, Inc. on 06-09-2004. The Complaint shows an indorsement-in-blank from Countrywide Home Loans, Inc. (it is undated, which would be construed to be ineffective as to proof of date of transfer). Based on the issues created within the MERS assignment in February of 2012, it renders the foregoing Assignment of Mortgage to thus contain false and misrepresentative facts, creating intent and probable cause for violation of Florida Criminal Code § 817.535.

NOTE: See *Section Six*, Case No. 94 for details on how this Assignment was utilized.

**COMPREHENSIVE FORENSIC EXAMINATION OF THE
REAL PROPERTY RECORDS OF OSCEOLA COUNTY, FLORIDA**

- (3) There is nothing in the Complaint to indicate that an effective transfer occurred;
- (4) Neither Laurie Meder nor Michele Sjolander probably knew who affixed the indorsement stamps containing their signatures and when they were affixed and thus, the undated endorsements do not prove effective transfer to the Trust REMIC, in contravention of New York Estates, Powers & Trust § 7-2.4.

Despite the fact the Complaint appeared to be verified by Danielle Smith, who claims to be an Assistant Vice President of Bank of America, N.A. as servicing agent for the trust, Bank of America is NOT the Plaintiff here; thus, Smith's Verification appears to fail because she does not have actual personal knowledge of the facts to which she attests but rather relies on the input of others to establish her facts (hearsay upon hearsay testimony).

Further, in the real property records of Osceola County, Florida, there appears to be two (2) closely-recorded Assignments of Mortgage, as shown below. The Udren Law Firm and its attorney appear to rely on these Assignments to give their Complaint credibility.

CFN#2011172914, electronically recorded on 12-15-2011

Signors: Tina LeRaybaud, Jeanine Abramoff, signing under penalty of perjury under California law that they are Assistant Secretaries of MERS as nominee for Centric Mortgage, when in fact, Bank of America, N.A. had already subsumed BAC Home Loans Servicing, LP FKA Countrywide Home Loans Servicing, LP which was formerly owned by Countrywide Ban, N.A., which owned ReconTrust Company, N.A. and thus, these two employees worked for Bank of America, N.A. or one of its subsidiaries.

Notary: Dee Ann Westfall Cortes (known Bank of America robo-notary; California Notary Commission Expired on 07-01-2012).

Witnesses: None Listed

There are multiple issues with this Assignment of Mortgage, to wit:

- (1) There is an area on Page 2 of 3 of the recorded Assignment that declares: "I CERTIFY that the correct address of the within-named Assignee is: C/O BAC Home Loans Servicing, LP AT 16001 North Dallas Parkway, Addison, TX 75006". The area below it was scratched out in favor of an attached Page 3;
- (2) Multiple pages utilizing a general notary form is a marker of document manufacturing;
- (3) The Assignment purports to assign the Mortgage only and NOT the Note;
- (4) MERS doesn't have an interest in the Note; thus, only the Mortgage could be assigned to Countrywide Bank, N.A.;

**COMPREHENSIVE FORENSIC EXAMINATION OF THE
REAL PROPERTY RECORDS OF OSCEOLA COUNTY, FLORIDA**

- (5) **Centric Mortgage was most likely the Borrower on the Warehouse Lender Agreement wherein MERSCORP, Inc. was the Electronic Agent; thus, it is unknown how many times the Merced loan was sold before the couple signed the Note and Mortgage at the closing table;**
- (6) **Because Countrywide Bank, N.A. was already subsumed into Bank of America, N.A., this Assignment appears to be a self-assignment type of paper shuffle among the remnants of Bank of America, N.A. in an attempt to make it look like an official transfer happened. These "Assignments" should have occurred shortly after October 9, 2006 and not over five (5) years later; and**
- (7) **After recording, Udren Law Offices, P.C. in Cherry Hill, NJ is the designated receiver of the recorded document. This would appear to indicate that Udren, in conjunction with Bank of America, N.A., coordinated the effort to manufacture the Assignment of Mortgage for the purposes of foreclosure.**

The foregoing Assignment then appears to contain false and misrepresentative statements, recorded for the purpose of depriving the owners of real property (Merced), probable cause for violation of Florida Criminal Code § 817.535. Due to the fact that it appears multiple actors were involved in the production of the Assignment of Mortgage, there is probable cause to believe that Florida RICO statutes may also be at issue.

CFN#2011176693, electronically recorded on 12-21-2011

Signors: Kari Goblin and Regina Flynt, this time signing the Page 2 that the California notary (Cortes) scratched out on the previous Assignment (shown above; another suspect marker of document manufacturing), attesting that they are both Assistant Vice Presidents of Countrywide Bank, N.A., when they signed the document on August 20, 2011. Then, someone wrote in the attempted successions of merger in handwriting.

Unfortunately, this attempt at explaining the mergers appears to misrepresent the facts because "formerly known as" ("fka") designations apply to a scenario when one bank subsumes another:

- (1) **On Monday, April 27, 2009, Countrywide Bank, FSB was subsumed into Bank of America, N.A.;**
- (2) **Countrywide Bank, FSB was formerly known as Countrywide Bank, N.A.; however, Bank of America did not merge with Countrywide Bank, N.A. as the handwriting indicates, it acquired Countrywide Bank, FSB; thus, the language is false and misrepresentative of the real facts.**

EXHIBIT F

Recording Requested By:
Bank of America, N.A.
Prepared By: **Marcus Jones**
16001 N. Dallas Pkwy
Addison, TX 75001

When recorded mail to:
CoreLogic
Mail Stop: ASGN
1 CoreLogic Drive
Westlake, TX 76262-9823



DocID# **78211504189711524**

Property Address:

1 Drackett Ln
Ladera Ranch, CA 92694-1400

CA0-ADT 25915262 6/27/2013 NS0630A

Recorded in Official Records, Orange County

Hugh Nguyen, Clerk-Recorder



9.00

* \$ R 0 0 6 2 8 8 1 5 0 \$ *
2013000603959 12:00 pm 10/29/13

47 422 A32 F13 1
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HP
PP

ASSIGNMENT OF DEED OF TRUST

For Value Received, the undersigned holder of a Deed of Trust (herein "Assignor") whose address is **1800 TAPO CANYON ROAD, SIMI VALLEY, CA 93063** does hereby grant, sell, assign, transfer and convey unto **NATIONSTAR MORTGAGE, LLC** whose address is **350 HIGHLAND DRIVE, LEWISVILLE, TX 75067** 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: **MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., AS NOMINEE FOR COUNTRYWIDE HOME LOANS, INC.**
Original Borrower(s): **LAURA MAALOULI, A WIDOW**
Original Trustee: **RECONTRUST COMPANY, N.A.**
Date of Deed of Trust: **11/1/2005**
Original Loan Amount: **\$712,678.00**

Recorded in **Orange County, CA** on: **11/9/2005**, book **N/A**, page **N/A** and instrument number **2005000901148**

IN WITNESS WHEREOF, the undersigned has caused this Assignment of Deed of Trust to be executed on
JUN 28 2013

Bank of America, N.A.

By: Graciela Fernandez
Graciela Fernandez,
Assistant Vice President

State of **TX**, County of **Dallas**

On **JUN 28 2013**, before me, **Norma Demske**, a Notary Public, personally appeared **Graciela Fernandez**, **Assistant Vice President** of **Bank of America, N.A.** personally known to me to be the person(s) whose name(s) is/are subscribed to the within document 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 document the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

Norma Demske

Notary Public: **Norma Demske**
My Commission Expires: **09-27-15**

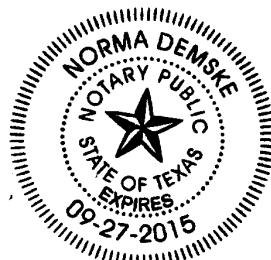


EXHIBIT G



15.00

* \$ R 0 0 6 5 1 7 0 4 2 \$ *

2014000065520 8:00 am 02/20/14

66 401 S15 F13 3

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Recording Requested By
and When Recorded Return to:
Aztec Foreclosure Corporation
3636 N. Central Ave., Suite #400
Phoenix, AZ 85012

APN # 741-551-14

Space above this line for recorder's use only

Trustee Sale No. 14-000892CXE
Title Order No. 8405095
0610885725

SUBSTITUTION OF TRUSTEE

WHEREAS, **Laura Maalouli, a widow**, was the original Trustor, Recontrust Company, N.A., was the original Trustee, and Mortgage Electronic Registration Systems, Inc., solely as Nominee for Countrywide Home Loans, Inc., was the original Beneficiary under that certain Deed of Trust dated November 1, 2005, Recorded on November 9, 2005, in Instrument No. 2005000901148 of official records in the office of the Recorder of ORANGE County, CA, and

WHEREAS, U.S. BANK, NATIONAL ASSOCIATION, AS TRUSTEE FOR THE CERTIFICATEHOLDERS OF THE LXS 2006-2N TRUST FUND, 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 the place of and stead of said original Trustee thereunder.

Now, THEREFORE, the undersigned Beneficiary hereby substitutes **Aztec Foreclosure Corporation, 3636 N. Central Ave., Suite #400, Phoenix, Arizona 85012**, as Trustee of Said Deed of Trust.

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

Page 1 of 2 - SOT

Substitution of Trustee
T.S. #: 14-000892 CXE
ORDER #: 8405095
0610885725

DATE: Feb. 12, 2014

U.S. BANK, NATIONAL ASSOCIATION, AS TRUSTEE FOR THE
CERTIFICATEHOLDERS OF THE LXS 2006-2N TRUST FUND
By Nationstar Mortgage LLC as attorney in fact

A. Duschlauer 2/12/2014
By: Amanda Duschlauer
Print Name
Title: Assistant Secretary

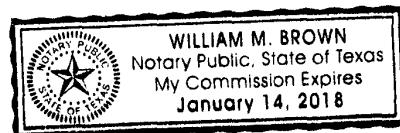
STATE OF Texas }
COUNTY OF Denton } ss

On February 12th, 2014 before me, William M. Brown, a Notary Public in and for said county, personally appeared Amanda Duschlauer, 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 that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature WMB (Seal)





**AFFIDAVIT OF MAILING
OF SUBSTITUTION OF TRUSTEE BY CODE**

T.S. Number: 14-000892CXE
Trustor(s): Maalouli, Laura

I, J Austin, personally declare that I am over the age of 18 years of age and an employee of Roberts & Shapiro, LLP, whose business address is:

3636 N. Central Ave., Suite #400
Phoenix, AZ 85012

On February 18, 2014, by certified and first class mail, enclosed in a sealed envelope with postage fully prepaid, I deposited in the United States Mail, a copy of the attached Substitution of Trustee to be mailed to all parties as required pursuant to California Civil Code 2924(b).

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

Dated: February 18, 2014

J Austin, Affiant

3636 N. Central Ave., Suite #400, Phoenix, Arizona 85012
(602) 638-5700 (877) 257-0717 telephone
(602) 638-5748 fax
www.aztectrustee.com

EXHIBIT H



18.00

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO

AZTEC FORECLOSURE CORPORATION
3636 N. Central Ave., Suite #400
Phoenix, AZ 85012

* \$ R 0 0 0 6 5 2 4 0 9 5 \$ *
2014000070242 11:13 am 02/24/14
276 402 N15 F13 4
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Space above this line for recorder's use only

APN # 741-551-14

Property Address: 1 Drackett Lane, Ladera Ranch, CA 92694
Trustee Sale No. 14-000892CXE Title Order No. 8405095

NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST

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).

The amount is \$154,591.13 as of February 18, 2014 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 to reinstatement that you provide reliable written evidence that you paid all senior liens, property taxes, and hazard insurance premiums.

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

T.S. #: 14-000892CXE
ORDER #: 8405095
Notice of Default - Aztec

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 the 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:

U.S. BANK, NATIONAL ASSOCIATION, AS
TRUSTEE FOR THE
CERTIFICATEHOLDERS OF THE LXS 2006-
2N TRUST FUND c/o Nationstar Mortgage
LLC

C/O Aztec Foreclosure Corporation, 3636 N.
Central Ave., Suite #400, Phoenix, AZ 85012,
(602) 638-5700 or (877) 257-0717.

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: Aztec Foreclosure Corporation is the duly appointed Substituted Trustee, or acting as agent for the beneficiary or trustee under a **Deed of Trust dated 11/01/05, executed by Laura Maalouli, a widow, as trustor(s), to secure obligations in favor of Mortgage Electronic Registration Systems, Inc., solely as Nominee for Countrywide Home Loans, Inc., as Beneficiary recorded on November 9, 2005 in Instrument No. 2005000901148 and thereafter loan modification recorded on 7/20/2011 at recorder's no. 2011000352850 of official records in the Office of the Recorder of ORANGE County, California, as more fully described on said Deed of Trust.**

Including the Note(s) for the sum of \$712,678.00 that the beneficial interest under said Deed of Trust and the obligations secured thereby are presently held by the beneficiary; that a breach of, and default in, the obligations for which said Deed of Trust is security has occurred in that the payment has not been made of:

T.S. #: 14-000892CXE
ORDER #: 8405095
Notice of Default - Aztec

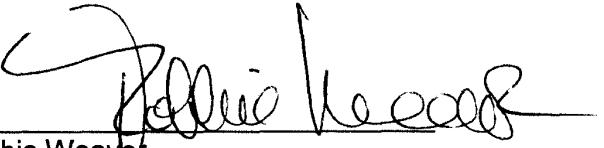
THE INSTALLMENT OF PRINCIPAL AND/OR INTEREST WHICH BECAME DUE 02/01/11 AND ALL SUBSEQUENT INSTALLMENTS OF PRINCIPAL AND/OR INTEREST, TOGETHER WITH LATE CHARGES, IMPOUNDS, INSURANCE PREMIUMS AND/OR OTHER ADVANCES, TAXES, DELINQUENT PAYMENTS ON SENIOR LIENS, ASSESSMENTS, ATTORNEY'S FEES AND COURT COSTS ARISING FROM THE BENEFICIARY'S PROTECTION OF ITS SECURITY, AND ANY OTHER FEES AND COSTS PERMITTED UNDER THE DEED OF TRUST, PROMISSORY NOTE, AND RELATED DOCUMENTS AND ALL OF WHICH MUST BE CURED AS A CONDITION OF REINSTATEMENT.

That by reason thereof, the present Beneficiary under such Deed of Trust has deposited with Aztec Foreclosure Corporation, a true and correct copy of such Deed of Trust and all 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.

Where required by law, a declaration pursuant to California Civil Code Section 2923.5 or 2923.55 is attached to this notice.

DATE: 02/20/14

AZTEC FORECLOSURE CORPORATION - AS TRUSTEE



Robbie Weaver
Assistant Secretary & Assistant Vice President

Declaration of Mortgage Servicer Pursuant to Civil Code §2923.55(c)

Borrower(s): LAURA MAALOULI
Mortgage Servicer: NATIONSTAR MORTGAGE LLC
Property Address: 1 DRACKERT LANE LADERA RANCH CA 92694
T.S. No.:

The undersigned, as an authorized agent or employee of the mortgage servicer named below, declares that:

1. The mortgage servicer has contacted the borrower pursuant to California Civil Code §2923.55(b)(2) to "assess the borrower's financial situation and explore options for the borrower to avoid foreclosure". Thirty (30) days, or more, have passed since the initial contact was made.
2. The mortgage servicer has tried with due diligence to contact the borrower as required by California Civil Code §2923.55(f), but has not made contact despite such due diligence. Thirty (30) days, or more, have passed since these due diligence efforts were satisfied.
3. No contact was required by the mortgage servicer because the individual(s) identified above did not meet the definition of "borrower" pursuant to subdivision (c) of California Civil Code §2920.5.
 - An individual who has surrendered the secured property as evidenced by either a letter confirming the surrender or delivery of the keys to the property to the mortgagee, beneficiary, or authorized agent.
 - An individual who has contracted with an organization, person, or entity whose primary business is advising people who have decided to leave their homes on how to extend the foreclosure process and avoid their contractual obligations to mortgagees or beneficiaries.
 - An individual who has filed a case under Chapter 7, 11, 12, or 13 of Title 11 of the United States Code and the bankruptcy court has not entered an order closing or dismissing the bankruptcy case, or granting relief from a stay of foreclosure.
4. The requirements of California Civil Code §2923.55 do not apply because the loan encumbering the above-referenced property is not secured by a first lien mortgage or first lien deed of trust that secures a loan, or that encumbers real property, described in California Civil Code §2924.15(a).

I certify that this declaration is accurate, complete and supported by competent and reliable evidence which the mortgage servicer has reviewed to substantiate the borrower's default and the right to foreclose, including the borrower's loan status and loan information.

NATIONSTAR MORTGAGE LLC
Mortgage Servicer

Dated: 1-9-14

By: 1-9-14
Name (Print): Karleton Chester-Assistant Secretary

EXHIBIT I

Recording Requested By:
Bank of America
Prepared By: **Regina L. McKay**
4909 Savarese Circle
Tampa

800-444-4302

When recorded mail to:

CoreLogic

Mail Stop: ASGN

P.O. Box 961006

Ft Worth, TX 76161-9836



DocID# **15911504189711265**

Property Address:

1 Drackert Ln

Ladera Ranch, CA 92694-1400

CA0-ADT-BANS34387249 12/18/2015 NSCORBUS3

Recorded in Official Records, Orange County
Hugh Nguyen, Clerk-Recorder



12.00

201600007643 9:10 am 01/08/16

62 Sec2 A32 F13 2

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CORRECTIVE ASSIGNMENT OF DEED OF TRUST

** This Corrective Assignment of Deed of Trust is being recorded for the purposes set forth below. An Assignment of Deed of Trust executed by **Bank of America, N.A.**, as assignor, in favor of **NATIONSTAR MORTGAGE, LLC**, as assignee, dated **6/27/2013** and recorded on **10/29/2013** [as Instrument #**2013000603959** in] / [in Book #N/A, page #N/A of] the official records in the County Recorder's office of **Orange County, CA** (the "Prior Assignment") was

inadvertently recorded by **Bank of America, N.A.**, the then-servicer of the loan secured by the deed of trust referenced in the Prior Assignment and described below (the "Deed of Trust"). **NATIONSTAR MORTGAGE, LLC** has executed this Corrective Assignment of Deed of Trust (i) to ensure that the beneficiary of record immediately prior to the recordation of the Prior Assignment is re-established as the current beneficiary of record, and (ii) to transfer to such prior beneficiary of record all of its right, title and interest, if any, as beneficiary under the Deed of Trust.

For Value Received, the undersigned holder of a Deed of Trust (herein "Assignor") whose address is **4909 SAVARESE CIRCLE, TAMPA, FL 33634** does hereby grant, sell, assign, transfer and convey unto **U.S. BANK, NATIONAL ASSOCIATION, AS TRUSTEE FOR THE CERTIFICATE HOLDERS OF THE LXS 2006-2N TRUST FUND** whose address is **C/O BAC, M/C: CA6-914-01-43, 1800 Tapo Canyon Road, Simi Valley, CA 93063** 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.

Beneficiary: **MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., AS NOMINEE FOR COUNTRYWIDE HOME LOANS, INC., ITS SUCCESSORS AND ASSIGNS**

Original Borrower(s): **LAURA MAALOULI, A WIDOW**

Original Trustee: **RECONTRUST COMPANY, N.A.**

Date of Deed of Trust: **11/1/2005**

Original Loan Amount: **\$712,678.00**

Recorded in **Orange County, CA** on: **11/9/2005**, book **N/A**, page **N/A** and instrument number **2005000901148**

Together with the Note or Notes therein described or referred to, the money due and to become due thereon with interest, and all rights accrued or to accrue under said deed of trust.

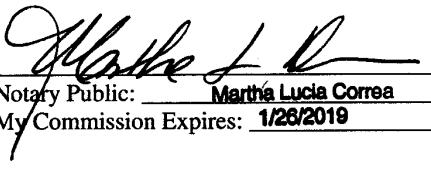
IN WITNESS WHEREOF, the undersigned has caused this Corrective Assignment of Deed of Trust to be executed on
DEC 22 2015

**BANK OF AMERICA AS ATTORNEY IN FACT FOR
NATIONSTAR MORTGAGE, LLC BY POWER OF
ATTORNEY RECORDED ON DOCUMENT NUMBER
2014000298456**

By: Joseph Luis Rosario
Joseph Luis Rosario, Assistant Vice President

State of FL, County of Hillsborough

The foregoing instrument was acknowledged before me this DEC 22 2015, by Joseph Luis Rosario, Assistant Vice President authorized to sign on behalf of BANK OF AMERICA AS ATTORNEY IN FACT FOR NATIONSTAR MORTGAGE, LLC BY POWER OF ATTORNEY RECORDED ON DOCUMENT NUMBER 2014000298456.
He/she is personally known to me or has produced _____ as identification.


Notary Public: Martha Lucia Correa
My Commission Expires: 1/26/2019

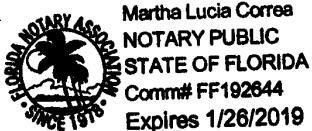


EXHIBIT J

RECORDING REQUESTED BY
FIRST AMERICAN TITLE INSURANCE COMPANY

WHEN RECORDED MAIL TO:

Aztec Foreclosure Corporation
3636 N. Central Ave., Suite #400
Phoenix, AZ 85012

Recorded in Official Records, Orange County
Hugh Nguyen, Clerk-Recorder



12.00

* \$ R 0 0 0 8 5 9 5 4 1 8 \$ *

2016000377123 2:35 pm 08/10/16

105 405 N34 F13 2

0.00 0.00 0.00 0.00 3.00 0.00 0.00 0.00

Trustee Sale No. 14-000892 CXE
8405095
APN 741-551-14

Space above this line for recorder's use only

ATTENTION RECORDER: THE FOLLOWING REFERENCE TO AN ATTACHED SUMMARY IS
APPLICABLE TO THE NOTICE PROVIDED TO THE TRUSTOR ONLY

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 INFORMACIÓN DE ESTE DOCUMENTO

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

NOTICE OF TRUSTEE'S SALE

YOU ARE IN DEFAULT UNDER A DEED OF TRUST DATED 11/01/05.
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 PROCEEDINGS AGAINST YOU, YOU SHOULD
CONTACT A LAWYER.

On 09/12/16 at 9:00 am, Aztec Foreclosure Corporation as the duly appointed Trustee under and pursuant to the power of sale contained in that certain Deed of Trust executed by Laura Maalouli, a widow, as Trustor(s), in favor of Countrywide Home Loans, Inc., as Beneficiary, Recorded on 11/09/05 in Instrument No. 2005000901148 and thereafter loan modification recorded on 7/20/2011 at recorder's no. 2011000352850 of official records in the Office of the county recorder of ORANGE County, California; **WILL SELL AT PUBLIC AUCTION TO THE HIGHEST BIDDER FOR CASH** (payable at time of sale in lawful money of the United States, by cash, a cashier's check drawn by 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, savings association, or savings bank specified in section 5102 of the Financial Code and authorized to do business in this state), **Doubletree by Hilton Hotel Anaheim – Orange County, 100 The City Drive Auction.com Room, Orange, CA 92868**, all right, title and interest conveyed to and now held by it under said Deed of Trust in the property situated in said County, California described as:

1 DRACKERT LANE, LADERA RANCH, CA 92694

The property heretofore described is being sold "as is".

Notice of Trustee's Sale
T.S. #: 14-000892 CXE
ORDER #: 8405095

The undersigned Trustee disclaims any liability for any incorrectness of the street address and other common designation, if any, shown herein. Said 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 said Deed of Trust, with interest thereon, as provided in said note(s), advances, if any, under the terms of the Deed of Trust, estimated fees, charges and expenses of the Trustee and of the trusts created by said Deed of Trust, to-wit: **\$1,066,030.91** (Estimated good through 8/20/16)

Accrued interest and additional advances, if any, will increase this figure prior to sale.

The undersigned caused said Notice of Default and Election to Sell to be recorded in the county where the real property is located and more than three months have elapsed since such recordation.

DATE: August 8, 2016
AZTEC FORECLOSURE CORPORATION

Elaine Malone
Elaine Malone
Assistant Secretary / Assistant Vice President
Aztec Foreclosure Corporation
949 South Coast Drive, Suite 475
Costa Mesa, CA 92626
Phone: (877) 257-0717 or (602) 638-5700
Fax: (602) 638-5748
www.aztectrustee.com

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 the property.

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 or visit the Internet Web site, using the file number assigned to this case 14-000892. 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.

www.Auction.com or call (800) 280-2832	Or	Aztec Foreclosure Corporation (877) 257-0717 www.aztectrustee.com
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EXHIBIT K



Property Profile

1 DRACKERT LN, MISSION VIEJO, CA 92694

Property Details

Type SFR	Use Code RSFR	County ORANGE
Year Built 2005	Zoning	APN 741-551-14
Beds 3	Units 0	Radar ID P18340B7
Baths 4	Rooms 0	Subdivision
Sq Ft 2,751	Garage No	Census 320581
Lot Sq Ft 9,790	Pool No	Tract 16392
Lot Acres 0.2	Fireplace No	Lot 27
Stories 0	HVAC No	
Legal N-TRACT: 16392 BLOCK: LOT: 27		



Tax Assessment

Total Value \$849,155	Year Assessed 2017
Land Value \$324,050	Annual Taxes \$13,780
Improvements \$525,105	Est. Tax Rate 1.6%
Owner Exempt No	Tax Rate Area 82378

Market Value and Rent

Estimated Value	\$798,600	\$290/sf/sf as of 6/11/2017	72% confidence
Comp. Sales	\$883,423	\$321/sf as of Today	\$580k - \$1,025k
Comp. Listings	\$971,733	\$353/sf as of Today	\$767k - \$1,425k
Comp. Rent		/sf as of Today	
HUD FM Rent	\$2,405	\$0.87/sf/sf	

Transaction History (Current Owner)

Type	#	Date	Doc#	Party	Name	Amount
Trustees Deed		9/27/2010	477954	Grantor	SBS LIEN SERVICES	\$12,789
				Grantee	LADERA RANCH MAINTEN	
Loan	2	7/20/2011	352850	Borrower	MAALOULI,LAURA	\$852,994
				Lender	BAC HOME LOANS SERVI	
Loan	3	3/19/2012	UNK:450486	Borrower		\$0
				Lender		
- NOD		8/7/2012	450486	Borrower	MAALOULI,LAURA 2005 F,	\$8,879
				Trustee	SBS LIEN SERVICES	
- NTS		1/7/2013	8656	Borrower	MAALOULI,LAURA 2005 F,	\$13,888
				Trustee	SBS LIEN SERVICES	
Quitclaim Deed		8/6/2012	448133	Grantor	MAALANLI,LAURA	\$0
				Grantee	MAALANLI,NICHOLAS	
Quitclaim Deed		3/28/2013	186682	Grantor	MAALOULI,NICHOLAS	\$0
				Grantee	MAALOULI,LAURA	
Quitclaim Deed		6/3/2015	288308	Grantor	MAALOULI,LAURA	\$0
				Grantee	MAALOULI,NICHOLAS	

Ownership & Mailing Address

Transfer Date 9/27/2010	MAALOULI,NICHOLAS
Purchase Amt \$12,789	1 DRACKERT LN
Down Payment	LADERA RANCH, CA 92694

Transfer Type TrusteesDeed-Unknown

Listing History

Type	Status	As Of	DOM	Price
For Sale - Short Sale	Pending	4/12/2017	328	\$770,000

Foreclosure Details

Stage Auction	TS # 14-000892-CXE
Sale Date 9/11/2017	Sale Time 9:00 AM
Sale Place 100 THE CITY DR S, ORANGE	
Postponed For Unknown	
Prior Sale Date 8/14/2017	Orig Sale Date 9/12/2016
Published Bid \$1,066,030	
Opening Bid	
Winning Bid	
LOAN	
Recorded On 11/9/2005	Doc # 901148
Amount \$712,678	Position 1
NOTICE	
Recorded On 8/10/2016	Doc # 377123
Trustee AZTEC FORECLOSURE CORP 877-257-0717	Lender COUNTRYWIDE HM LNS INC