



Notary Confirmation

1200 B St. #300
Phoenix, AZ 88888
(P) 602-000-5555
(F) 602-000-5566

Borrower: Scott M. Taylor

Order#: 05417

Signing Date: 3/02/2008

Loan/Escrow: 030905

Notary Fee: \$150.00

Signing Time: 6:30pm

Order Date: 2/28/2008

Company Information

Customer: NC Title
ID: 77970
Primary Contact: Julia Sterne
Email: j_sterne@nctitle.net
Phone: (866)555-3900 Fax: (771) 555-3444

Address: 324 Major Ave
City: Weston
State: CA Zip: 95007

Signing Type: Single
Other Services: Edocs
jnotary@email.com

Borrower Information

Borrower: Taylor, Scott M. **Co-Borrower:** Taylor, Cynthia J

Home: 714-555-4444 **Home;**
Cell: **Cell:**
Work: 866-555-1111 **Work:**

Signing Location

Location: 17 Hemlock Ct **City:** Beech **State:** CA **Zip:** 90001

Notary Information: Documents to be emailed to jnotary@email.com

Notary Assigned

Name: Jesse Notary
Address: 12 Easy St
City: Yourtown, CA 90033

Home:
Cell: 714-555-5555
Fax: 714-555-6677
Work: 714-555-7222

Other Notes: Lender requires BLACK INK. Borrowers must provide two forms of government ID.

For payment FAX this form as soon as the signing is complete, but not later than 8:00am the following morning. Do NOT include an invoice with the loan documents. FAX TO: 888-000-8888

SIGNING DATE: _____ **WAS THE SIGNING COMPLETE:** Y N **IF NO WHY NOT:** _____

FEE: _____ **COURIER:** _____ **TRACKING NUMBER:** _____

Comments: _____

Notary Signature: _____ **DATE:** _____

NOTICE OF RIGHT TO CANCEL

Borrower's Name(s): **SCOTT M. TAYLOR**

Ref. No: 030905

Address: **17 Hemlock Ct. Beech, CA 90001**

**1 Copy to Lender, Each
Signer of this
Document Receives
Two Copies**

I. YOUR RIGHT TO CANCEL

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

- (1) The date of this transaction _____; or
- (2) The date you received your Truth-in-Lending disclosures; or
- (3) The date you received this notice of your right to cancel the increase in your credit limit.

**Enter Signing Date
Here**

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

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

II. HOW TO CANCEL

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

Your Town Mortgage Attn: Funding
100 Main St MS 333 Phone: 866-000-3322
Kale, CA 95555 FAX: 866-000-2233

**Enter Final Date
to Cancel Here**

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one copy of this notice no matter how you notify us because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than midnight of _____ (or midnight of the third business day following the latest of the three events listed above).

If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

**III. I WISH TO CANCEL DO NOT SIGN
HERE**

Consumer's Signature: _____ Date: _____

Acknowledgment of Receipt

I/We each acknowledge receipt of two copies of this Notice of Right to Cancel in compliance with the Reform Act of 1980 (Public Law 96-120).

I/We understand that any one of us, acting alone, can exercise the right to cancel. The exercise by one borrower shall be effective for all borrowers.

_____ Date _____
Scott M. Taylor

_____ Date _____
Cynthia J. Taylor

Sign Here

Note: Each person having an ownership interest in the real estate being given as security in the transaction in connection with which this notice is being given must be given two copies of this notice properly completed.

SETTLEMENT STATEMENT (Transactions Without Sellers)

File Number: TT-007

Loan Number: 030905

NAME AND ADDRESS OF BORROWER: Scott M Taylor and Cynthia J Taylor. 17 Hemlock Ct. Beech, CA 90001

NAME AND ADDRESS OF LENDER: Your Town Mortgage 100 Main St Kale, CA 95555

PROPERTY LOCATION: 17 Hemlock Ct Beech, CA 90001

SETTLEMENT AGENT: NC Title

PLACE OF SETTLEMENT: 324 Major Ave Weston, CA 95007

SETTLEMENT DATE:

DISBURSEMENT DATE:

L. Settlement Charges		M. Disbursements To Others	
800 Items Payable In Connection With Loan		1501 1st Mortgage Payoff	\$158,484.02
801.Loan Origination Fee		1502 Taxes - Estimate	\$386.66
802. Loan Discount 2.00% TO Your Town Mortgage	\$3,400.00		
803 Appraisal Fee			
804 Credit Report			
806 Mortgage Insurance Application Fee			
807 Tax Related Service Fee to Your Town Mortgage	\$35.00		
808.Flood Search Fee to Your Town Mortgage	\$9.00		
809.Lender's Processing Fee to Your Town Mortgage	\$626.00		
810 Admin to Your Town Mortgage	\$239.00		
811 Application Fees to Your Town Mortgage	\$360.00		
900 Items Required By Lender Be Paid In Advance			
901 Interest from 03/03/2008 TO 04/01 /2008 @ \$30.27/DAY	\$696.21		
902 Mortgage Insurance Premium for			
903 Hazard Insurance Premium for			
1000 Reserves deposited with Lender			
1001 Hazard insurance			
1002 Mortgage Insurance			
1003.City property taxes			
1004.County property taxes			
1005 Annual assessments			
1008 Aggregate Adjustment			
1100 Title Charges			
1101 Settlement or closing fee NC Title	\$450.00		
1102 Abstract or title search			
1103 Title examination			
1104 Title insurance binder			
1105 Document preparation NC Title	\$50.00		
1106 Signing Fee Notary Public	\$300.00		
1107 Attorney's Fees (Includes above item numbers:)			
1108 Title Insurance NC Title (Includes above item numbers:)	\$566.00		
1109. Lender's coverage		1520 Total Disbursed (enter on line 1603)	\$158,870.68
1110 Owner's coverage			
1111 Wire Fee NC Title	\$25.00		
1112 Delivery Fee NC Title	\$30.00	N. Net Settlement	
1200 Government Recording and Transfer Charges			
1201 Recording Fee: Estimate	\$94.00	1600 Loan Amount	\$170,000.00
1202 City/county tax/stamps:			
1203 State tax/stamps		1601 Plus Check/Cash From Borrower	\$0.00
1300 Additional Settlement Charges			
1301 Survey		1602 Minus Total Settlement Charge (Line 1400)	\$7,305.21
1302 Pest Inspection		1603 Minus Total Disbursements to Others (Line 1520)	\$158,870.68
1304 Staff Appraiser Fee	\$425.00		
1400 Total Settlement Charges	\$7,305.21	1604 Equals Disbursement to borrower	\$3,824.11

NC Title Company

Scott M. Taylor

Cynthia J. Taylor

ADJUSTABLE RATE NOTE (LIBOR Index - Rate Caps)

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

March 2, 2008
Date

Kale
City

CA
State

17 Hemlock Ct Beech, CA 90001
(Property Address)

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ **170,000.00** (this amount is called "principal"), plus interest, to the order of the Lender. The Lender is Your Town Mortgage. I understand that the Lender may transfer this Note. The Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

Loan Amount

2. INTEREST

Interest will be charged on unpaid principal until the full amount of principal has been paid. I will pay interest at a yearly rate of 6.500 %. This interest rate I will pay may change in accordance with Section 4 of this Note. The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and after any default described in Section 7(B) of this Note.

Interest Rate

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making payments every month.

I will make my monthly payments on the first day of each month beginning on May 1, 2008.

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. My monthly payments will be applied to interest before principal. If, on April 1, 2038, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date,"

First Payment Due

I will make my payments at: **100 Main Street Kale, Ca. 95555** or at a different place if required by the Note Holder,

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. \$ 1,074.52. This amount may change

(C) Monthly Payment Changes

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

Principal And Interest only

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of, April, 2011 and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date "

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR") as published in The Wall Street Journal. The most recent Index figure available as of the date 45 days before the Change Date is called the "Current Index." If at any point in time 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.

Borrowers to Initial

Initials: _____

(C) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 8.500 % or less than 6.500%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One percentage point(s) 1.000%) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 12.500 % or less than 6.500 %.

(D) Effective Date Of Changes

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

(E) Notice of Changes

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

Prepayment Fees and details

5. PREPAYMENT PRIVILEGE

I may repay all or any part of the principal balance of this Note in accordance with the terms of this Section. A "prepayment" is any amount that I pay in excess of my regularly scheduled payments of principal and interest that the Lender will apply to reduce the outstanding principal balance on this Note in accordance with this Section.

(A) Prepayment Made Three (3.00) year(s) After the Date of this Note

I will not have to pay a prepayment charge if I make a prepayment on the Three (3.00) year anniversary of the date this Note is executed, or at any time thereafter.

(B) Prepayment Made Within Three (3.00) year(s) of the Date of this Note

I will pay Lender a prepayment charge if, in any twelve (12) month period before the Three (3.00) year anniversary of the date this Note is executed, I prepay more than 20% of the original principal balance of this Note. The prepayment charge will be six (6) months interest, at the rate then in effect on this Note, on the amount in excess of 20% of the original principal balance that I prepay within such 12 month period.

(C) Application of Funds

I agree that when I indicate in writing that I am making a prepayment, the Lender shall apply funds it receives first to pay any prepayment charge and next in accordance with the order of application of payments set forth in Section 2 of the Security Instrument.

(D) Monthly Payments

If I make a prepayment of an amount less than the amount needed to completely repay all amounts due under this Note and Security Instrument, my regularly scheduled payments of principal and interest will not change as a result.

6. LOAN CHARGES

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

7. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charges for Overdue Payment

If the Note Holder has not received the full amount of any monthly payment by the end of fifteen calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 6.000% of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

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

Late Payment Penalty

(C) Notice of Default

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

(D) No Waiver by Note Holder

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

Borrowers to Initial
Initials: _____

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

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

10. WAIVERS

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

11. UNIFORM SECURED NOTE

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

Transfer of the Property or a Beneficial Interest in Borrower. If all or any part of the Property or any interest in it is sold or transferred (or if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person) without the Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by this Security Instrument, However, this option shall not be exercised by Lender if exercise is prohibited by federal law as of the date of this Security Instrument. 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 reasonable 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 of 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 delivered or mailed within which the 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.

Oral agreements, promises or commitments to land money, extend credit, or forbear from enforcing repayment of a debt. Including promises to extend, modify renew or waive such debt, are not enforceable. This written agreement contains all the terms the Borrower(s) and the Lender have agreed to. Any subsequent agreement between us regarding this Note or the instrument which secures this Note, must be in a signed writing to be legally enforceable.

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

_____(seal)
Scott M. Taylor Borrower

_____(seal)
Cynthia J. Taylor Borrower

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

Lender: Your Town Mortgage
100 Main St
Kale, CA 95555

Loan Number: 030905
Type of Loan: ADJUSTABLE RATE

Borrowers: Scott M. Taylor and Cynthia J. Taylor

Date: March 02, 2008
Address: 17 Hemlock CT
Beech, CA 90001

Property: 17 Hemlock Ct Beech, CA 90001

ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.	FINANCE CHARGE The dollar amount the credit Will cost you.	AMOUNT FINANCED The amount of credit provided to you on your behalf.	TOTAL The amount you will have paid after you have made all payments as scheduled.
8.699 %	\$ 316,102.94	\$ 163,704.79	\$ 479,807.73

YOUR PAYMENT SCHEDULE WILL BE:

NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	PAYMENTS ARE DUE MONTHLY BEGINNING	NUMBER OF PAYMENTS	AMOUNT OF PAYMENTS	PAYMENTS ARE DUE MONTHLY BEGINNING
36	\$1,074.52	05/01/2008			
6	\$1,292.30	05/01/2011			
317	\$1,362.83	11/01/2011			
1	\$1,354.10	04/01/2038			

VARIABLE RATE FEATURE:

Your loan has a variable rate feature. Disclosures about the variable rate feature have been provided to you earlier

SECURITY: You are giving a security interest in the property located at: 17 Hemlock Ct Beech, CA 90001

ASSUMPTION: Someone buying this property

cannot assume the remaining balance due under original terms.

may assume, subject to lender's conditions, the remaining balance due under original terms

PROPERTY INSURANCE: You may obtain property insurance from anyone you want that is acceptable to Your Town Mortgage

LATE CHARGES: If a payment is 15 days late, you will be charged 6.000% of the overdue payment .

PREPAYMENT: If you pay off your loan early, you

may will not have to pay a penalty.

See your contract documents for any additional Information regarding non-payment, default, required repayment in full before the scheduled date prepayment refunds and penalties, security interest and the policy of the lender regarding assumption of the mortgage.

I/WE HEREBY ACKNOWLEDGE RECEIVING A COPY OF THIS DISCLOSURE

Scott M. Taylor

Date

Cynthia J. Taylor

Date

RECORDING REQUESTED BY :

**NC Title Company
100 Main St.
Kale, CA 95555**

**AND WHEN RECORDED MAIL
DOCUMENT**

**AND TAX STATEMENT TO:
Scott M. Taylor
17 Hemlock Ct
Beech, CA 90001**

SPACE ABOVE THIS LINE TOR RECORDER'S USE

Parcel No: ABC-1234

GRANT DEED

THE UNDERSIGNED GRANTOR(s) DECLARE(s)

Documentary Transfer Tax is \$00.00 – Transfer in title vesting

- computed on full value of interest of property conveyed, or
- computed on full value less value of liens or encumbrances remaining at time of sale
- Unincorporated Area

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Scott M. Taylor and Cynthia J. Taylor, Husband and Wife

hereby GRANT(s) to

Scott M. Taylor and Cynthia J. Taylor, Husband and Wife as Joint Tenants

The following described real property in the County of Orange, State of California, LOT NO. 22V AS SHOWN UPON THE MAP OF SEABREEZE SUBDIVISION, FILED IN THE OFFICE OF THE COUNTY RECORDER OF ORANGE COUNTY ON MAY 6, 1986 IN BOOK 12009 OF MAPS AT PAGES 200,201,202 OF ORANGE COUNTY RECORDS.

DATE: March 2, 2008

Scott M. Taylor

Cynthia J. Taylor

STATE OF CALIFORNIA

COUNTY OF _____ } S.S.

On _____ before me, _____
personally appeared _____

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and 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 forgoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

Recording Requested By:
NC Title

After Recording Return To;
Your Town Mortgage
100 Main Street
Kale, Ca. 95555

[Above This Line For Recording Data]

DEED OF TRUST

DEFINITIONS:

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

(A) "Security Instrument" means this document, which is dated March 2 ,2008 together with all Riders to this document,

(B) "**Borrower**" is

Scott M. Taylor and Cynthia J. Taylor HUSBAND AND WIFE AS JOINT TENANTS

Borrower's address is 17 Hemlock Ct. Beech, California 90001

Borrower is the trustor under this Security Instrument.

(C) "Lender" is Your Town Mortgage

Lender is a corporation organized and existing under the laws of Delaware

Lender's address is 100 Main Street, Kale, CA 95555

Lender is the beneficiary under this Security Instrument.

(D) "**Trustee**" is Your Town Mortgage

(E) "**Note**" means the promissory note signed by Borrower and dated April 1, 2008 The Note states that Borrower owes Lender

ONE HUNDRED SEVENTY THOUSAND & 00/100 Dollars (U.S. \$ 170,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than April 1,2038.

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

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

(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

[X] Adjustable Rate Rider [] Condominium Rider [] Second Home Rider
[] Balloon Rider [] Planned Unit Development Rider [] 1-4 Family Rider
[] VA Rider [] Biweekly Payment Rider [] Other(s) [Specify]

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

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

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

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

(M) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

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

(O) "Periodic Payment" means the regularly scheduled amount due for (i) principal and interest under the Note, plus (ii) any amounts under Section 3 of (his Security Instrument.

(P) "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.

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

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust with power of sale, the following described property located in the County of Orange

LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HERE OF:

Parcel ID Number; ABC-1234 which currently has the address of

("Property Address"): 17 Hemlock Ct. Beech, Ca 90001

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 us the "Property."

Note: Except for the last page, we have deleted the rest of the pages for this document as the verbiage is "boiler plate" and not usually reviewed as part of your duties.

Borrowers
to Initial

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 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 inefficient 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 (he 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 is to be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note. Any application of payments, insurance proceeds, or Miscellaneous Proceeds to principal due under the Note shall not extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds or 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.

Borrowers
to Initial



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 (his 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.

Witness:

Borrower:

_____ (seal)
Scott M. Taylor

_____ (seal)
Cynthia J. Taylor

Borrowers to Initial	↓
-------------------------	---

State of _____
County of _____

On _____ before me, _____
personally appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed
to the within instrument and 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 forgoing paragraph is
true and correct.

Witness my hand and official seal.

_____(Seal)
Notary Public

Borrowers to Initial	_____↓_____
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ADJUSTABLE RATE RIDER

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

THIS ADJUSTABLE RATE RIDER is made this 2nd day of March, 2008 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed Of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to My Town Mortgage (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

17 Hemlock Ct Beech, CA 90001
[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT, THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of **6.500 %**. The Note provides for Changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of April, 2011 , and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an index. The "Index" is the average of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in the Wall Street Journal, The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

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

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding six percentage points (6.000 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

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

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 8.500% or less than 6.500%. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One (1.000 %) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than 12.500)% or less than 6.500)%.

(E) Effective Date of Changes

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

(F) Notice of Changes

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

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

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

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

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by federal 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 Lenders consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument unless Lender releases Borrower in writing. If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

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

Scott M. Taylor

Cynthia J. Taylor

Initials: _____

FIRST PAYMENT LETTER

Applicant: Scott M. Taylor
Cynthia J. Taylor

Lender: Your Town Mortgage
100 Main St
Kale, CA 95555

Property: 17 Hemlock Ct
Beech, CA 90001

Loan No: 030905
Date: March 02, 2008

I/We, the undersigned, understand our mortgage payment will be \$1074.52 beginning May 1, 2008. This figure is based on the following breakdown:

Principal and Interest	<u>1074.52</u>
Total Payment	\$ 1074.52

I/We understand that the total monthly payment may change based on the amount of hazard insurance we will carry on the property. We are also aware that the total monthly payment may increase or decrease each year due to increases or decreases in annual taxes and/or insurance premiums.

I/We also acknowledge that my/our first monthly mortgage payment may be due less than 30 days from the date of loan closing. In the event that I/we do not receive a payment coupon book prior to the mortgage due date shown above, I/we understand that the total monthly mortgage payment should be remitted to the following address by the specified due date.

**Your Town Mortgage
100 Main St
Kale, CA 95555**

BY SIGNING BELOW, I/WE ACKNOWLEDGE THAT I/WE HAVE READ, RECEIVED AND UNDERSTAND THIS MONTHLY PAYMENT LETTER.

APPLICANT(S):

X _____ (Seal) X _____ (Seal)

X _____ (Seal) X _____ (Seal)

Borrower(s): **Scott M. Taylor, Cynthia J. Taylor**

Loan Number: 030905

Property Address: 17 Hemlock Ct Beech, CA 90001

Lender: Your Town Mortgage

CLOSING INSTRUCTIONS

These Closing Instructions are for closing the loan referenced in the cover letter enclosed herein. Do not proceed unless you accept full responsibility for following these instructions. All Closing Instructions must be strictly followed. **Do Not Close the Loan Otherwise. Have any questions answered prior to commencement of closing. Any modifications must be in writing and signed by the Lender. The Branch of Borrower is not authorized to approve any modifications to or deviations from these written closing instructions.**

If any ambiguities, obvious errors or questions arise in connection with a loan or any matter contained in the Closing Instructions, the Branch Manager must be contacted prior to closing for further instructions or to clarify or resolve matters. The Settlement Agent will be made liable for losses incurred by the Lender, as a result of the Settlement Agent closing a loan with knowledge that errors were contained in any documents or instructions. If the Settlement Agent determines that a loan cannot be closed in accordance with these Closing Instructions, (including the policy and other requirements), do not proceed to closing without further instructions from the Lender.

1. INSURED CLOSING. An Insured Closing Protection Letter in the form authorized by the American Land Title Association ("ALTA") must be issued in connection with the closing and settlement of any loan closing through a title insurance agent or a title insurance company authorized to do business in the State of CA. All title insurance agents should confirm that such a letter is on file with the Lender before closing the loan. The title policy must be underwritten by the insurer providing the Insured Closing Protection Letter.

2. CLOSE AS INSTRUCTED AND REQUIRED. As Settlement Agent, you must close the transaction in strict accordance with these Closing Instructions, if this transaction involves a sale, all applicable terms and conditions of the sales contract furnished to Lender must be followed. Immediately advise the Lender if any of the sales contract provisions conflict with these Closing Instructions, immediately advise the Lender of any recent or impending change in ownership. Prior to closing, the Lender must grant approval. **You must have written authorization from the Vice President of Loan Operations and/or its Directors of the Lender approving any deviation from these Closing Instructions.** No credits, debits, secondary financing or third party contributions are allowed unless specifically authorized in the Closing Instructions. All persons signing both the Note and the Mortgage must be vested in title. All persons signing the Mortgage must be vested in title or the spouse of someone vested in title as signing as a borrower under the Note.

3. TITLE COMMITMENT AND TITLE POLICY, The Title Policy must be written through the same company which issued the Commitment for Title Insurance ("Title Commitment") previously furnished to the Lender. Lender's loan documents have been prepared based upon the Title Commitment. If the Title Commitment does not comply with the following requirements, Settlement Agent must either (i) amend the Title Commitment, (ii) provide a new Title Commitment, or (iii) agree to provide Lender a subsequent Title Policy in accordance with the following requirements:

3.1 The date of the Title Commitment may not be more than ninety (90) days before the settlement date. If the Title Commitment has expired, do not close the loan, and contact the Lender immediately. The Title Commitment must have an authorized counter signature.

3.2 The Title Policy provided to the Lender must be an ALTA Loan Policy {October 17, 1992 version) and insure a First Mortgage lien as of the date of recording (Gap Protection must be provided). The "Name of Insured" in the Title Policy must read exactly: "Your Town Mortgage, its Successors or Assigns". Short Form policies are not acceptable.

3.3 The minimum amount of coverage required is the amount of the loan, as indicated in the Note.

3.4 Title to estate or interest in the land is insured as vested in" in the Title Policy must exactly match the Borrower/Owner/Spouses' names(s) indicated on the loan documents.

3.5 The Land referred to by the Title Policy must conform to the loan documentation and vice-a-versa. If a manufactured housing unit has been affixed to the land secured by the Lender's loan, attach Endorsement Form ALTA 7 and collect the premium and all expenses from the Borrower. **Lender does not lend on manufactured houses that have not been converted to real property.**

3.6 Without Lender approval, no exceptions may be taken for adverse possession claims, bankruptcies, fraudulent transfers, claims, unpaid liens or assessments. No exception may be taken for any titles or rights asserted by anyone to tidelands; or lands comprising the shores or beds of navigable or perennial rivers and Streams, lakes, bays, gulfs or oceans; or to any land extending from the line of mean low tide to the line of vegetation; or to lands beyond the line of the harbor or bulkhead lines as established or changed by any government; or to filled-in lands; or artificial island; or to riparian rights; or the rights or interests of the State of CA or the public generally in the area extending from the line of man low tide to the line of vegetation or their right of access thereto; or right of easement along and across the same without with out obtaining Lender's written consent to prior closing the transaction. Any inspection fees required for such coverage must be paid by the Borrower.

NO REVERSIONARY INTEREST RIGHTS OF FIRST REFUSAL OR RIGHTS OF RE-ENTRY THAT COULD RESULT IN A FORFEITURE OF TITLE OR ANY PART OF TITLE TO THE PROPERTY WHICH IS NOT SUBORDINATED TO LENDER'S INSURED LIEN IS ALLOWED.

3.7 Title Policy must be received by Lender no later than 60 days after the date of closing.

4. EXECUTION OF DOCUMENTATION.

4.1 Settlement Agent must verify the identity of all parties by requiring picture identification.

4.2 Lender does not allow use of Power of Attorney,

4.3 All Truth in Lending Disclosures must be signed prior to the Note, Mortgage or other legal documents.

4.4 All documents and riders must be signed exactly as the name typed. Do not make any amendments, erasures, Strikeouts, or additions to the documents without Lender's approval. If possible, a deletion should be made by marking one line through the language to be deleted. If approved, said amendments, additions and/or strikeouts must be initialed by all parties required to sign that document. Pages of the Note and Mortgage, which do not contain an original signature, must be initialed by the Borrowers. Obtain the initials of all appropriate parties on all other documents indicating the place for party initialing,

4.5 A notice of the consumer's right of rescission is required on all owner-occupied loans which are not for the initial purchase of the principal dwelling. The Settlement Agent is hereby directed by the Lender to act as its agent in completing or amending the dates in the Notice of Right to Cancel, The "date of transaction" is the date the Mortgage is signed by all Borrowers/Owners/Spouses entitled to rescind. The date following "Not later than midnight of" must be three (3) business days from the date of the transaction. For the purposes of calculating the third business day, count the first day after the date of closing and exclude Sundays and/or federal holidays and the date of funding. All blanks must be completed or amended prior to signature. Settlement Agent must contact the Lender to commit that the appropriate dates are used. **You must provide each Borrower, owner and any required spouse with two and one (1) copy of the Federal Truth-in-Lending Disclosure Statement. The right of rescission may not be waived by any party.** If any party indicates a desire to cancel the transaction or refuses to execute the "Receipt of Notice" section, contact the Lender immediately for further instructions.

4.6 Record the Warranty Deed and any other documents required to vest title in the Borrower. Lender requires a "Deed with Warranties". Pay any recording fees and title expenses. Record Mortgage. Pay off, with loan proceeds if necessary, and obtain the release, discharge or reconveyance of all items shown on the Title Commitment.

4.7 Documents to be recorded in this transaction must be presented to the county recorder's office in the following order:

- a. Warranty Deed (if a change in vesting is occurring)
- b. Mortgage (with any Riders)
- c. Supporting documents required to be filed/recorded (if any).

Settlement Agent must properly file the documents requested by Lender to be recorded, and obtain from Borrower and/or Seller the required filing fees. Any Warranty Deed used in this transaction must be returned to the Borrower with a copy to the Lender. The Mortgage must be returned after recording to the Lender.

6. **SETTLEMENT CHARGES AND LOAN DISBURSEMENTS.** You must use the attached itemization of settlement charges and disbursements to prepare the Settlement Statement. No funds you receive on behalf of the borrower(s) may be disbursed for any purpose or to any payee other than as directed in these instructions and disclosed on the Settlement Statement (HUD-1 or HUD-1 A) issued to borrower. Your Town Mortgage Branch Associates and borrowers have no authority to change the amounts or payees of settlement charges and disbursements set forth in the attached itemization, and disclosed on the settlement statement.

7. **COPIES.** Unless more than one (1) copy is required by these Closing Instructions, each Borrower must be provided with one (1) copy of all documents required by the Lender or Settlement Agent to be signed by Borrower. Prior to funding approval, Settlement Agent must provide a certified copy of each item that will be shown as an exception on the final title policy and deliver same to Lender.

FUNDING AND DISBURSEMENT. The complete loan package is due in Lender's office the day after loan signing. After satisfactory review, the loan will be funded. Once the loan is funded and funds are submitted for disbursement, a Final Settlement Statement will be prepared and submitted to the Lender.

LENDER RESERVES THE RIGHT TO CANCEL OR MODIFY THESE INSTRUCTIONS AT ANY TIME UPON NOTICE TO SETTLEMENT AGENT.

IF YOU ARE UNABLE TO CLOSE AND FUND THE LOAN AS SPECIFIED, CONTACT THE LENDER IMMEDIATELY AT 999-888-1234.

TITLE COMPANY AGREES TO FULLY COOPERATE AND ASSIST LENDER DURING ANY STATE REGULATORY AUDITS.

ITEMS TO BE PAID OFF FROM LOAN PROCEEDS

Borrower: Scott M. Taylor
Cynthia J. Taylor

Loan Number: 030905

Payee	Amount
Your Town Mortgage	\$158,484.02
County Tax Collector (w)	\$386.66

Settlement Agent:

By _____

It's _____

Date: _____

SETTLEMENT AGENT: NC Title

PLACE OF SETTLEMENT: 324 Major Ave Weston, CA 95007

SETTLEMENT DATE:

DISBURSEMENT DATE:

L. Settlement Charges		M. Disbursements To Others	
800 Items Payable In Connection With Loan		1501 1 st Mortgage Payoff	\$158,484.02
801 loan Origination Fee		1502 Taxes - Estimate	\$386.66
802. Loan Discount 2.00% To: Your Town Mortgage	\$3,400.00		
803 Appraisal Fee			
804 Credit Report			
806 Mortgage Insurance Application Fee			
807 Tax Related Service Fee to Your Town Mortgage	\$35.00		
808.Flood Search Fee to Your Town Mortgage	\$9.00		
809.Lender's Processing Fee to Your Town Mortgage	\$626.00		
810 Admin to Your Town Mortgage	\$239.00		
811 Application Fees to Your Town Mortgage	\$360.00		
900 Items Required By Lender Be Paid In Advance			
901 Interest from 03/03/2008 TO 04/01/2008 @\$30.27/DAY	\$696.21		
902 Mortgage Insurance Premium for			
903 Hazard Insurance Premium for			
1000 Reserves deposited with Lender			
1001 Hazard insurance			
1002 Mortgage Insurance			
1003.City property taxes			
1004.County property taxes			
1005 Annual assessments			
1008 Aggregate Adjustment			
1100 Title Charges			
1101 Settlement or closing fee NC Title	\$450.00		
1102 Abstract or title search			
1103 Title examination			
1104 Title insurance binder			
1105 Document preparation NC Title	\$50.00		
1106 Signing Fee Notary Public	\$300.00		
1107 Attorney's Fees			
(Includes above Item numbers:)			
1108 Title Insurance NC Title	\$566.00		
(Includes above Item numbers:)			
1109. Lender's coverage		1520 Total Disbursed (enter on line 1603)	\$158,870.68
1110 Owner's coverage			
1111 Wire Fee NC Title	\$25.00		
1112 Delivery Fee NC Title	\$30.00	N. Net Settlement	
1200 Government Recording and Transfer Charges			
1201 Recording Fee: Estimate	\$94.00	1600 Loan Amount	\$170,000.00
1202 City/county tax/stamps:			
1203 State tax/stamps		1601 Plus Check/Cash From Borrower	\$0.00
1300 Additional Settlement Charges			
1301 Survey		1602 Minus Total Settlement Charge (Line 1400)	\$7,305.21
1302 Pest Inspection			
1304 Staff Appraiser Fee	\$425.00	1603 Minus Total Disbursements to Others (Line 1520)	\$158,870.68
1400 Total Settlement Charges	\$7,305.21	1604 Equals Disbursement to borrower	\$3,824.11

Any amounts appearing on these lines are prepaid finance charges and cannot be increased or added once loan documents have been prepared unless new loan documents are generated.

Settlement Agent

Date

LENDER: **Your Town Mortgage**
BORROWER(S): **Scott M. Taylor**
Cynthia J. Taylor

PROPERTY ADDRESS: **17 Hemlock Ct., Beech, CA 90001**

LOAN NO.: **030905**

ERROR AND OMISSIONS / COMPLIANCE AGREEMENT

The undersigned borrower(s) for and in consideration of the above-referenced Lender funding the closing of this loan agrees, if requested by Lender or Closing Agent for Lender, to fully cooperate and adjust for clerical errors, any or all loan closing documentation if deemed necessary or desirable in the reasonable discretion of Lender to enable Lender to sell, convey, seek guaranty or market said loan to any entity, including but not limited to an investor, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, Federal Housing Authority or the Department of Veterans Affairs.

The undersigned borrower(s) do hereby so agree and covenant in order to assure that this loan documentation executed this date will conform and be acceptable in the marketplace in the instance of transfer, sale or conveyance by Lender of its interest in and to said loan documentation.

DATED effective this **Second day of March, 2008**

Scott M. Taylor (Borrower)

Cynthia J. Taylor (Borrower)

(Borrower)

(Borrower)

State of: _____

County of: _____

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____.

by _____ proved to me on the basis

of satisfactory evidence to be the person(s) who appeared before me.

Notary Public in and for

The State of

County of

Limited Correction Agreement

On March 02, 2008 _____, the undersigned borrower(s), for and in consideration of the approval, closing and funding of mortgage loan number 030905 hereby agree and grant Your Town Mortgage as settlement agent and Your Town Mortgage as lender the right to correct and/or execute and/or initial all typographical or clerical errors discovered in any or all of the closing documents required to be executed by the undersigned at settlement. In the event this agreement is exercised the undersigned will receive a copy of the changes.

THIS AGREEMENT MAY NOT BE USED TO INCREASE THE INTEREST RATE THE UNDERSIGNED IS PAYING, INCREASE THE TERM OF THE UNDERSIGNED'S LOAN, INCREASE THE UNDERSIGNED'S OUTSTANDING BALANCE OR INCREASE THE UNDERSIGNED'S MONTHLY PRINCIPAL AND INTEREST PAYMENTS.

This Agreement shall terminate one year from the closing date of the undersigned's mortgage loan.

In Witness Whereof, the undersigned has executed this Agreement on the 02 day of March , 2008 intending to be legally bound thereby.

Scott M. Taylor

Cynthia J. Taylor

STATE OF CALIFORNIA
COUNTY OF _____ } S.S.

On _____ before me, _____
personally appeared _____
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the
within instrument and 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 forgoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature _____

My Commission Expires: _____

BORROWER'S CERTIFICATION AND AUTHORIZATION

LENDER: **Your Town Mortgage**

APPLICANT(S): **Scott M. Taylor, Cynthia J. Taylor**

PROPERTY: **17 Hemlock Ct., Beech, CA 90001**

By signing below, I agree to the following:

1. I certify that I have submitted a complete and accurate loan application containing various information including without limitation, the amount and source of any down payment, my employment and income information, and information on my assets and liabilities. I certify that all of the information submitted is true and correct and that I have made no misrepresentations in the loan application or in any other related document, nor did I omit any pertinent information.
2. If my loan request is approved, I authorize the Lender to obtain additional employment, credit, or other information in connection with any update, renewal, or extension of the loan or for the solicitation of any loan or insurance products.
3. I understand and agree that the Lender reserves the right to change the mortgage loan review process to a full documentation program. This may include verifying the information which I have provided on my loan application such as employment, income, financial assets and outstanding obligations.
4. I understand that a married applicant may apply for a separate loan in his/her own name.
5. I understand that the Lender, or anyone authorized by the Lender, may inspect the Property securing the proposed loan for the purposes of determining its market value and to make sure that it otherwise meets Lender's property requirements for the type of loan requested and in connection with any post closing audit review.
6. I understand and agree that the Lender, its agents, successors and assigns, may verify and re-verify any information contained in my loan application and in any and all other documents required in connection with the loan, during loan processing and, if the loan request is approved, after loan closing as part of a post closing audit review.
7. I authorize the Lender, its agents, successors and assigns, to order one or more consumer credit reports and to obtain any and all information pertaining to my income, assets, employment, obligations as well as other information that the Lender may need in order to consider my application for loan financing under the Lender's loan program guidelines.
8. I authorize the Lender to release any information regarding my loan application to third parties including but not limited to title companies, appraisal companies, insurance companies, credit reporting agencies and affiliates who are or may be involved in the mortgage loan transaction in order to expedite the processing and, if approved, closing of my mortgage loan.
9. I authorize any third party who receives a copy of this written authorization to provide the Lender, its agents, successors and assigns, as well as any investor or mortgage insurance carrier to whom the Lender may designate, any and all information and documentation requested. Such information may include by way of example, employment history, income, bank, money market, and similar account balances, credit history, and copy of income tax returns.
10. A photocopy of this Certification and Authorization Form may be accepted as an original.

X _____ (Seal)
 Scott M. Taylor

 Date

X _____ (Seal)
 Cynthia J. Taylor

 Date

NOTICE TO BORROWERS: This is notice to you as required by the Right to Financial Privacy Act of 1978 that HUD/FHA and VA have a right of access to financial records held by financial institutions in connection with the consideration or administration of assistance to you. Financial records involving your transaction will be available to HUD/FHA or VA without further notice or authorization but will not be disclosed or released by this institution to another Government Agency or Department without your consent except as required or permitted by law.

March 02, 2008

THE HOUSING FINANCIAL DISCRIMINATION ACT OF 1977

FAIR LENDING NOTICE

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

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

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

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

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

DEPARTMENT OF CORPORATIONS
 320 West Fourth Street, Suite 750
 Los Angeles, CA 90013

EQUAL CREDIT OPPORTUNITY ACT

EQUAL CREDIT OPPORTUNITY ACT - The Federal Equal Credit Opportunity Act prohibits discrimination against Credit applicants on the basis of sex, marital status, race, color, religion, national origin, age (provided the applicant has the capacity to contract), whether all or part of the applicant's income is derived from any public assistance program, or if the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal Agency which administers compliance with this Law concerning tender is the FEDERAL TRADE COMMISSION EQUAL CREDIT OPPORTUNITY, ROOM 4037 WASHINGTON, DC 20580

ACKNOWLEDGMENT OF RECEIPT

I/We have received a copy of this notice.

BORROWER/OWNER Scott M. Taylor

Date

BORROWER/OWNER Cynthia J. Taylor

Date

Request for Taxpayer Identification Number and Certification

**Give form to the
 requester. Do not
 send to the IRS.**

Print or type See Specific Instructions on page 2	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶	
	<input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
City, state, and ZIP code		
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Social security number									

or

Employer identification number									

Note. If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or

- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Foreign person. If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

Nonresident alien who becomes a resident alien.

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.

Request for Copy of Tax Return

Department of the Treasury
Internal Revenue Service

- ▶ Do not sign this form unless all applicable parts have been completed.
Read the instructions on page 2.
- ▶ Request may be rejected if the form is incomplete, illegible, or any required part was blank at the time of signature.

OMB No. 1545-0429

TIP: You may be able to get your tax return or return information from other sources. If you had your tax return completed by a paid preparer, they should be able to provide you a copy of the return. The IRS can provide a **Tax Return Transcript** for many returns free of charge. The transcript provides most of the line entries from the tax return and usually contains the information that a third party (such as a mortgage company) requires. See new **Form 4506-T**, Request for Transcript of Tax Return, to order a transcript or you can call 1-800-829-1040 to order a transcript.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return or employer identification number (see instructions)
---	--

2a If a joint return, enter spouse's name shown on tax return	2b Second social security number if joint tax return
---	--

3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code

4 Address, (including apt., room, or suite no.), city, state, and ZIP code shown on the last return filed if different from line 3

5 If the tax return is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax return.

CAUTION: Lines 6 and 7 must be completed if the third party requires you to complete Form 4506. Do not sign Form 4506 if the third party requests that you sign Form 4506 and lines 6 and 7 are blank.

6 **Tax return requested** (Form 1040, 1120, 941, etc.) and all attachments as originally submitted to the IRS, including Form(s) W-2, schedules, or amended returns. Copies of Forms 1040, 1040A, and 1040EZ are generally available for 7 years from filing before they are destroyed by law. Other returns may be available for a longer period of time. Enter only one return number. If you need more than one type of return, you must complete another Form 4506. ▶ _____

Note: If the copies must be certified for court or administrative proceedings, check here.

7 **Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506.

____ / ____ / ____ ____ / ____ / ____ ____ / ____ / ____ ____ / ____ / ____

8 Fee. There is a \$39 fee for each return requested. Full payment must be included with your request or it will be rejected. Make your check or money order payable to "United States Treasury." Enter your SSN or EIN and "Form 4506 request" on your check or money order.	
a Cost for each return	\$ 39.00
b Number of returns requested on line 7	
c Total cost. Multiply line 8a by line 8b	\$

9 If we cannot find the tax return, we will refund the fee. If the refund should go to the third party listed on line 5, check here

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax return requested. If the request applies to a joint return, either husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506 on behalf of the taxpayer.

		Telephone number of taxpayer on line 1a or 2a ()
Signature (see instructions)	Date	
Title (if line 1a above is a corporation, partnership, estate, or trust)		
Spouse's signature	Date	

NOTICE IS GIVEN TO: TAYLOR, SCOTT M

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

NOTICE TO BORROWER ABOUT SPECIAL FLOOD HAZARD AREA STATUS

Notice of Property in Special Flood Hazard Area (SFHA)

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

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

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

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

NOTICE TO BORROWER ABOUT FEDERAL FLOOD DISASTER ASSISTANCE

Notice in Participating Communities

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

- * Flood insurance coverage under the NFIP may be purchased through an insurance agent who will obtain the policy either directly through the NFIP or through an insurance company that participates in the NFIP. Flood insurance also may be available from private insurers that do not participate in the NFIP.
- * At a minimum, flood insurance purchased must cover the lesser of:
 - (1) the outstanding principal balance of the loan; or
 - (2) the maximum amount of coverage allowed for the type of property under the NFIP.
- * Flood insurance coverage under the NFIP is limited to the overall value of the property securing the loan minus the value of the land on which the property is located.
- * Federal disaster relief assistance (usually in the form of a low-interest loan) may be available for damages incurred in excess of your flood insurance if your community's participation in the NFIP is in accordance with NFIP requirements.

Notice in Nonparticipating Communities

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

Borrower's Signature/Date

Co-Borrower's Signature/Date

Lending Institution

Lending Institution Authorized Signature/Date

RESPA SERVICING DISCLOSURE

Lender: Your Town Mortgage

Loan Number:030905

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

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

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

Transfer Practices and Requirements

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

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

Complaint Resolution

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

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

Damages and Costs

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

Servicing Transfer Estimates

- The following is the best estimate of what will happen to the servicing of your mortgage loan:
 We may assign, sell or transfer the servicing of your loan while the loan is outstanding.
 We are able to service your loan and we will will not haven't decided whether to service your loan.
OR
 We do not service mortgage loans, and we have not serviced mortgage loans in the past three years.
 We presently intend to assign, sell or transfer the servicing of your mortgage loan. You will be informed about your servicer.
 We assign, sell or transfer the servicing of some of our loans while the loan is outstanding depending on the type of loan and other factors. For the program you have applied for, we expect to:
 Sell all of the mortgage servicing retain all of the mortgage servicing
 Assign, sell or transfer % of the mortgage servicing

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

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

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

- WE have previously assigned, sold or transferred the servicing of federally related mortgage loans
OR

- This is our record of transferring the servicing of the first lien mortgage loans we have made In the past year
Percentage of Loans Transferred (Rounded to nearest quartile - 0%, 25%, 50%, 75%, or 100%)

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

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

ACKNOWLEDGMENT OF MORTGAGE LOAN

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

Scott M. Taylor

Date

Cynthia J. Taylor

Date

HAZARD INSURANCE REQUIREMENTS AND AUTHORIZATION

Borrower(s): Scott M. Taylor
Cynthia J. Taylor

Loan Number: 030905

Property Address: 17 Hemlock Ct., Beech, CA 90001

Each of the undersigned borrowers, without limiting the effect of the terms and conditions of the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") securing the above indicated loan with Lender, acknowledges responsibility to provide, at the expense of the undersigned, hazard insurance upon the real property described herein said Security Instrument. All insurance policies must comply with the following requirements:

- The insurance carrier providing this insurance shall be chosen by the Borrower subject to Lender's approval, which shall not be unreasonably withheld. The insurance carrier must be at all times during the term of the loan rated a B+/IV or better in Best's Insurance Guide (or Lloyd's of London) and licensed or otherwise authorized by law to conduct business in California.
- The policy must be written for a minimum of fire and special extended form coverage insuring all units, garages, outbuildings, etc. by direct mention of allowance in the policy.
- Minimum hazard insurance coverage in an amount equal to the lesser of:
 - 1) the unpaid principal balance owing on the loan; or
 - 2) the replacement value of all improvements located on the collateral property. If the insurance is in an amount equal to the replacement value of all improvements, evidence in writing from the insurer setting forth the replacement value of the improvements must be provided.
- The policy term must be a minimum of one (1) year or continuous until cancelled. A binder is acceptable for a period of 90 days. The original policy or binder must be in our office prior to the disbursement of funds.
- The deductible may not exceed the lower of \$1,000 or 1 % of the amount of coverage.
- The Insured's name and the property address must be identical to that shown on the policy of Title Insurance.
- In the event the Lender does not receive notification from the Borrower that the premiums have been paid at least thirty (30) days prior to the expiration date of the policy, the Lender may, at its option, pay such premiums and add the cost of such premiums to the debt owed.
- The policy must contain a standard mortgagee clause (Form 438 BFU or equivalent) in favor of:

Your Town Mortgage Its Successors and/or Assigns
100 Main St
Kale, CA 95555

IMPORTANT NOTE: IF the Mortgage Loan is located in a condominium or PUD Project, the requirements listed on the Hazard Insurance Requirements and Authorization PUD/Condominium Addendum must be followed in addition to the requirements outlined above.

If you have any questions regarding our insurance requirements or this authorization, please call **(866)000-9999**.

It is understood that in order to comply with State and Federal regulations, the Lender may change the above requirements from time to time without prior written notice.

By signing this agreement, the Borrower acknowledges that he or she has read and understands the terms of this agreement and acknowledges that he or she has received a copy of this agreement.

BORROWER/OWNER Scott M. Taylor Date

BORROWER/OWNER Cynthia J. Taylor Date

SIGNATURE/NAME AFFIDAVIT

DATE : **March 02, 2008**

LOAN # : **090305**

BORROWER : **Scott M. Taylor**

THIS IS TO CERTIFY THAT MY LEGAL SIGNATURE IS AS WRITTEN AND TYPED BELOW.
(This signature must exactly match signatures on the Note and Mortgage or Deed of Trust.)

Scott M. Taylor

(Print or Type Name)

Signature

(Print or Type Name)

Signature

(Print or Type Name)

Signature

(If applicable, complete the following.) I AM ALSO KNOWN AS:

S. M. Taylor

(Print or Type Name)

Signature

(Print or Type Name)

Signature

(Print or Type Name)

Signature

(Print or Type Name)

Signature

And that by signing above I certify that **Scott M. Taylor** and **S. M. Taylor** are one and the same person

State Of California

County Of _____

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____.
by _____

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Notary Public

SIGNATURE/NAME AFFIDAVIT

DATE : **March 02, 2008**

LOAN # : **090305**

BORROWER : **Cynthia J. Taylor**

THIS IS TO CERTIFY THAT MY LEGAL SIGNATURE IS AS WRITTEN AND TYPED BELOW.
(This signature must exactly match signatures on the Note and Mortgage or Deed of Trust.)

Cynthia J. Taylor

(Print or Type Name)

Signature

(Print or Type Name)

Signature

(Print or Type Name)

Signature

(If applicable, complete the following.) I AM ALSO KNOWN AS:

(Print or Type Name)

Signature

(Print or Type Name)

Signature

(Print or Type Name)

Signature

(Print or Type Name)

Signature

State Of: **California**

County Of: _____

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, 20____,
by _____

proved to me on the basis of satisfactory evidence to be the person(s) who appeared before me.

Notary Public

Date: 2/21 /2008
 Loan # 030905

GOOD FAITH ESTIMATE OF CLOSING COSTS

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

You are applying to: Your Town Mortgage for a mortgage loan. We estimate that you as the applicant and your seller are likely to incur the following settlement charges. You, the applicant, are responsible for informing the seller that the charge they must pay are a condition of closing the loan.

Estimated Closing Costs		Applicant	Seller			
801	Loan Origination Fee	-----	-----	Your Town Mortgage 100 Main St Kale, CA 95555		
802	Loan Discount 2%	3400.00	-----			
803	Appraisal Fee	-----	-----			
804	Credit Report Fee	-----	-----			
806	Mortgage Insurance	-----	-----	Borrowers	Scott M. Taylor, Cynthia J. Taylor	
807	Tax Related Service Fee	35.00	-----	Property	17 Hemlock Ct Beech, CA 90001	
808	Flood Certification Fee	9.00	-----			
809	Loan Processing Fee	626.00	-----	Loan Program	ADJ. REFI.	
810	Admin Fee	239.00	-----	Buydown	Non - Buydown	
811	Application Fee	360.00	-----	Balloon in Months	-----	
812	Buy Down Fee	-----	-----	NOTE RATE	6.5%	
814	Inspection Fee	-----	-----	Terms In Months	360	
1101	Settlement Fee	450.00	-----	Loan to Value	34%	
1102	Title Search	-----	-----	Cumulative LTV	34%	
1103	Title Examination	-----	-----	MTG. Broker Fee	-----	
1104	Title Insurance Binder	-----	-----	DETAILS OF TRANSACTION		
1105	Document Prep	50.00	-----	a	Purchase Price	-----
1106	Notary Fee	300.00	-----	b	Alterations, improvements	-----
1107	Attorney's Fee	-----	-----	c	Land	-----
1108	Title Insurance	566.00	-----	d	Refinance	158484.02
1111	Wire Fee	25.00	-----	e	Estimated Prepaid Items	696.21
1112	Delivery Fee	30.00	-----	f	Estimated Closing Costs	7305.21
1201	Recording Fee	94.00	-----	g	Taxes - Estimate	386.66
1203	State Tax	-----	-----	h	Discount	3400.00
1204	Document Review Fee	-----	-----	i	Total Costs (a-h)	166872.10
1205	Escrow Waiver Fee	-----	-----	j	Subordinate Financing	-----
1301	Survey	-----	-----	k	Closing Costs pd by seller	-----
1302	Pest Inspection	-----	-----	l	Other Credits	-----
1304	Staff Appraiser Fee	425.00	-----		Earnest Money	-----
1305	Recording Fee	-----	-----		Broker Paid Fees	-----
1306	Escrow Agent Fee	-----	-----	m	Loan Amount	170000.00
1307	Broker Fee	-----	-----	n	PMI, MPI, VA Funding	-----
	Estimated Closing Costs	-----	-----	o	Loan Amount	170000.00
	Discount Points	-----	-----	p	Cash from Borrower	-----
	Total Closing Costs	-----	-----		(subtract j, k, l & o from i)	-----
Estimated Pre Paid Items		Applicant	Seller	PROPOSED PAYMENT (PITI)		
901	Interest for 28 days	696.21	-----		First Mortgage (P & I)	1274.52
902	Mortgage Insurance	-----	-----		Other Financing	-----
903	Hazard Insurance Premium	-----	-----		Hazard Insurance	-----
904	Flood Insurance Premium	-----	-----		Flood Insurance	-----
1001	Hazard Insurance	-----	-----		Real Estate Taxes	-----
1002	PMI/UFMIP	-----	-----		Mortgage Insurance	-----
1004	Co Property Tax	-----	-----		Homeowners Assc. Dues	-----
1005	Ann. Assessment	-----	-----		Leasehold Ground Rent	-----
1006	Flood Insurance	-----	-----		Other	-----
1008	Misc. Escrow	-----	-----			-----
	Estimated Pre Paid Items	696.21	-----			-----
	PMI/UFMIP/VA Funding Fee	-----	-----			-----
	Total Prepaid Items	696.21	-----		Total Payment (PITI)	1274.52

You have the right to receive a copy of the appraisal report used in connection with your application for credit, provided such a report is retained by us. If you wish a copy, please write to us at the mailing address we have provided. Please contact us after we notify you of the action taken on your credit application or you withdraw your application.

Borrower – Scott M. Taylor

Date

Borrower – Cynthia J. Taylor

Date

**ADDENDUM
TO GOOD FAITH ESTIMATE OF CLOSING COSTS**

Interest calculation as seen in item 901 represents the average amount of interest you could be required to pay at settlement. The actual amount will be determined by which day of the month your settlement is conducted.

* L = Lender Paid C = Broker/Correspondent

** A non-refundable application fee may be charged for the initial cost of processing, verifying and preparing your loan package to submit for commitment. The fee for the credit report and/or appraisal may be included in the application fee. Nonrefundable fees are subject to the applicable limitations of State or Federal law. Ask your Loan Officer or Mortgage Broker for specific details regarding your transaction.

There may be additional settlement service providers who are required; however, the exact providers have yet to be selected for your real estate transaction. As a lender, we maintain an approved list of providers and the amount listed on the first page is an estimate based on the charges of the particular service. At the time of settlement, you will be provided a Settlement Statement, which will identify the required providers and the exact cost of the settlement services provided.

If an item(s) listed on the first page of the Good Faith Estimate requires the use of a particular settlement provider, the provider is listed below or on the first page. The estimate is based on the charges of the named provider.

Item: Appraisal Service
Name: Best Bet Appraisal Services, Inc.
Address: 4 West Gate Rockaway, CA 99888
Telephone: 866-555-9777
Relationship:
Mortgage Co. has used/required provider's services during past 12 months.

Item: Credit Report
Name: CSC Credit Service/Equifax
Address: 205 W, Fourth St Suite 400 Cincinnati, OH
Telephone: 800-753-1325
Relationship:
Mortgage Co. has used/required providers services during past 12 months.

APPRAISAL DISCLOSURE

You have the right to receive a copy of the appraisal report used in connection with your loan application for credit, provided such a report is retained by us. If you wish a copy, please write to us at the mailing address we have provided. Please contact us after we notify you about the action taken on your credit application or you withdraw your application. We must be notified in writing. In your letter, please give us your name, address, the date the loan application was taken and the name of the branch office, department that processed your loan application or broker who arranged your financing. Address is; Your Town Mortgage 100 Main Street Kale, CA 95555

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OBTAINING A MORTGAGE LOAN

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all mortgage bankers to obtain, verify, and record information that identifies each person who applies for a mortgage loan. What this means for you: When you apply for a mortgage loan, we will ask for your name, address, date of birth, and other information that will allow us to identify you. At closing, our agent will also ask to see your driver's license or other identifying documents.

THIS GOOD FAITH ESTIMATE MAY NOT COVER ALL ITEMS YOU WILL BE REQUIRED TO PAY IN CASH AT SETTLEMENT. YOU MAY WISH TO INQUIRE AS TO THE AMOUNT OF SUCH OTHER ITEMS. YOU MAY BE REQUIRED TO PAY OTHER ADDITIONAL AMOUNTS AT SETTLEMENT.

THIS GOOD FAITH ESTIMATE IS PROVIDED TO YOU IN COMPLIANCE WITH THE REAL ESTATE SETTLEMENT PROCEDURES ACT OF 1974, AS AMENDED (RESPA). IT IS NOT AN APPROVAL OF YOUR MORTGAGE LOAN APPLICATION OR A COMMITMENT TO MAKE YOU A LOAN.

Applicants acknowledge receipt of the Good Faith Estimate of Closing along with this Addendum.

Borrower: _____ Date: _____

Borrower: _____ Date: _____

