

IN THE SUPREME COURT OF THE STATE OF NEVADA

AIRMOTIVE INVESTMENTS, LLC, A)
NEVADA LIMITED LIABILITY)
COMPANY,)

Appellant,)

vs.)

BANK OF AMERICA, N.A.,)

Respondent.)

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Elizabeth A. Brown
Clerk of Supreme Court
Supreme Court No. 80373

APPEAL

From the Eighth Judicial District Court,
The Honorable Stefany A. Miley, District Judge
District Court Case No. A-12-654840-C

JOINT APPENDIX - VOLUME 4

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EXHIBIT A

EXHIBIT A

20060630-0002110

Fee: \$35.00
N/C Fee: \$25.00

06/30/2006 09:39:29
T20060115643

Requestor:
FIRST AMERICAN TITLE COMPANY OF NEVAD

Frances Deane DGI
Clark County Recorder Pgs: 22

PIN #: 140-34-413-075
After Recording Return To:
UTAH FINANCIAL, INC.
4001 SOUTH 700 EAST STE 100
SALT LAKE CITY, UT 84107
ATTN: FUNDING DEPARTMENT

Grantee:
UTAH FINANCIAL, INC.
4001 SOUTH 700 EAST STE 100, SALT LAKE
CITY, UT 84107

Mail Tax Statement To:
UTAH FINANCIAL, INC.
4001 SOUTH 700 EAST STE 100
SALT LAKE CITY, UT 84107

[Space Above This Line For Recording Data]

DEED OF TRUST

UNIZA-ENRIQUEZ
Loan #: 5946
NUN: 100254105060621040
PIN: 140-34-413-075

DEFINITIONS

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

- (A) "Security Instrument" means this document, which is dated JUNE 22, 2006, together with all Riders to this document.
- (B) "Borrower" is GENEVIEVE UNIZA-ENRIQUEZ, A MARRIED WOMAN AS HER SOLE AND SEPARATE PROPERTY. Borrower is the trustor under this Security Instrument.
- (C) "Lender" is UTAH FINANCIAL, INC.. Lender is a CORPORATION organized and existing under the laws of UT. Lender's address is 4001 SOUTH 700 EAST STE 100, SALT LAKE CITY, UT 84107.
- (D) "Trustee" is FIRST AMERICAN TITLE.
- (E) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. MERS is the beneficiary under this Security Instrument. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.
- (F) "Note" means the promissory note signed by Borrower and dated JUNE 22, 2006. The Note states that Borrower owes Lender THREE HUNDRED SIXTY THOUSAND AND 00/100 Dollars (U.S. \$360,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than JULY 1, 2036.
- (G) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

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

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

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

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

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

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

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

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

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

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

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

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

TRANSFER OF RIGHTS IN THE PROPERTY

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

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Jurisdiction):

SEE EXHIBIT "A"

which currently has the address of 6279 DOWNPOUR COURT, LAS VEGAS, Nevada 89110 ("Property Address").

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

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges.

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

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

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

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reduce the principal balance of the Note.

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

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

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

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

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

If there is a surplus of Funds held in escrow, as defined under RESPA, Lender shall account to

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

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

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

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

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

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

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

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as

mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

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

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

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

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

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

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

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

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

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. Borrower shall not surrender the leasehold estate and interests herein conveyed or terminate or cancel the ground lease. Borrower shall not, without the express written consent of Lender, alter or amend the ground lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20) and benefit the successors and assigns of Lender.

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

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

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

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

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

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

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

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower

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

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

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

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

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

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

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

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

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

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

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

Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

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

23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs. Lender may charge such person or persons a 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.

24. Substitute Trustee. Lender at its option, may from time to time remove Trustee and appoint a successor trustee to any Trustee appointed hereunder. Without conveyance of the Property, the successor trustee shall succeed to all the title, power and duties conferred upon Trustee herein and by Applicable Law.

25. Assumption Fee. If there is an assumption of this loan, Lender may charge an assumption fee of U.S. \$0.00.

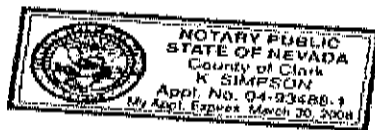
BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Genevieve Uniza-Enriquez 10/23/06
 - BORROWER - GENEVIEVE UNIZA-ENRIQUEZ - DATE -

[Space Below This Line for Acknowledgment]

STATE OF Nevada
 COUNTY OF Clark

This instrument was acknowledged before me on June 23rd 2006 by Genevieve Marie Gagey



[Signature]
 Notary Public

My Commission Expires: 3/30/08

EXHIBIT 'A'

PARCEL I:

LOT 75 OF CHARLESTON AND FOGG (A COMMON INTEREST COMMUNITY), AS SHOWN BY MAP THEREOF ON FILE IN BOOK 113 OF PLATS, PAGE 40, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA

PARCEL II:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS, USE AND ENJOYMENT, LANDSCAPING AND PUBLIC UTILITIES PURPOSES ON, OVER AND ACROSS THE "PRIVATE DRIVES/ P.U.E." AND "COMMON AREAS" AS DELINEATED ON SAID MAP, AND AS FURTHER DEFINED BY THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT AND RESERVATION OF EASEMENTS FOR PALO VERDE RANCH RECORDED MARCH 12, 2004 IN BOOK 20040312, AS DOCUMENT NUMBER 01067, OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA.

PLANNED UNIT DEVELOPMENT RIDER

UNITA-ENRIQUEZ
Loan #: 2246
MIN: 100254105050621040

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 22ND day of JUNE, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to **UTAH FINANCIAL, INC.**, (the "Lender") of the same date and covering the Property described in the Security Instrument and located at:

6279 DOWNPOUR COURT, LAS VEGAS, NV 89110

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in THE COVENANTS, CONDITIONS AND RESTRICTIONS FILED OF RECORD THAT AFFECT THE PROPERTY (the "Declaration"). The Property is a part of a planned unit development known as

CHARLESTON & FOGG

[Name of Planned Unit Development]

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

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

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

B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, for which Lender requires insurance, then: (i) Lender waives the

provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

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

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

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

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

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

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

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

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

Genevieve Unzueta-Enriquez 12/23/06
BORROWER - GENEVIEVE UNZUETA-ENRIQUEZ DATE

Doc ID#:

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

UNIZA-ENRREQUR
Loan # 5946
PIN: 140-34-413-075
MDN: 100254105060621040

THIS ADJUSTABLE RATE RIDER is made this 22ND day of JUNE, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to **UTAH FINANCIAL, INC.** ("Lender") of the same date and covering the property described in the Security Instrument and located at:

6279 DOWNPOUR COURT, LAS VEGAS, NV 89110
[Property Address]

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

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

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

2. INTEREST

(A) Interest Rate

PayOption MTA ARM Rider

2/E-5315 (0521)

055.0 5538.70

Page 1 of 5

JA 0264

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 1.750%. The interest rate I will pay may change.

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

(B) Interest Rate Change Dates

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

(C) Index

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

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

(D) Calculation of Interest Rate Changes

Before each Interest Rate Change Date, the Note Holder will calculate my new interest rate by adding **THREE AND ONE-HALF** percentage point(s) 3.500% ("Margin") to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). This rounded amount will be my new interest rate until the next Interest Rate Change Date. My interest will never be greater than 9.950%. Beginning with the first Interest Rate Change Date, my interest rate will never be lower than the Margin.

3. PAYMENTS

(A) Time and Place of Payments

I will make a payment every month.

I will make my monthly payments on the 1ST day of each month beginning on AUGUST 1, 2006. I will make these payments every month until I have paid all the Principal and Interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on JULY 1, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at 4601 SOUTH 700 EAST STE 100, SALT LAKE CITY, UT 84107 or at a different place if required by the Note Holder.

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments until the first Payment Change Date will be in the amount of U.S. \$1,286.08 unless adjusted under Section 3(F).

(C) Payment Change Dates

My monthly payment may change as required by Section 3(D) below beginning on the 1ST day of AUGUST, 2007, and on that day every 12th month thereafter. Each of these dates is called a "Payment Change Date." My monthly payment also will change at any time Section 3(F) or 3(G) below requires me to pay a different monthly payment. The "Minimum Payment" is the minimum amount Note Holder will accept

PayOption MTA ARM Rider

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for my monthly payment which is determined at the last Payment Change Date or as provided in Section 3(F) or 3(G) below. If the Minimum Payment is not sufficient to cover the amount of the interest due then negative amortization will occur.

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

(D) Calculation of Monthly Payment Changes

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

(E) Additions to My Unpaid Principal

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

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

My unpaid Principal can never exceed the Maximum Limit equal to ONE HUNDRED FIFTEEN percent (115.000%) of the Principal amount I originally borrowed. My unpaid Principal could exceed that Maximum Limit due to Minimum Payments and interest rate increases. In that event, on the date that my paying my monthly payment would cause me to exceed that limit, I will instead pay a new monthly payment. This means that my monthly payment may change more frequently than annually and such payment changes will not be limited by the 7.5% Payment Cap. The new Minimum Payment will be in an amount that would be sufficient to repay my then unpaid Principal in full on the Maturity Date in substantially equal payments at the current interest rate.

(G) Required Full Payment

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

(H) Payment Options

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

PayOption MTA ARM Rider
FE-5345 (0511)

06/01/20 55/08/20

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

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

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

Section 18 of the Security Instrument entitled "Transfer of the Property or a Beneficial Interest in Borrower" is amended to read as follows:

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

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

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

If Lender exercises the option to require immediate payment in full, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by 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.

Genevieve Uniza Enriquez 10/23/06
- BORROWER - GENEVIEVE UNIZA ENRIQUEZ - DATE -

EXHIBIT B

EXHIBIT B

DECL

ARIEL STERN, ESQ.

Nevada Bar No. 8276

NATALIE WINSLOW, ESQ.

Nevada Bar No. 12125

AKERMAN LLP

1635 Village Center Circle, Suite 200

Las Vegas, NV 89134

Telephone: (702) 634-5000

Facsimile: (702) 380-8572

Email: ariel.stern@akerman.com

Email: natalie.winslow@akerman.com

*Attorneys for Bank of America, N.A.***DISTRICT COURT
CLARK COUNTY, NEVADA**LAS VEGAS DEVELOPMENT GROUP,
LLC

Plaintiff,

vs.

BANK OF AMERICA; GENEVIEVE UNIZA-
ENRIQUEZ; DOES 1 through 20, and ROE
CORPORATIONS 1 through 20, inclusive,

Defendants.

Case No.: A-12-654840-C

Dept. No.: XXIII

DECLARATION OF GRAHAM BABIN

BANK OF AMERICA, N.A.,

Counterclaimant,

vs.

LAS VEGAS DEVELOPMENT GROUP,
LLC,

Counter-Defendant.

I, Graham Babin, declare as follows:

i. My name is Graham Babin. I have personal knowledge of and am competent to testify as to the matters stated herein by virtue of my position as Assistant Vice President for Federal National

1 Mortgage Association ("Fannie Mae"), a corporation organized and existing under the laws of the
2 United States.

3 2. As Assistant Vice President for Fannie Mae, I am familiar with certain Fannie Mae
4 systems that contain data regarding mortgage loans acquired and owned by Fannie Mae. I am also
5 familiar with the Selling and Servicing Guidelines applicable to entities that service mortgage loans
6 on behalf of Fannie Mae.

7 3. This declaration is filed in support of Bank of America, N.A.'s motion on federal
8 preemption.

9 4. Attached hereto as Exhibit "A" are true and correct copies of printouts from Fannie
10 Mae's Servicer & Investor Reporting platform ("SIR"). SIR is an electronic system of record that
11 contains information regarding mortgage loans acquired and owned by Fannie Mae. Entries in SIR are
12 made at or near the time of the events recorded by, or from information transmitted by, persons with
13 knowledge. SIR is kept in the course of Fannie Mae's regularly conducted business activity, and it is
14 the regular practice of Fannie Mae to keep and maintain information regarding mortgage loans owned
15 by Fannie Mae. Exhibit "A" consists of records that were made and kept by Fannie Mae in the course
16 of its regularly conducted activities pursuant to its regular business practice of creating such records.
17 The printouts in Exhibit "A" are Fannie Mae business records.
18

19 5. Exhibit "A" reflects that in August 2006, Fannie Mae acquired ownership of a
20 mortgage loan, which includes both the note and its associated deed of trust, secured by real property
21 located at 6279 Downpour Court, Las Vegas, NV 89110 (the "Loan"). Exhibit "A" also reflects that
22 Fannie Mae remains the owner of the Loan.
23

24 6. The first page of Exhibit "A" is a printout of the SIR "Acquisition" tab relating to the
25 Loan. The acquisition date referenced above is shown in the Acquisition tab.
26

27 7. The second page of Exhibit "A" is a printout of the SIR "Property" tab relating to the
28 Loan. The property address referenced above is shown in the Property tab.

1 8. Beginning at the third page of Exhibit "A" is the SIR Loan Activity History for this
2 Loan. The Loan Activity History reflects that Fannie Mae owned the Loan before and during the
3 month of April 2011 and remains the owner of the Loan. The Loan Activity History shows that the
4 Loan servicer reported certain information to Fannie Mae regarding the Loan (such as the unpaid
5 principal balance) on a monthly basis. This information was reported to Fannie Mae because Fannie
6 Mae owns this Loan. If Fannie Mae did not own this Loan, this loan activity information would not
7 have been reported to Fannie Mae.

9 9. Additionally, had Fannie Mae ceased to own this Loan (if, for example, the Loan had
10 been paid off, foreclosed, or sold to another entity), information reflecting that would appear under
11 the "Action Code - Action Description" column on the Loan Activity History. There is no such
12 information under the "Action Code - Action Description" column on the attached Loan Activity
13 History, which means that the Loan is still owned by Fannie Mae as of the last reporting shown in
14 Exhibit "A."

15 10. Following the Loan Activity History are printouts of the SIR LAM Transaction Details
16 and Audit Trail regarding the reclassification of the Loan. These reports show that on February 23,
17 2009, the Loan was reclassified to Fannie Mae's cash portfolio of mortgage loans, which means it was
18 no longer securitized - that is, it no longer backed a mortgage-backed security ("MBS"), as of that
19 date. These records would not exist if the Loan had not been disassociated from the securitization
20 trust. SIR reflects that the Loan was not securitized by Fannie Mac at any time after February 23,
21 2009, including in April 2011.

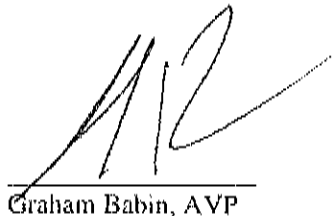
22 11. The banner appearing above the Acquisition Tab, Property Tab, Loan Activity History,
23 and LAM Transaction Details reflects that the current servicer of the Loan for Fannie Mac is Bank of
24 America, N.A. ("BANA"). SIR does not reflect that any other entity has serviced the Loan on behalf
25 of Fannie Mae since Fannie Mac began using SIR in 2009. SIR reflects that BANA was the servicer
26 of the Loan for Fannie Mae in April 2011.
27
28

1 12. The Fannie Mae Single-Family Selling and Servicing Guides ("Guides") are publicly
2 accessible documents which serve as central documents governing the contractual relationship
3 between Fannie Mae and its loan sellers and servicers nationwide, including BANA. A true and
4 correct copy of the current Guides and archived prior versions of the Guides can be found at
5 <https://www.fanniemae.com/content/guide/selling/index.html> and
6 <https://www.fanniemae.com/content/guide/servicing/index.html>. Prior versions of the Guides are
7 available at that URL by clicking "Show All" in the left hand column of those sites.
8

9 13. True and correct copies of applicable Selling and Servicing Guide sections are attached
10 here to as Exhibit "B."

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

13
14 Executed on January 10, 2019.

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16 
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Graham Babin, AVP

Exhibit A

Acquisition	1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037	2037-2038	2038-2039	2039-2040	2040-2041	2041-2042	2042-2043	2043-2044	2044-2045	2045-2046	2046-2047	2047-2048	2048-2049	2049-2050	2050-2051	2051-2052	2052-2053	2053-2054	2054-2055	2055-2056	2056-2057	2057-2058	2058-2059	2059-2060	2060-2061	2061-2062	2062-2063	2063-2064	2064-2065	2065-2066	2066-2067	2067-2068	2068-2069	2069-2070	2070-2071	2071-2072	2072-2073	2073-2074	2074-2075	2075-2076	2076-2077	2077-2078	2078-2079	2079-2080	2080-2081	2081-2082	2082-2083	2083-2084	2084-2085	2085-2086	2086-2087	2087-2088	2088-2089	2089-2090	2090-2091	2091-2092	2092-2093	2093-2094	2094-2095	2095-2096	2096-2097	2097-2098	2098-2099	2099-2100
1990-1991	1991-1992	1992-1993	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025	2025-2026	2026-2027	2027-2028	2028-2029	2029-2030	2030-2031	2031-2032	2032-2033	2033-2034	2034-2035	2035-2036	2036-2037	2037-2038	2038-2039	2039-2040	2040-2041	2041-2042	2042-2043	2043-2044	2044-2045	2045-2046	2046-2047	2047-2048	2048-2049	2049-2050	2050-2051	2051-2052	2052-2053	2053-2054	2054-2055	2055-2056	2056-2057	2057-2058	2058-2059	2059-2060	2060-2061	2061-2062	2062-2063	2063-2064	2064-2065	2065-2066	2066-2067	2067-2068	2068-2069	2069-2070	2070-2071	2071-2072	2072-2073	2073-2074	2074-2075	2075-2076	2076-2077	2077-2078	2078-2079	2079-2080	2080-2081	2081-2082	2082-2083	2083-2084	2084-2085	2085-2086	2086-2087	2087-2088	2088-2089	2089-2090	2090-2091	2091-2092	2092-2093	2093-2094	2094-2095	2095-2096	2096-2097	2097-2098	2098-2099	2099-2100	

Seller Name	127810001	Bank of America, N.A.
Acquisition Date	08/01/2006	
LPI Date	09/01/2006	
Interest Rate	7.8750%	
LPTR	7.2600%	
Excess Yield Rate	0.0010%	
GFee Rate after APM	0.5500%	
Scheduled LPI	08/01/2006	
Acquisition Loan Margin	3.5000%	
Next P&I Adj Date		
Acquisition Maturity Date	07/01/2035	
No. Days Delinquent		
Payee ID		
Doc Custodian Code	Document Custodian	
Original Purchase Discount Book Amount	\$0.00	
Original Other Yield Adjustment Book Amount	\$0.00	
Purchase Premium Tax Amort Method		
Other Yield Adjustment Tax Amort Method		
Extensions Exercised at Acquisitions		
Price Required Net Yield Rate	0.0010%	
Seller Name		Bank of America, N.A.
Seller Loan No.		
Actual UPB		\$359,238.92
P&I Amrt		\$1,286.08
Acquisition LTV Ratio		75.0600%
GFee Rate After Buydown		0.5500%
Contract GFee Rate		0.5500%
Scheduled UPB		\$359,238.92
Next Interest Rate Adj Date		
Remaining Term		365
Periods Delinquent		
Skipped Payment No.		
Submission Type Code		Whole First Mortgage
Home Improvement Product Type		
Original Purchase Discount Tax Amount		\$0.00
Purchase Deduction Tax Amort Method		
Purchase Premium Book Amort Method		
Financial Index Rate		
Acquisition Amortization Term		360

Bank of America, N.A. Fannie Mae Loan No. 1701758439 Converted Loan Yes
Servicer No. 244093027 Servicer Loan No. 128848922 Pool No.

Property

Property Street Address 6375 DOWNTOWN COURT City LAS VEGAS
Postal Code 89110 State NV
Year Built Occupancy Principal Residence
Appraisal Type Original Appraised Amount
Purchase Price Project Classification
Project Total Units Category Type
Flood Insurance Required Appraisal Date
Original Appraised Value
Dwelling Units

Date Printed: 1/07/19

12/01/2018	12/21/2018	\$395,560.76	0 - No Servicer Action Taken	12/18/2018	\$0.00
11/01/2018	11/30/2018	\$395,560.76	0 - No Servicer Action Taken	11/15/2018	\$0.00
10/01/2018	10/22/2018	\$395,560.76	0 - No Servicer Action Taken	10/18/2018	\$0.00
09/01/2018	09/21/2018	\$395,560.76	0 - No Servicer Action Taken	09/18/2018	\$0.00
08/01/2018	08/31/2018	\$395,560.76	0 - No Servicer Action Taken	08/17/2018	\$0.00
07/01/2018	07/20/2018	\$395,560.76	0 - No Servicer Action Taken	07/18/2018	\$0.00
06/01/2018	06/22/2018	\$395,560.76	0 - No Servicer Action Taken	06/18/2018	\$0.00
05/01/2018	05/22/2018	\$395,560.76	0 - No Servicer Action Taken	05/18/2018	\$0.00
04/01/2018	04/20/2018	\$395,560.76	0 - No Servicer Action Taken	04/18/2018	\$0.00
03/01/2018	03/22/2018	\$395,560.76	0 - No Servicer Action Taken	03/16/2018	\$0.00

Service Name Bank of America, N.A. **Fannie Mae Loan No.** **Converted Loan** **Yes**
Service No. 244993627 **Service Loan No.** 128646822 **Pool No.**

Records	Current Sel	Show	Per Page	Pages	
1	02/01/2018	02/22/2018	02/28/2018	\$386,560.76	0 - No Servicer Action Taken
2	01/01/2018	01/22/2018	01/31/2018	\$386,560.76	0 - No Servicer Action Taken
3	12/01/2017	12/22/2017	12/31/2017	\$386,560.76	0 - No Servicer Action Taken
4	11/01/2017	11/22/2017	11/30/2017	\$386,560.76	0 - No Servicer Action Taken
5	10/01/2017	10/20/2017	10/31/2017	\$386,560.76	0 - No Servicer Action Taken
6	09/01/2017	09/22/2017	09/30/2017	\$386,560.76	0 - No Servicer Action Taken
7	08/01/2017	08/22/2017	08/31/2017	\$386,560.76	0 - No Servicer Action Taken
8	07/01/2017	07/21/2017	07/31/2017	\$386,560.76	0 - No Servicer Action Taken
9	06/01/2017	06/22/2017	06/30/2017	\$386,560.76	0 - No Servicer Action Taken
10	05/01/2017	05/22/2017	05/31/2017	\$386,560.76	0 - No Servicer Action Taken
					02/16/2018
					01/18/2018
					12/18/2017
					11/17/2017
					10/18/2017
					09/18/2017
					08/18/2017
					07/18/2017
					06/16/2017
					05/18/2017

Servicer Name: Bank of America, N.A.
 Servicer No.: 244053027
 Fannie Mae Loan No.:
 Servicer Loan No.: 128046822
 Converted Loan: Yes
 Pool No.:

Records:

Current Set	118	Show	Per Page	Pages
04/01/2017	04/01/2017	04/01/2017	385,560.76	0 - No Servicer Action Taken
03/01/2017	03/01/2017	03/01/2017	385,560.76	0 - No Servicer Action Taken
02/01/2017	02/01/2017	02/01/2017	385,560.76	0 - No Servicer Action Taken
01/01/2017	01/01/2017	01/01/2017	385,560.76	0 - No Servicer Action Taken
12/01/2016	12/01/2016	12/01/2016	385,560.76	0 - No Servicer Action Taken
11/01/2016	11/01/2016	11/01/2016	385,560.76	0 - No Servicer Action Taken
10/01/2016	10/01/2016	10/01/2016	385,560.76	0 - No Servicer Action Taken
09/01/2016	09/01/2016	09/01/2016	385,560.76	0 - No Servicer Action Taken
08/01/2016	08/01/2016	08/01/2016	385,560.76	0 - No Servicer Action Taken
07/01/2016	07/01/2016	07/01/2016	385,560.76	0 - No Servicer Action Taken

Business Functions Tools Search

Qm: P1000 - Export

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See Also: [Nagad](#)

Bank of America, N.A.

Fannie Mae Loan No.

Yes

Converted Loan

Service No.

244093027

Servicer Loan No.

128645872

Pool No.

Records

Current Set: 1 of 8

37

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Pages

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	06/01/2016	07/05/2016	08/30/2016	\$366,560.76	\$5.00
1	05/01/2016	06/02/2016	05/31/2016	\$386,560.76	\$0.00
2	04/01/2016	05/03/2016	04/30/2016	\$386,560.76	\$0.00
3	03/01/2016	04/04/2016	03/31/2016	\$396,590.76	\$0.00
4	02/01/2016	03/02/2016	02/29/2016	\$386,560.76	\$0.00
5	01/01/2016	02/02/2016	01/31/2016	\$386,560.76	\$0.00
6	12/01/2015	01/05/2016	12/31/2015	\$336,560.76	\$0.00
7	11/01/2015	12/02/2015	11/30/2015	\$386,560.76	\$0.00
8	10/01/2015	1/03/2016	10/31/2015	\$386,560.76	\$0.00
9	09/01/2015	10/02/2015	09/30/2015	\$386,560.76	\$0.00

Printed by: Robert Morgan

Date Printed: 1/07/19


Business Name Bank of America, N.A. **Fannie Mae Loan No.** **Converted Loan** **Yes**
Service No. 24-0093027 **Service Loan No.** 138646822 **Pool No.**

Records **Current Set** 118 **Show** **Per Page** **Pages** **S**

08/01/2015	09/02/2015	08/01/2015	\$386,560.76	\$0.00
07/01/2015	08/04/2015	07/01/2015	\$386,560.76	\$0.00
06/01/2015	07/02/2015	06/01/2015	\$386,560.76	\$0.00
05/01/2015	06/02/2015	05/01/2015	\$386,560.76	\$0.00
04/01/2015	05/04/2015	04/01/2015	\$386,560.76	\$0.00
03/01/2015	04/02/2015	03/01/2015	\$386,560.76	\$0.00
02/01/2015	03/03/2015	02/01/2015	\$386,560.76	\$0.00
01/01/2015	02/03/2015	01/01/2015	\$386,560.76	\$0.00
12/01/2014	01/05/2015	12/01/2014	\$386,560.76	\$0.00
11/01/2014	12/02/2014	11/01/2014	\$386,560.76	\$0.00

Service Name Bank of America, N.A. **Fannie Mae Loan No.** **Converted Loan** **Yes**
Service No. 24403327 **Service Loan No.** 128640822 **Pool No.**

Records		Current Set: 118	Show	Per Page	Pages	5
10/01/2014	11/04/2014	10/31/2014	10/31/2014	\$386,560.76		\$0.00
09/01/2014	10/03/2014	09/30/2014	09/30/2014	\$386,560.76		\$0.00
08/01/2014	09/03/2014	08/31/2014	08/31/2014	\$386,560.76		\$0.00
07/01/2014	08/04/2014	07/31/2014	07/31/2014	\$386,560.76		\$0.00
06/01/2014	07/02/2014	06/30/2014	06/30/2014	\$386,560.76		\$0.00
05/01/2014	06/03/2014	05/31/2014	05/31/2014	\$386,560.76		\$0.00
04/01/2014	05/03/2014	04/30/2014	04/30/2014	\$386,560.76		\$0.00
03/01/2014	04/03/2014	03/31/2014	03/31/2014	\$386,560.76		\$0.00
02/01/2014	03/04/2014	02/28/2014	02/28/2014	\$386,560.76		\$0.00
01/01/2014	02/04/2014	01/31/2014	01/31/2014	\$386,560.76		\$0.00

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Business Functions Tools Search

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Service Name

පිටු ෧෧, ෧෨, ෧෩, ෧෪.

Family Mass Loan No.

Yes

Service No.

244097027

Service Loan No.

129E48F72

Converted Loan

ଅନ୍ତର୍ଦ୍ଧ୍ୟ

5000-5000

Current Sep: 113

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Pages

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050																																																																																																																																																																																														
04/01/2012	05/02/2012	06/03/2012	07/04/2012	08/05/2012	09/06/2012	10/07/2012	11/08/2012	12/09/2012	01/10/2013	02/11/2013	03/12/2013	04/13/2013	05/14/2013	06/15/2013	07/16/2013	08/17/2013	09/18/2013	10/19/2013	11/20/2013	12/21/2013	01/22/2014	02/23/2014	03/24/2014	04/25/2014	05/26/2014	06/27/2014	07/28/2014	08/29/2014	09/30/2014	10/31/2014	11/01/2014	12/02/2014	01/03/2015	02/04/2015	03/05/2015	04/06/2015	05/07/2015	06/08/2015	07/09/2015	08/10/2015	09/11/2015	10/12/2015	11/13/2015	12/14/2015	01/15/2016	02/16/2016	03/17/2016	04/18/2016	05/19/2016	06/20/2016	07/21/2016	08/22/2016	09/23/2016	10/24/2016	11/25/2016	12/26/2016	01/27/2017	02/28/2017	03/29/2017	04/30/2017	05/31/2017	06/01/2017	07/02/2017	08/03/2017	09/04/2017	10/05/2017	11/06/2017	12/07/2017	01/08/2018	02/09/2018	03/10/2018	04/11/2018	05/12/2018	06/13/2018	07/14/2018	08/15/2018	09/16/2018	10/17/2018	11/18/2018	12/19/2018	01/20/2019	02/21/2019	03/22/2019	04/23/2019	05/24/2019	06/25/2019	07/26/2019	08/27/2019	09/28/2019	10/29/2019	11/30/2019	12/31/2019	01/01/2020	02/02/2020	03/03/2020	04/04/2020	05/05/2020	06/06/2020	07/07/2020	08/08/2020	09/09/2020	10/10/2020	11/11/2020	12/12/2020	01/13/2021	02/14/2021	03/15/2021	04/16/2021	05/17/2021	06/18/2021	07/19/2021	08/20/2021	09/21/2021	10/22/2021	11/23/2021	12/24/2021	01/25/2022	02/26/2022	03/27/2022	04/28/2022	05/29/2022	06/30/2022	07/31/2022	08/31/2022	09/30/2022	10/31/2022	11/30/2022	12/31/2022	01/31/2023	02/28/2023	03/29/2023	04/28/2023	05/29/2023	06/28/2023	07/28/2023	08/27/2023	09/26/2023	10/26/2023	11/25/2023	12/24/2023	01/23/2024	02/22/2024	03/22/2024	04/21/2024	05/20/2024	06/19/2024	07/18/2024	08/17/2024	09/16/2024	10/15/2024	11/14/2024	12/13/2024	01/12/2025	02/11/2025	03/11/2025	04/10/2025	05/09/2025	06/08/2025	07/07/2025	08/06/2025	09/05/2025	10/04/2025	11/03/2025	12/02/2025	01/01/2026	02/01/2026	03/01/2026	04/01/2026	05/01/2026	06/01/2026	07/01/2026	08/01/2026	09/01/2026	10/01/2026	11/01/2026	12/01/2026	01/01/2027	02/01/2027	03/01/2027	04/01/2027	05/01/2027	06/01/2027	07/01/2027	08/01/2027	09/01/2027	10/01/2027	11/01/2027	12/01/2027	01/01/2028	02/01/2028	03/01/2028	04/01/2028	05/01/2028	06/01/2028	07/01/2028	08/01/2028	09/01/2028	10/01/2028	11/01/2028	12/01/2028	01/01/2029	02/01/2029	03/01/2029	04/01/2029	05/01/2029	06/01/2029	07/01/2029	08/01/2029	09/01/2029	10/01/2029	11/01/2029	12/01/2029	01/01/2030	02/01/2030	03/01/2030	04/01/2030	05/01/2030	06/01/2030	07/01/2030	08/01/2030	09/01/2030	10/01/2030	11/01/2030	12/01/2030	01/01/2031	02/01/2031	03/01/2031	04/01/2031	05/01/2

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2011 Fannie Mae Activity Loan Activity History

Servicer Name Bank of America, N.A. Fannie Mae Loan No. 126646822
Servicer No. 244593227

Records	Current Set	Show	Per Page	Pages	Converted Loan	Pool No.	Yes
	06/01/2011	07/05/2011	08/03/2011	\$386,560.76			\$0.00
	05/01/2011	06/02/2011	05/31/2011	\$386,560.76			\$0.00
	04/01/2011	05/03/2011	04/30/2011	\$386,560.76			\$0.00
	03/01/2011	04/04/2011	03/31/2011	\$386,560.76			\$0.00
	02/01/2011	03/02/2011	02/28/2011	\$386,560.76			\$0.00
	01/01/2011	02/02/2011	01/31/2011	\$386,560.76			\$0.00
	12/01/2010	01/04/2011	12/31/2010	\$386,560.76			\$0.00
	11/01/2010	12/02/2010	11/30/2010	\$386,560.76			\$0.00
	10/01/2010	11/02/2010	10/31/2010	\$386,560.76			\$0.00
	09/01/2010	10/02/2010	09/30/2010	\$386,560.76			\$0.00

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Service Name Bank of America, N.A. Fannie Mae Loan No. 12844822
Service No. 244050027 Servicer Loan No. Pool No.

11

Pages

Per Page

Show

Current Set: 118

Records

08/01/2010	09/02/2010	08/31/2010	\$386,560.76
07/01/2010	08/03/2010	07/31/2010	\$386,560.76
06/01/2010	07/02/2010	06/30/2010	\$386,560.76
05/01/2010	06/02/2010	05/01/2010	\$386,560.76
04/01/2010	05/02/2010	04/30/2010	\$386,560.76
03/01/2010	04/02/2010	03/31/2010	\$386,560.76
02/01/2010	03/02/2010	02/28/2010	\$386,560.76
01/01/2010	02/02/2010	01/31/2010	\$386,560.76
12/01/2009	01/02/2010	12/31/2009	\$386,560.76
11/01/2009	12/02/2009	11/30/2009	\$386,560.76

Service Name Bank of America, N.A. **Fannie Mae Loan No.** **Converted Loan** **Yes**
Service No. 244053027 **Service Loan No.** 1286-6822 **Pool No.**

Records		Current Set: 116	Show	Per Page	Pages	
			10		12	
1	10/01/2009	11/03/2009	10/31/2009	\$385,916.41		\$0.00
2	09/01/2009	10/02/2009	09/30/2009	\$385,916.41		\$0.00
3	08/01/2009	09/02/2009	08/31/2009	\$385,916.41		\$0.00
4	07/01/2009	08/04/2009	07/31/2009	\$385,916.41		\$0.00
5	06/01/2009	07/10/2009	06/30/2009	\$385,916.41		\$0.00
6	05/01/2009	04/15/2009	04/31/2009	\$394,431.18		\$0.00
7	04/01/2009	03/03/2009	02/28/2009	\$384,431.18		\$0.00
8	03/01/2009	02/03/2009	01/31/2009	\$385,916.41		\$0.00

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Business Facilities	Facts	Search
Centre Mac Conn Mo.		
Servicer No	214355927	
Activity Type	Loan Recordations	
Status	Canceled	
Cancelled	No	
Servicer Name	Bancal America N A	
Servicer Loan No	136646322	
Substituted Date	02/23/2015	
Effective Date	02/24/2015	
Location	East	
Paid No.	Loan Updated By	
Transaction Id	328424127	
LPR Borrower Payment Method		
LPR Repurchase Day	2	1
LPR Advance	18	
LPR On Effected Date	06/07/2012	03/16/2015
LPR Repurchase Due Type	3	59
Invoice Pass Through Del Effective Date	03/16/2015	03/16/2015
Gross Servicing Fee Del Effective Date	03/16/2015	03/16/2015
Guaranty Fee Del Effective Date	03/16/2015	03/16/2015
Loan Failure Effective Date	2	2
Loan Sub Code	9	1
Parent-Map Ownership Percent		24871005
Contact Code		
Service No		
Total		
Personal Performance		\$1.00
Interest Accrued		\$1.00

Business Functions						Tools	Search
Farm & Shop Loan No.		Servicer Name	Bank of America, N.A.	Location	Ezra's		
Servicer No.	748793703	Servicer Loan No.	1235-4523	Paid No.			
Activity Type	Loan Restructuring	Submitted Date	6/22/2009	Last Modified By			
Status	Completed	Effective Date	12/31/2013	Transaction Id	39162087		
Canceled	No						
Financial Summary							
APR Del Effective Date		RPT YTD Tot	06/21/2013	Days	9541/2013		\$3,000
LPR Remittance Due Type					96		
Investor Pass Through Del Expiration Date					9541/2013		\$5.00
Gross Services Fee Del Effective Date			06/21/2013		9541/2013		\$5.00
Guaranty Fee Del Expiration Date					06/21/2013		\$5.00
Loan Status Electronic Desc			06/21/2013		06/21/2013		
Loan Self Check			1		1		
Farm Map Download Percent			0		1		
Contact Code			245730113		245730005		
Servicer No			623100019		623100019		
Reclassification Date					06/21/2013		
Reclassification Source							
Postmortem			245730113		245730113		

LAM Transaction Audit Trail

Fannie Mae Loan No.		Servicer Name	Bank of America, N.A.	Location	East
Servicer No.	244093027	Servicer Loan No.	128646822	Pool No.	
Activity Type	Loan Reclassification	Submitted Date	02/23/2009	Last Updated By	
Status	Completed	Effective Date	02/01/2009	Transaction Id	301628527
Cancelled	No				

02/23/2009 12:00:00 AM	Completed
02/23/2009 12:00:00 AM	Submitted

Exhibit B

Chapter 2. Contractual Relationship (01/31/03)

Once Fannie Mae approves a servicer to do business with it, both parties execute the Lender Contract to establish the terms and conditions of their contractual relationship. The continuation of that relationship depends on both parties honoring the mutual promises in the Lender Contract and on the lender's satisfying the requirements of the *Selling Guide*, the *Servicing Guide*, the *Guide to Delivering eMortgage Loans to Fannie Mae*, and the *Multifamily Guide(s)* (the "*Guides*").

Section 201 Mortgage Selling and Servicing Contract (06/01/07)

The MSSC establishes the basic legal relationship between a lender/servicer and Fannie Mae. Details regarding contractual obligations for lenders are set forth in the *Selling Guide*. Specifically as to servicing, the MSSC:

- establishes the lender as an approved servicer of applicable mortgage loans;
- provides the general terms and conditions for servicing;
- incorporates by reference the terms of the *Guides* and other lender or servicing announcements, letters, and *Guide* changes, as well as Master Agreements, technology licensing agreements, and any other agreement entered into by Fannie Mae and the lender; and
- states the types of mortgage loans the lender may sell and service.

All types of agreements between a servicer and Fannie Mae are incorporated into the Lender Contract (the lender's and servicer's obligations under all of these agreements are referred to in the *Guides* in their entirety as the "Lender Contract") and form a single integrated MSSC and not a separate contract or agreement.

Notwithstanding any other provisions in the *Guides*, or any assignment or transfer of servicing by a lender to another entity:

- A lender/servicer's benefits and obligations with respect to its contractual rights to service loans are, and were at the time of execution of the Lender Contract, fully integrated and non-divisible

Lender Relationships

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from the lender's benefits and obligations with respect to its contractual rights and obligations to sell loans under the Lender Contract.

- Absent such integration, Fannie Mae would not have entered into, or continued to be bound by, the Lender Contract and would not have entered into, or continued to be bound by, separate agreements with a lender/servicer providing for the contractual right to sell or to service loans for Fannie Mae.
- When Fannie Mae consents to a transfer of servicing by a lender or servicer, it relies on the integration and non-divisibility of the Lender Contract. Fannie Mae requires that the transferor or lender remain obligated for all selling and servicing representations and warranties and recourse obligations upon the transfer of servicing, and requires that the transferee servicer, whether the original seller or a transferee servicer, undertake and assume joint and several liability for all selling and servicing representations and warranties and recourse obligations related to the loans it services unless explicitly agreed to the contrary in writing by Fannie Mae.

Section 201.01
Contractual
Representations and
Warranties (06/10/11)

In order to sell loans to Fannie Mae or deliver pools of loans to Fannie Mae for mortgage-backed securities (MBS), the lender makes certain representations and warranties concerning both the lender itself as well as the mortgage loans it is selling or delivering. These representations and warranties are set forth in the *Selling Guide*. Provisions that are specific to servicing are contained herein. A lender that acquires the servicing of a mortgage loan, either concurrently with or subsequent to Fannie Mae's purchase of the mortgage loan, assumes and is responsible for the same selling warranties that the mortgage loan seller made when the mortgage loan was sold to Fannie Mae. Lenders that acquire the servicing of Fannie Mae mortgage loans are required to service the mortgage loans in accordance with the servicing obligations of the lender that assigned or transferred the servicing of the mortgage loan.

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Section 202.05 Written Procedures (01/31/03)

To ensure that its staff is knowledgeable in all aspects of mortgage servicing, the servicer must have fully documented written procedures and must have implemented measures to determine that its officers and employees adhere to those procedures. Occasionally, certain areas of a servicer's performance may show poor results despite the servicer's efforts—such as continuing high delinquencies attributable to economic problems. When that happens, the fact that the servicer has sound written procedures that are faithfully followed by its employees will be a positive factor in Fannie Mae's overall evaluation of the servicer's performance.

Section 202.06 Execution of Legal Documents (01/31/03)

The servicer may execute legal documents related to payoffs, foreclosures, releases of liability, releases of security, loan modifications, subordinations, assignments, and conveyances (or reconveyances) for any mortgage loan for which it (or the Mortgage Electronic Registration System, or MERS®) is the owner of record. When an instrument of record relating to a single-family property requires the use of an address for Fannie Mae, including assignments of mortgage loans, foreclosure deeds, REO deeds, and lien releases, the following address must be used:

Fannie Mae
P.O. Box 650043
Dallas, TX 75265-0043

When Fannie Mae is the owner of record for a mortgage loan, it also permits a servicer that has Fannie Mae's limited power of attorney to execute these types of documents on Fannie Mae's behalf. To request a limited power of attorney, the servicer should prepare and execute the form that appears in *Exhibit 1: Limited Power of Attorney to Execute Documents* for each jurisdiction in which it is servicing mortgage loans for Fannie Mae. (The servicer may reformat this document to make it recordable in specific jurisdictions, change the notary acknowledgment, or make other minor wording changes; however, it may not amend the list of transactions for which the document will be used.) The servicer should attach the document(s) to a cover letter that (1) states the jurisdiction(s) for which the limited power of attorney is being requested, (2) explains any changes that were made to the document(s), and (3) provides any special

instructions necessary to make the document recordable in a specific jurisdiction. This request package should be sent to the following address:

Fannie Mae
Attn: Limited Powers of Attorney
13150 Worldgate Drive
Herndon, VA 20170

Once the servicer receives an executed limited power of attorney from Fannie Mae, it must have the document recorded in the proper jurisdiction. The servicer may submit the limited power of attorney for recordation immediately or wait to record it until such time as it is actually needed to process a covered transaction.

Generally, a servicer that does *not* have a limited power of attorney to execute documents on Fannie Mae's behalf (or that has a power of attorney that does not authorize it to execute documents for a specific type of transaction) should send the documents to Fannie Mae's Designated Document Custodian (DDC) for execution in any instance in which Fannie Mae is the owner of record for the mortgage loan. (There are some exceptions to this—for example, documents related to the conveyance or reconveyance of an acquired property should be sent to Fannie Mae's National Property Disposition Center and documents related to the types of releases of security that must be approved by Fannie Mae should be sent to the appropriate Fannie Mae regional office.)

Section 202.07
Note Holder Status for
Legal Proceedings
Conducted in the
Servicer's Name
(05/23/08)

This section discusses the note holder status for legal proceedings conducted in the servicer's name.

Section 202.07.01
Ownership and
Possession of Note by
Fannie Mae (05/23/08)

Fannie Mae is at all times the owner of the mortgage note, whether the mortgage loan is in Fannie Mae's portfolio or part of the MBS pool. In addition, Fannie Mae at all times has possession of and is the holder of the mortgage note, except in the limited circumstances expressly described below. Fannie Mae may have direct possession of the note or a custodian may have custody of the note. If Fannie Mae possesses the note through a

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Section 202.07.02 Temporary Possession by the Servicer (05/23/08)

document custodian, the document custodian has custody of the note for Fannie Mae's exclusive use and benefit.

In order to ensure that a servicer is able to perform the services and duties incident to the servicing of the mortgage loan, Fannie Mae temporarily gives the servicer possession of the mortgage note whenever the servicer, acting in its own name, represents the interests of Fannie Mae in foreclosure actions, bankruptcy cases, probate proceedings, or other legal proceedings.

This temporary transfer of possession occurs automatically and immediately upon the commencement of the servicer's representation, in its name, of Fannie Mae's interests in the foreclosure, bankruptcy, probate, or other legal proceeding.

When Fannie Mae transfers possession, the servicer becomes the holder of the note as follows:

- If a note is held at Fannie Mae's DDC, Fannie Mae has possession of the note on behalf of the servicer so that the servicer has constructive possession of the note and the servicer shall be the holder of the note and is authorized and entitled to enforce the note in the name of the servicer for Fannie Mae's benefit.
- If the note is held by a document custodian on Fannie Mae's behalf, the custodian also has possession of the note on behalf of the servicer so that the servicer has constructive possession of the note and the servicer shall be the holder of the note and is authorized and entitled to enforce the note in the name of the servicer for Fannie Mae's benefit.

Section 202.07.03 Physical Possession of the Note by the Servicer (05/23/08)

In most cases, a servicer will have a copy of the mortgage note. If a servicer determines that it needs physical possession of the original note to represent the interests of Fannie Mae in a foreclosure, bankruptcy, probate, or other legal proceeding, the servicer may obtain physical possession of the original note.

If Fannie Mae's possession of the original note is direct because the custodial documents are at its DDC, the servicer should submit a request to obtain the original note and any other custodial documents that are

Modifications. For allowable servicing fees, costs, or charges, refer to *Part VII, Section 602.02, Modifying Conventional Mortgage Loans (04/21/09)*.

Section 203.05
Prepayment Premiums
(01/31/03)

A servicer may not collect prepayment premiums from the borrower when a mortgage loan is paid in full—unless the mortgage loan was delivered under a negotiated contract that specifically permitted enforcement of the provisions of the mortgage documents that authorized the charging of a premium for prepayments. Even then, the servicer may not charge the prepayment premium when the mortgage debt is accelerated as the result of the borrower's default in making his or her mortgage loan payments.

To assist Fannie Mae in complying with IRS reporting requirements, a servicer that collects prepayment premiums under the terms of a negotiated contract should report any prepayment premium it collects for a given mortgage loan (even if the premium is not remitted to Fannie Mae) as part of the monthly activity information it provides through Fannie Mae's investor reporting system.

Section 204
Changes in Servicer's
Organization (04/01/09)

The servicer must send Fannie Mae written notice of any contemplated major change in its organization. The servicer must follow all requirements in the *Selling Guide, A4-3-01, Report of Changes in the Lender's Organization*.

In addition, in those situations in which a servicer either is involved in a merger or acquisition or is changing its name, undergoing a corporate reorganization, experiencing either a direct or an indirect change of control, or having a majority interest in its stock change hands, Fannie Mae will treat the action as a transfer of servicing that must be approved and processed in accordance with the requirements of *Section 205, Post-Delivery Transfers of Servicing (09/30/06)*. If the lender fails to provide adequate notice of, or obtain approval for, such contemplated actions, Fannie Mae may impose a compensatory fee and exercise any other available remedies.

Section 205
Post-Delivery Transfers
of Servicing (09/30/06)

Subsequent to the delivery of mortgage loans to Fannie Mae, a servicer cannot transfer its responsibility for servicing any such mortgage loans unless Fannie Mae approves the transfer. Fannie Mae will not recognize unauthorized transfers of servicing. In fact, any such action may be the basis for terminating the contractual relationships Fannie Mae has with

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both the transferor and transferee servicers. Instead of terminating the contractual relationship(s), Fannie Mae may choose to impose sanctions, compensatory fees, or other available remedies when a servicer fails to give Fannie Mae adequate notice of a proposed transfer, obtain its approval for a transfer, or fulfill any conditions of Fannie Mae's approval of a given transfer of servicing. (The amount of any compensatory fee Fannie Mae imposes can vary depending on the circumstances; however, it will not be greater than 1% of Fannie Mae's share of the aggregate UPB of the mortgage loans being transferred.) Fannie Mae will hold any transferor or transferee servicer that enters into an unauthorized transfer of servicing liable for any losses, liabilities, or other expenses Fannie Mae incurs as the result of the unauthorized transfer.

The servicer must obtain Fannie Mae's prior written consent for any transfer of servicing involving Fannie Mae-owned or Fannie Mae-securitized mortgage loans. Fannie Mae generally will consider requests for transfers of either all or a portion of the mortgage loans that a lender services for it. However, if the transfer involves mortgage loans in a regular servicing option MBS pool or a shared-risk special servicing option MBS pool for which the servicer's shared-risk liability is still in effect, individual loan-level servicing transfers are not permitted; rather, the servicing of all of the mortgage loans in the pool must be transferred. The transferor servicer may use a CPU-to-CPU electronic file transfer or any other electronic means that Fannie Mae specifies to notify Fannie Mae about a full transfer of its servicing portfolio or to provide it with a list of mortgage loans that will be included in a partial transfer of servicing (see *Part X, Section 206, Transaction Type 80 (Subservicer Arrangement Record) (01/31/03)*). The servicer's electronic notification may be submitted as early as six months and as late as fifteen days before the proposed effective date for the transfer of servicing.

The proposed transferee servicer must be an approved servicer that is in good standing with Fannie Mae. The servicer also must have in place appropriate controls and adequate procedures relating to the boarding of new loans (subsequent either to origination or acquisition of servicing pursuant to a servicing transfer) to avoid any delayed application of borrower payments of principal, interest, taxes, or insurance (when applicable). In particular, servicing errors and disputes may occur as a result of servicing transfers. Accordingly, before Fannie Mae approves a transfer, it will evaluate the transferee servicer's performance in the

following areas (although it may consider additional factors if it chooses to do so):

- overall servicing performance, including the servicing of special mortgage loan products, accounting, and remitting;
- capacity to service the number and types of mortgage loans that are to be included in the proposed transfer;
- overall performance of other contractual duties and obligations;
- delinquency ratios;
- foreclosure and acquired property activity;
- status of unresolved issues related to repurchase requests, claim denials or curtailments, or other outstanding claims; and
- financial condition.

Fannie Mae's contractual requirements related to transfers of servicing and the servicers' obligations to perform under them apply in all cases (unless Fannie Mae expressly waives them in writing); therefore, Fannie Mae encourages a servicer that is contemplating the purchase of another servicer's portfolio to contact its Portfolio Manager, Servicing Consultant, or the National Servicing Organization's Servicer Solutions Center early in the negotiation process. This will ensure that the servicer is aware of any objections Fannie Mae might have to its becoming a transferee servicer for the servicing portfolio it is considering purchasing, can determine whether the proposed transfer involves unusual circumstances or conditions that might require additional time for Fannie Mae to review, and ascertain whether the proposed transfer has terms that might not be readily acceptable to Fannie Mae.

Fannie Mae will make no representations or warranties about the value, condition, or any other aspects of the mortgage loans for which servicing will be transferred. Because the transferee servicer will be liable to Fannie Mae for all obligations of the transferor servicer, Fannie Mae expects that the transferee servicer will perform a due diligence review of the servicing portfolio that it is acquiring. However, the transferee servicer's obligations

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to Fannie Mae are not contingent on the performance of such a due diligence review. To assist the two servicers in processing and reconciling the transfer of servicing, Fannie Mae has designed a series of reports that should significantly reduce the likelihood of errors or delays in the transfer process. The information in these reports can be used to reconcile and correct loan-level information related to the mortgage loans for which servicing is to be transferred. Any information in the reports Fannie Mae provides will be compiled from data in its records (including information it received from third parties, but did not independently verify). However, Fannie Mae does not attest to the accuracy, completeness, or suitability of the information for the servicers' use for any particular purpose(s). For any given transfer of servicing, Fannie Mae will use appropriate business practices to permit both the transferor servicer and the transferee servicer (but no other parties) to have access to the data on which the reports are based. Fannie Mae does not represent or warrant that any unauthorized party will not be able to gain access to the data (particularly when it is transmitted electronically), nor will Fannie Mae be responsible for any damages arising out of, or related to, such parties gaining access to the data and using the information it provides.

To ensure that Fannie Mae has sufficient time to review a proposed transaction and to give the two servicers time to receive Fannie Mae's consent before the proposed effective date for the transfer (and before notices of the transfer are given to borrowers), the transferor servicer must submit a *Request for Approval of Servicing Transfer (Form 629)* in an electronic format to the appropriate Fannie Mae regional office at least 30 days (and no more than 180 days) before the proposed effective date. At the same time, the transferor servicer should submit a check for a nonrefundable \$500 processing fee (which should note the names of both servicers and the proposed effective date of the transfer). (The proposed effective date of the transfer must be the last business day of the last month for which the transferor servicer will be responsible for reporting loan-level detail activity to Fannie Mae.)

If any of the mortgage loans for which servicing is to be transferred are in MBS pools that are part of a Fannie Majors® multiple pool and the transferee servicer is already servicing mortgage loans in the same Majors pool, it may report the transferred mortgage loans under the same nine-digit Fannie Mae lender identification number that it currently uses, as long as the mortgage loans have the same remittance type and date as the

mortgage loans that it is already reporting under that number. If the transferred mortgage loans have a different remittance type or date, the transferee servicer must contact its Portfolio Manager, Servicing Consultant, or the National Servicing Organization's Servicer Solutions Center to request a new branch lender identification number for reporting on the transferred mortgage loans.

If Fannie Mae consents to a proposed transfer of servicing, it will deliver its consent to the two servicers using the same format in which it received the Form 629. Fannie Mae's consent will state that, by implementing the related transfer of servicing, both the transferor servicer and the transferee servicer agree to the provisions of the MSSC, this *Guide* (and any amendments made to this *Guide* with respect to servicing transfers or to the servicing of the transferred mortgage loans), and any other provisions set forth in the consent and acknowledge that all such obligations become effective as of the effective date of the transfer of servicing (although some of the obligations, such as those for notifying borrowers, will have begun or will have been completed prior to the effective date). As a condition of approving the transfer of servicing, Fannie Mae reserves its right to request and obtain (at any time) a copy of the servicing transfer agreement between the transferor servicer and the transferee servicer.

The following *Sections* discuss Fannie Mae's standard conditions for approval of a servicing transfer. Fannie Mae also may impose additional terms and conditions on its consent to a servicing transfer if it deems it to be appropriate under the particular circumstances. If it does, it will describe those conditions in its consent statement.

Section 205.01
Portfolio Definition
(01/31/03)

The transfer of the servicer's entire servicing portfolio must include all mortgage loans that are being serviced even if they no longer generate any servicing fee income. This means that delinquent mortgage loans and foreclosed mortgage loans that have been removed from an active accounting status must be transferred, unless Fannie Mae has notified the servicer that Fannie Mae's records have been closed or the servicer has repurchased a mortgage loan under the terms of the regular servicing option or a negotiated shared-risk servicing option.

Fannie Mae will approve the transfer of servicing for an FHA coinsured mortgage loan only if the proposed servicer is a HUD-approved coinsurer

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that is willing to assume the coinsurance obligations for the mortgage loan.

Section 205.02 Servicing Fee (01/31/03)

Generally, the transferee servicer will receive the same servicing compensation that the transferor servicer was receiving. For actual/actual and scheduled/actual remittance type mortgage loans held in Fannie Mae's portfolio, the transferee servicer will receive as its servicing fee the same amount—the base servicing fee plus any excess yield—that the transferor servicer had been receiving. For MBS mortgage loans and for scheduled/scheduled remittance type mortgage loans held in Fannie Mae's portfolio, the transferee servicer will receive compensation at the same rate that the transferor servicer had been receiving, which is the difference between the mortgage interest rate (less any applicable premium for lender-purchased mortgage insurance) and the sum of Fannie Mae's required pass-through rate and the guaranty fee rate.

Section 205.03 Assumption of Warranties and Other Obligations (01/31/03)

The transferee servicer must assume all of the responsibilities, duties, and selling warranties that were agreed to whether made when the mortgage loan was originally sold to Fannie Mae or subsequent to that date. This includes responsibility for the performance of obligations that predate the transfer, including "special obligations" (as that term is used in *Section 201.02, Representation and Warranty Requirements for the Servicing of All Mortgage Loans (06/10/11)*). However, the transferee servicer's assumption of these responsibilities, duties, and warranties will in no way release the transferor servicer from its contractual obligations related to the transferred mortgage loans. The two servicers will be jointly and severally liable to Fannie Mae for all warranties and for repurchase, all special obligations under agreements previously made by the transferor servicer or any previous seller or servicer (including actions that arose prior to the transfer).

Fannie Mae requires a servicer to provide special notification to the new servicer when it includes eMortgages in a transfer of servicing. Specifically, the transferor servicer must advise the transferee servicer that eMortgages are part of the portfolio being transferred and must confirm that the transferee servicer is not only aware of the special requirements for eMortgages required by Fannie Mae's *Guide to Delivering eMortgage Loans to Fannie Mae*, but also agrees to assume the additional responsibilities associated with servicing eMortgages.

Fannie Mae requires the servicer to provide special notification to the new servicer when mortgage loans subject to resale restrictions (whether or not the restrictions survive foreclosure or acceptance of a deed-in-lieu) are included in the portfolio being transferred. The servicer must identify each mortgage loan subject to resale restrictions on the *Request for Approval of Servicing Transfer* (Form 629). The transferee servicer must be aware of its duties and obligations related to the servicing of mortgage loans subject to resale restrictions.

The transferee servicer agrees to assume all obligations related to the servicing of MBS pools—including all duties and responsibilities under the regular servicing option or a negotiated shared-risk servicing option, bearing all costs and risks previously borne by the transferor servicer (or any earlier seller or servicer), as well as any additional costs and risks that arise subsequent to, or as the result of conditions imposed on, the transfer.

Fannie Mae's consent to a transfer of servicing does not release either the transferor servicer or the transferee servicer from any obligation it would otherwise have to Fannie Mae. As of the effective date for an approved transfer of servicing, the transferor servicer and the transferee servicer acknowledge their joint and several liability with respect to the transferred mortgage loans (and for any special obligations outstanding as of the effective date of the transfer, unless Fannie Mae has agreed to release one of the servicers from a specific responsibility). For the most part, Fannie Mae will look first to the transferee servicer for fulfilling any financial or other obligations related to the warranties, repurchase, and special obligations, but Fannie Mae does reserve the right to hold the transferor servicer to these obligations. In fact, both servicers also acknowledge their obligation to ensure that Fannie Mae is paid directly any proceeds of the servicing transfer that may be required to offset any claims Fannie Mae may have against the transferor servicer and agree to indemnify Fannie Mae for any loss or damage arising out of a failure to fully transfer all documents, records, and funds required by the servicing transfer agreement.

Section 205.04
Notifying Borrowers
(01/31/03)

The transferor and transferee servicers must work together closely to ensure that borrowers receive not only prompt and accurate notification of a pending transfer, but also prompt and courteous responses to their inquiries about the servicing transfer. Both servicers are responsible for sending specific notices to the borrowers whose servicing is being

The transferor servicer is contractually responsible for all remittances due Fannie Mae (including MBS pool guaranty fees) for the final monthly accounting period. However, the transferor servicer and the transferee servicer may agree that the transferee servicer will make the actual remittance to Fannie Mae. If it has any questions about making this remittance to Fannie Mae, the transferee servicer should contact its Fannie Mae investor reporting system Business Analyst.

The transferor servicer must provide the transferee servicer with copies of its Fannie Mae investor reporting system "shortage/surplus" reconciliations and the pool-to-security balance reconciliations for the final monthly accounting period for all mortgage loans and MBS pools included in the servicing transfer. The two servicers should agree on how to resolve any differences and reconcile items or funds that are owed Fannie Mae or security holders. (Any questions regarding resolution of these issues should be directed to the transferor servicer's Fannie Mae investor reporting system Business Analyst.) Within 30 days after the effective date of the servicing transfer, the transferor servicer must send its Fannie Mae investor reporting system Business Analyst a copy of the completed shortage/surplus reconciliation related to the transferred mortgage loans (so it can be used to support any adjustment that may need to be made to the transferor servicer's shortage/surplus balance). The transferee servicer will be responsible for any Fannie Mae investor reporting system shortages or security balance deficiencies related to mortgage loans or pools included in the transfer that are not resolved by the transferor servicer.

Section 205.09
Preparing Mortgage
Assignments (01/31/03)

The need to prepare new mortgage assignments in connection with a transfer of servicing will depend on whether Fannie Mae is the owner of record for the mortgage loan and, if Fannie Mae is not, on whether the mortgage loan is registered with MERS.

In those instances in which Fannie Mae holds the custodial documents, any required assignments that are submitted to Fannie Mae must be identified by the applicable Fannie Mae loan number and submitted under cover of a transmittal letter that includes the following information:

- the name of the transferor servicer;
- the name of the transferee servicer;

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- the number of mortgage loans included in the transfer, as well as the number of mortgage loans for which recordable (but unrecorded) assignments to Fannie Mae have been executed;
- the effective date of the transfer;
- a trial balance of the transferred mortgage loans, which identifies the mortgage loans for which assignments to Fannie Mae are being provided (or, if only a few mortgage loans are being transferred, a list of the transferred mortgage loans for which assignments are being provided);
- the transfer log number provided by the Portfolio Manager, Servicing Consultant, or the National Servicing Organization's Servicer Solutions Center when the transfer was approved; and
- the name and telephone number of a person Fannie Mae can contact if it has any questions about the documents.

Fannie Mae is the owner of record. A new mortgage assignment does not need to be prepared if the assignment to Fannie Mae has been recorded. A mortgage loan for which Fannie Mae is the owner of record would be one of the following:

- a mortgage loan that was delivered to Fannie Mae before it converted to the Fannie Mae investor reporting system in 1984 (regardless of the location of the security property);
- a mortgage loan that is secured by a property located in Mississippi or Utah, if the mortgage loan was delivered to Fannie Mae during the period that Fannie Mae required recorded assignments for a Mississippi mortgage loan (after September 1, 1988, until June 7, 1989) or for a Utah mortgage loan (after September 1, 1988, until October 31, 1991); or
- a mortgage loan for which Fannie Mae requested recordation of the assignment (for any reason) after it purchased or securitized the mortgage loan.

Fannie Mae is not the owner of record and the mortgage loan is not registered with MERS. An assignment from the transferor servicer to the transferee servicer must be prepared and recorded if an assignment to Fannie Mae has not been recorded for a mortgage loan that is not registered with MERS. (Blanket assignments may be used for the assignment, as long as the coverage for each blanket assignment is restricted to a single recording jurisdiction.) The transferee servicer has full responsibility for recording an assignment from the transferor servicer to itself, regardless of which servicer prepares and records the assignment. Then, an assignment from the transferee servicer to Fannie Mae must be prepared (in recordable form, but not recorded) to replace the one Fannie Mae had originally received from the transferor servicer. This unrecorded assignment from the transferee servicer to Fannie Mae should be an individual assignment. The unrecorded assignment to Fannie Mae must be delivered to Fannie Mae or the applicable document custodian within *six* months of the effective date of the servicing transfer.

Generally, when a transferred mortgage loan is secured by a property located in Puerto Rico, neither an assignment of the mortgage loan from the transferor servicer to the transferee servicer nor an unrecorded assignment from the transferee servicer to Fannie Mae will need to be prepared and recorded. However, there are two situations in which an assignment of the mortgage loan (or a similar document) will need to be prepared and recorded:

- For a “direct” mortgage loan (one that is documented by a single instrument that combines the terms of the note and the mortgage loan), a deed of assignment of the mortgage loan must be prepared and recorded to advance the chain of title through the transferee servicer’s name. (This deed of assignment can be an individual assignment or a blanket assignment, as permitted by the jurisdiction.) The transferee servicer will then need to execute an individual unrecorded assignment of the mortgage loan to Fannie Mae and submit it to Fannie Mae (or the applicable document custodian) within *six* months after the effective date of the servicing transfer.
- For any other mortgage loan for which Fannie Mae (or the applicable document custodian) does not have in its possession an unrecorded assignment to Fannie Mae that was executed by the lender that originated the mortgage loan, such an assignment must be obtained

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from the mortgage loan originator. If that is not possible, the transferee servicer must prepare an individual unrecorded assignment of the mortgage loan from itself to Fannie Mae and submit it to Fannie Mae (or the applicable document custodian) within *six* months of the effective date of the servicing transfer. When the transfer of servicing includes a large number of mortgage loans secured by properties in Puerto Rico, one or more blanket assignments may be used if it is not practical to execute individual assignments.

Fannie Mae is not the owner of record and the mortgage loan is registered with MERS. Generally, neither an assignment of the mortgage loan from the transferor servicer to the transferee servicer nor an unrecorded assignment from the transferee servicer to Fannie Mae will need to be prepared and recorded when the servicing of a MERS-registered mortgage loan is transferred to a servicer that is a MERS member (if the transferee servicer intends to continue the MERS registration for the mortgage loan). In some situations, Fannie Mae may indicate that it wants to obtain these assignments.

However, when the servicing of a MERS-registered mortgage loan is transferred to a servicer that is not a MERS member (or to a servicer that elects not to continue the MERS registration for the mortgage loan), Fannie Mae requires:

- the transferor servicer to prepare an assignment of the mortgage loan from MERS to the transferee servicer and have it executed,
- the transferor servicer to “deactivate” the mortgage loan in MERS,
- the transferor servicer or the transferee servicer (at their choice) to record the assignment of the mortgage loan from MERS to the transferee servicer, and
- the transferee servicer to prepare a recordable (but unrecorded) assignment of the mortgage loan from itself to Fannie Mae and to deliver it to Fannie Mae or the applicable document custodian.

When the originator of the mortgage placed the MERS Mortgage Identification Number (MIN) on the note when the mortgage was registered with MERS (and the mortgage loan is still registered with

MERS), the document custodian will be able to tell whether an assignment of the mortgage loan needs to be required in connection with the transfer of servicing. When the MIN is on the note, but the mortgage loan is no longer registered with MERS, either the transferor servicer or the transferee servicer must notify the document custodian to delete the MIN from the note (with the servicer that is responsible for the deactivation providing the notice). When the MIN does not appear on the note, other actions must be taken to ensure that the custodian is aware of whether or not the mortgage loan is registered with MERS. This can be accomplished by (1) providing the custodian with a copy of the original *Schedule of Mortgages (Form 2005)* that has been appropriately annotated to indicate that a mortgage loan originally registered with MERS is no longer registered (by deleting the MIN that was originally reported) or to indicate the subsequent registration with MERS (by inserting the applicable MIN); or (2) providing the custodian with a listing of all MERS-registered mortgage loans that are included in the transfer, along with a certification that any and all other mortgage loans included in the transfer are not currently registered with MERS. (If there are more MERS-registered mortgage loans included in the transfer than there are unregistered mortgage loans, the listing may instead identify the unregistered mortgage loans and then the certification should state that any and all other mortgage loans included in the transfer are currently registered with MERS.)

Section 205.10
Transfer of Custodial
Documents (09/30/05)

When the transfer of servicing includes MBS mortgage loans, the transferee servicer may choose to use the existing document custodian (if it meets all of Fannie Mae's eligibility criteria for document custodians), to make arrangements for a different document custodian (including Fannie Mae's DDC), or to retain custody of the documents itself (if it satisfies Fannie Mae's eligibility criteria for document custodians and the additional criteria Fannie Mae imposes on lenders that act as the document custodian). If the transferee servicer chooses to use the existing document custodian, it will need to have a *Master Custodial Agreement (Form 2003)* executed—unless it already has a master custodial agreement on file for that custodian—and ask the document custodian to complete an *MBS Custodian Recertification (Form 2002)* in connection with the servicing transfer within six months of the effective date of the transfer. If Fannie Mae's DDC is already holding the custodial documents for the mortgage loans that are being transferred, Fannie Mae will update its records to

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- protect against unauthorized access to or use of such files and records and is responsible for requiring, by contract, that any subservicers or other third parties that access mortgage files and records also implement these measures.

Fannie Mae has the right to examine, at any reasonable time, any and all records that pertain to mortgage loans it holds in its portfolio or those that have been included in an MBS pool, any and all accounting reports associated with those mortgage loans and borrower remittances, and any other reports, data, information, and documentation that it considers necessary to ensure that the servicer is in compliance with Fannie Mae's requirements.

Section 401 Ownership of Mortgage Loan Files and Records (01/31/03)

All records pertaining to mortgage loans sold to Fannie Mae—including but not limited to the following—are at all times the property of Fannie Mae and any other owner of a participation interest in the mortgage loan:

- notes,
- security instruments,
- loan applications,
- credit reports,
- property appraisals,
- tax receipts,
- payment records,
- insurance policies and insurance premium receipts,
- water stock certificates,
- ledger sheets,
- insurance claim files and correspondence,
- foreclosure files and correspondence,

- current and historical computerized data files,
- machine-readable materials, and
- all other documents, instruments and papers pertaining to the loan including, without limitation, any records, data, information, summaries, analyses, reports, or other materials representing, based on, or compiled from such records that are reasonably required to originate and subsequently service a mortgage loan properly.

These documents and records are Fannie Mae's property regardless of their physical form or characteristics or whether they are developed or originated by the mortgage loan seller or servicer or others.

The mortgage loan originator, seller, or servicer; any service bureau; or any other party providing services in connection with servicing a mortgage loan for, or delivering a mortgage loan to, Fannie Mae will have no right to possession of these documents and records except under the conditions specified by Fannie Mae.

Any of these documents and records in possession of the mortgage loan originator, seller, or servicer, any service bureau, or any other party providing services in connection with selling a mortgage loan to, or servicing a mortgage loan for, Fannie Mae are retained in a custodial capacity only.

**Section 402
Electronic Records
(10/31/08)**

An electronic record is a contract or other record that is created, generated, sent, communicated, received, or stored by electronic means. A record is information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form. Servicers (and/or, as applicable, document custodians) are required to retain the foregoing records as set out below. All records in the individual mortgage loan file may be retained as electronic records, except for the promissory note and any records that modify or supplement the promissory note, in which case the original ink-signed records of such instruments should be stored in the mortgage loan files. Where a lender has an eMortgage variance in place with Fannie Mae, these requirements may not apply.

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**Section 405
Types of Records
(01/31/03)**

must retain with its records for the applicable MBS pool, a copy of the Form 2002 and the trial balance (or annotated Form 2005) for the MBS pool. The servicer will not need to provide any recertification documentation if the new document custodian is Fannie Mae's DDC.

Mortgage loan files and records that may be required to be sent to Fannie Mae include individual mortgage loan files, permanent mortgage account records, and accounting system reports. The responsibility for the physical possession of the mortgage loan documents may vary depending on whether the mortgage loan is a portfolio or MBS mortgage loan.

The lender must establish the individual mortgage loan file when it originates a mortgage. If the lender does not service the mortgage, it must transfer the file to the servicer to ensure that the servicer will have complete information about the mortgage loan in its records.

The accounting records relating to mortgage loans serviced for Fannie Mae must be maintained in accordance with sound and generally accepted accounting principles and in such a manner as will permit Fannie Mae's representatives to examine and audit such records at any time.

Specifically, Fannie Mae's examination and audit of a servicer's records will consist of:

- monitoring all monthly accounting reports submitted to Fannie Mae;
- conducting periodic procedural reviews during visits to the servicer's office or the document custodian's place of business;
- conducting, from time to time, in-depth audits of the servicer's internal records and operating procedures—including, but not limited to, the examination of financial records, borrower escrow deposit accounts, and underwriting standards; and
- performing spot-check underwriting reviews of mortgage loans in the servicer's portfolio on a random sample basis.

State and federal law now recognizes electronic records as being equivalent to paper documents for legal purposes; therefore, Fannie Mae's

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Section 405.01 Individual Mortgage Loan Files (08/24/03)

requirements for record accessibility and retention apply equally to paper and electronic records.

The lender must establish an individual file for each mortgage loan it sells to Fannie Mae. Each file must be clearly identified by Fannie Mae's loan number, which can be marked on the file folder or logically associated with any file which is composed of electronic records.

Files for participation pool loans must be clearly identified by the words "Fannie Mae participation" and Fannie Mae's percentage interest.

Files for MBS mortgage loans must identify the number of the related MBS pool.

Files must include any records that will be needed to service the mortgage loan as well as records that support the validity of the mortgage loan. The servicer should use the individual mortgage loan file established at the time of origination to accumulate other pertinent servicing and liquidation information, such as:

- property inspection reports,
- copies of delinquency repayment plans,
- copies of disclosures of ARM interest rate and payment changes,
- documents related to insurance loss settlements, and
- foreclosure notices.

Among other things, the initial individual mortgage loan file must include:

- a copy of the Participation Certificate, if applicable;
- a copy of the related Schedule of Mortgages for a mortgage loan (or a participation interest in a mortgage loan) if an MBS mortgage loan;
- originals of the recorded mortgage or deed of trust, any applicable rider, and any other documents changing the mortgage loan terms or otherwise affecting Fannie Mae's legal or contractual rights;

- a copy of the mortgage or deed of trust note and any related addenda;
- a copy of either the unrecorded assignment to Fannie Mae (or the recorded assignment, when applicable), or the original assignment to MERS, if the mortgage loan is registered with MERS and MERS is not named as nominee for the beneficiary, and copies of all required intervening assignments;
- a copy of the FHA mortgage insurance certificate, VA loan guaranty certificate, RD loan note guarantee certificate, HUD Indian loan guarantee certificate, or conventional mortgage insurance certificate, if applicable;
- a copy of the underwriting documents, including any Desktop Underwriter reports;
- a copy of the title policy, hazard insurance policy, flood insurance policy (if required), and any other documents that might be of interest to a prospective purchaser or servicer of the mortgage loan or might be required to support title or insurance claims at some future date (for example, FEMA's flood hazard determination form, title evidence, or survey); and
- a copy of the final HUD-1 Settlement Statement (or HUD-1A if applicable) or other closing statement evidencing all settlement costs paid by the borrower and seller, executed by the borrower and seller (if applicable).

Note: In escrow states, if the lender is unable to have the final HUD-1 signed by the borrower and seller, the lender may supplement the final HUD-1 signed by the escrow officer with either:

- the estimated HUD-1 (or multiple matching documents) signed by the borrower and seller, or
- the final Escrow Instructions (or multiple matching documents) signed by the borrower and seller.

The servicer must retain any of these applicable documents and must ensure that they are readily accessible if needed in any bankruptcy or

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foreclosure proceeding, or for any other purpose in connection with the servicing of the mortgage loan. The servicer may hold copies if originals are not required, while originals have been sent for filing but have not yet been returned, or while the originals are otherwise temporarily out of the servicer's possession.

Examples of the collateral document(s) for a manufactured home that are required for loans for which an application was taken on or after August 24, 2003 include:

- in states where a manufactured home can become real property without first being titled as personal property, documentation (if it is available) indicating that no certificate of title (or similar ownership document) was ever issued;
- in states where the certificate of title (or similar ownership document) can be surrendered or retired when the home becomes real property, documentation evidencing such surrender or retirement;
- the certificate of title (or similar ownership document) if it has not been or cannot be surrendered;
- any Uniform Commercial Code (UCC) financing statement (or similar notice of lien) that was filed pursuant to applicable law; or
- a security agreement that creates a lien on the manufactured home in addition to the mortgage loan or deed of trust.

Servicers that have collateral documents for manufactured housing loans prior to August 24, 2003, must retain any such documents, but they are not required to seek these documents for such loans.

Generally, the only documents associated with the origination and servicing of a mortgage loan that the servicer needs to retain in paper format are the security instrument (and any related riders), any other document that changes the terms of the mortgage loan, the assignment for a MERS-registered mortgage loan (when MERS is not named as nominee for the beneficiary), the unrecorded assignment of the mortgage loan to Fannie Mae (if the mortgage loan is not registered with MERS and the servicer or a document custodian is holding the assignment as a custodial

document), and the note and any related addenda (if the servicer or a document custodian is holding the note as a custodial document). All other documents in the individual mortgage loan file may be retained in an electronic format (as discussed in *Section 406, Record Retention and Data Integrity (01/31/03)*). When the servicer chooses to store these documents in a format other than paper, it must provide any prospective transferee servicer with information about the methods it uses for document and records storage. If the transferee servicer uses a different storage method, the transferor servicer must work with the transferee servicer to convert the documents and records to a format that is compatible with the transferee servicer's storage methods.

**Section 405.02
Mortgage Loan Payment
Records (01/31/02)**

The servicer also must maintain permanent mortgage account records for each mortgage loan it services for Fannie Mae. The records must be identified by Fannie Mae's loan number (and any related participation certificate or MBS pool number) in addition to any other identification the servicer uses. The servicer may develop its own system for maintaining these records, as long as it can produce an account transcript within a reasonable time after it is requested.

The servicer's accounting system must be able to produce detailed information on:

- all transactions that affect the mortgage loan balance (the amount and due date of each payment, when the payment was received, and how the payment was applied);
- the financial status of the mortgage loan (the latest outstanding balances for principal, escrow deposits, advances, and unapplied payments); and
- any overdrafts in the escrow deposit account.

**Section 405.03
Identifying Manufactured
Home Loans (03/28/11)**

In order to be prepared to meet special servicing and default management requirements for mortgages secured by manufactured homes, servicers should ensure that all mortgages that are secured by manufactured homes are so identified on their internal systems.

If it comes to the attention of a servicer that it is servicing a mortgage secured by a manufactured home that was delivered to Fannie Mae

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**Mortgage Loan Files and
Records**

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**Section 408
MERS-Registered
Mortgage Loans
(01/31/03)**

MERS is an electronic system that assists in the tracking of mortgage loans, servicing rights, and security interests. To initiate the electronic tracking, a lender assigns a special MERS MIN to the mortgage loan, registers the mortgage loan in MERS, and then either (1) originates the mortgage loan with MERS appearing in the security instrument as nominee for the beneficiary and its successors and assigns or (2) records an assignment of the mortgage loan to MERS (thus making MERS the mortgagee of record).

When a MERS-registered mortgage loan is delivered to Fannie Mae, the lender reports the MIN on the *Loan Schedule* (Form 1068 or Form 1069) or on the *Schedule of Mortgages* (Form 2005) and, after Fannie Mae purchases the mortgage loan, Fannie Mae notifies MERS to ensure that its records are updated to reflect Fannie Mae's ownership interest. If a mortgage loan is not registered with MERS until after Fannie Mae purchases it, the servicer must report Fannie Mae's ownership when it registers the mortgage loan.

A servicer that chooses to register its entire servicing portfolio with MERS may identify a few instances in which Fannie Mae is the owner of record for the mortgage loan (because an original assignment of the mortgage loan to Fannie Mae was recorded in the public records). When that is the case, the servicer will need to prepare an assignment of the mortgage loan from Fannie Mae to MERS and send it to Fannie Mae for execution (and subsequently record it in the public records) before it can complete the registration of the mortgage loan with MERS.

Registration of Fannie Mae-owned or Fannie Mae-securitized mortgage loans in MERS (as either an assignee or the nominee of the original mortgagee) does not change the lender's (or mortgage servicer's) responsibility for complying with all applicable provisions of the MSSC, Fannie Mae's *Guides* (as they may be amended from time to time), the lender or servicer's Master Agreement, or any negotiated contract that it has with Fannie Mae (unless Fannie Mae specifies otherwise), or other agreements that are part of the Lender Contract. MERS will have no beneficial interest in the mortgage loan, even if it is named as the nominee for the beneficiary in the security instrument. In addition, MERS' failure to perform any obligation with respect to a MERS-registered mortgage loan does not relieve the lender (or the mortgage servicer) from its

responsibility for performing any obligation required by the terms of its Lender Contract.

The lender or servicer is responsible for the accurate and timely preparation and recordation of security instruments, assignments, lien releases, and other documents relating to MERS-registered mortgage loans and must take all reasonable steps to ensure that the information on MERS is updated and accurate at all times. The lender or mortgage servicer also will be solely responsible for any failure to comply with the provisions of the MERS Member Agreement, Rules, and Procedures and for any liability that it or Fannie Mae incurs as a result of the registration of mortgage loans with MERS or any specific MERS transaction.

**Section 408.01
Termination of MERS
Registration for Active
Mortgage Loan
(01/31/03)**

A servicer may decide that it does not want a mortgage loan that it is actively servicing to remain registered in MERS for some reason. In such cases, the servicer will need to notify MERS to request that the mortgage loan be "deactivated" in MERS. (MERS will notify Fannie Mae about the deactivation of any mortgage loan in which it has an interest.) The servicer will need to prepare an assignment of the mortgage loan from MERS to itself and have it executed, and then record the executed assignment in the public land records. The servicer also must prepare (in recordable form) an unrecorded assignment of the mortgage loan from itself to Fannie Mae and submit the original of that assignment to Fannie Mae's DDC or the applicable document custodian.

**Section 408.02
Termination of Servicer's
MERS Membership
(01/31/03)**

If, for any reason, a servicer's membership in MERS is terminated, the servicer must notify Fannie Mae promptly. For each MERS-registered mortgage loan that it is servicing for Fannie Mae, the servicer must prepare an assignment of the mortgage loan from MERS to itself and have it executed, and then record the executed assignment in the public land records. The servicer also must prepare (in recordable form) an unrecorded assignment of the mortgage loan from itself to Fannie Mae and submit the original of that assignment to Fannie Mae's DDC or the applicable document custodian.

**Foreclosures,
Conveyances and
Claims, and Acquired
Properties**

Foreclosures

Section 101

June 10, 2011

If a servicer services first-lien mortgage loans owned or securitized by Fannie Mae and also services subordinate-lien mortgage loans for itself or other investors, and that servicer must initiate a foreclosure action against the property for a mortgage loan owned or securitized by Fannie Mae, the servicer must follow Fannie Mae's foreclosure guidelines and process the foreclosure in a timely manner. A servicer should not consider the status of or impact on any subordinate liens that the servicer is servicing for itself or other investors when evaluating or proceeding with a foreclosure action. However, a servicer which also services a subordinate-lien mortgage loan may file the foreclosure of the first-lien mortgage loan in Fannie Mae's name in order to avoid having to "sue itself" in the foreclosure action.

Unless subject to the Fannie Mae automatic reclassification process, Fannie Mae requires that servicers foreclose while mortgage loans are in the MBS trust. In addition, a servicer must purchase a regular servicing option MBS mortgage loan from the MBS pool within 60 days after the foreclosure sale date.

Additionally, unless otherwise directed by Fannie Mae, a special servicing option MBS mortgage loan that has been foreclosed must be removed from the MBS pool no later than the remittance date following the date on which the liquidation action code was reported to Fannie Mae.

When an instrument of record relating to a single-family property requires the use of an address for Fannie Mae, including assignments of mortgages, foreclosure deeds, REO deeds, and lien releases, the following address must be used: Fannie Mae, P.O. Box 650043, Dallas, TX 75265-0043. If a street address is required, the following address must be used: Fannie Mae, 14221 Dallas Parkway, Suite 1000, Dallas, TX 75254.

**Section 101
Routine vs. Nonroutine
Litigation (10/01/08)**

A servicer generally should not initiate routine legal proceedings in Fannie Mae's name, but in instances where it is appropriate or necessary to do so, Fannie Mae must be described in the legal proceedings as "Federal National Mortgage Association (Fannie Mae), a corporation organized and existing under the laws of the United States." The servicer, its legal counsel, and foreclosure attorneys (or trustees) should not forward papers, pleadings, and notices related to routine uncontested legal actions to Fannie Mae. If any routine legal proceeding becomes contested (e.g., the defendant in any proceeding files any appeal, motion for rehearing, or

similar procedure) or a servicer receives notice of a nonroutine action that involves a Fannie Mae–owned or Fannie Mae–securitized mortgage loan or that will otherwise affect Fannie Mae’s interests—regardless of whether Fannie Mae is also named as a party to the action—the servicer must immediately contact Fannie Mae’s Regional Counsel via e-mail to nonroutine_litigation@fanniemac.com.

A servicer may not initiate or defend nonroutine litigation on Fannie Mae’s behalf unless it obtains prior written consent from its Fannie Mae Regional Counsel via email to nonroutine_litigation@fanniemac.com. This will enable Fannie Mae to concur in the necessity for the action, the selection of legal counsel, development of legal strategy, and approval of legal fees and costs. One example of a nonroutine legal action is a case in which the servicer’s legal counsel wants to pursue a judicial foreclosure in order to clear technical defects even though the security property is located in a state in which the usual method of foreclosure is by non-judicial foreclosure. In this situation, the servicer should not commence a judicial foreclosure for a conventional mortgage loan without first clearing the action with Fannie Mae. Nonroutine litigation also includes any claim, counterclaim, or procedure that: challenges methods in which Fannie Mae does business; involves Fannie Mae’s status as a federal instrumentality; requires interpretation of Fannie Mae’s Charter, such as removal to federal court based on Fannie Mae’s Charter; claims punitive damages from Fannie Mae; or asserts liability against Fannie Mae based on actions of its servicers. Additional examples include “show cause orders” or proceedings and motions for sanctions.

**Section 102
Initiation of Foreclosure
Proceedings (10/01/08)**

Generally, foreclosure proceedings for a first mortgage loan must begin 30 to 34 days after an acceleration or breach letter is sent upon the completion of the pre-referral account review and after any applicable notice and waiting period under state law is met.

Servicers must expedite foreclosure proceedings to the greatest extent allowable under applicable law (without exploring all foreclosure prevention options) if the borrower is not eligible for relief from foreclosure under the Servicemembers Civil Relief Act (or any state law that similarly restricts the right to foreclose) and the property has been abandoned or vacated by the borrower and it is apparent that the borrower does not intend to make the mortgage payments. In addition, servicers must expedite foreclosure proceedings for any mortgage loan if:



Chapter A2-1, Contractual Obligations for Sellers/Service

Contractual Obligations for Sellers/Service

Introduction

This chapter explains the basic legal relationship between a seller, servicer, or seller/servicer and Fannie Mae.

In This Chapter

This chapter contains information on the following subjects:

A2-1-01, Contractual Obligations for Sellers/Service (09/04/2018)	7
A2-1-02, Nature of Mortgage Transaction (02/27/2018)	11
A2-1-03, Indemnification for Losses (08/29/2017)	12

A2-1-01, Contractual Obligations for Sellers/Service (09/04/2018)

Introduction

This topic describes some of the seller's, servicer's and seller/servicer's contractual arrangements, including:

- Role of MSSC
- Special Seller/Servicer Approval and MSSC Addendum
- Lender Contract: Integration and Non-Divisibility
- Amendments to the Guides
- General Contract Terms

Role of MSSC

After Fannie Mae approves a seller or servicer or seller/servicer, both parties execute the *Mortgage Selling and Servicing Contract* (MSSC) and any other relevant agreements. The continuation of that relationship depends on both parties honoring the mutual promises in the Lender Contract.



The MSSC establishes the basic legal relationship between a seller, servicer or seller/servicer and Fannie Mae and

- establishes the entity as an approved seller of mortgages and participation interests or an approved servicer of mortgages or both; and
- incorporates by reference the *Selling Guide*, the *Servicing Guide*, the *Requirements for Document Custodians*, Software Subscription Agreement, Manuals, Announcements, Lender Letters, Release Notes, Notices, directives and other documents which may be incorporated by reference into the Guides, all as amended or supplemented from time to time.

Special Seller/Servicer Approval and MSSC Addendum

Certain mortgage loan types require special approval. The following special approvals will be documented by an addendum to the *Mortgage Selling and Servicing Contract* (MSSC) between Fannie Mae and the seller/servicer:

- co-op share loans,
- second mortgages,
- HomeStyle Renovation mortgages, and
- electronic mortgages (eMortgages).

Sellers/servicers may request approval to deliver these loans through their Fannie Mae customer account team. Sellers/servicers may not deliver these loan types unless they obtain the applicable special approval and execute any additional agreements required by Fannie Mae. Sellers/servicers that apply for special approval to deliver HomeStyle Renovation mortgages must also complete a *Special Lender Approval Form (Form 1000A)*.

Fannie Mae reserves the right to cease approving sellers/servicers for or accepting deliveries of any or all of the mortgage loan types listed above from any or all sellers/servicers. The decision to no longer accept deliveries may result in an amendment to, or the termination of, the special approval. Fannie Mae will provide the affected seller/servicer with reasonable notice of this decision. If the decision affects a seller/servicer's ability to fulfill any required mandatory delivery amount under its Master Agreement, Fannie Mae will consider alternatives through which the seller/servicer can fulfill its delivery obligation.

For a discussion of mortgage loan types that require special customized/negotiated terms in a Master Agreement, see A2-4-01, Master Agreement Overview (10/31/2017). For additional information on lender contracts, refer to E-1-04, List of Lender Contracts (12/06/2016).

Lender Contract: Integration and Non-Divisibility

The MSSC and all of the documents referenced above, together with any other agreements with Fannie Mae that provide for additional obligations to Fannie Mae, such as commitments, master agreements, technology agreements, and collateral agreements, are together referred to as the "Lender Contract" and form a single, integrated contract.

A servicer or seller/servicer's benefits and obligations to service loans under the Lender Contract are integrated and cannot be separated from the seller's or seller/servicer's benefits and obligations to sell loans under the Lender Contract.



Fannie Mae relies on this integration and non-divisibility in entering into, and continuing to be bound by, the Lender Contract and in consenting to a servicing transfer.

Amendments to the Guides

All of Fannie Mae's communications (Guides, Manuals, Announcements, Lender Letters, Release Notes, and Notices and directives) are incorporated into the Guides by reference, and are effective on the dates specified in such documents. Certain information and requirements posted on Fannie Mae's website are also incorporated by reference into the Guides.

Fannie Mae transmits communications to sellers, servicers and seller/servicers by posting them on Fannie Mae's corporate website (or other websites as Fannie Mae may establish in the future). Fannie Mae also publishes some communications (for convenience) via AllRegs.

General Contract Terms

The following table describes some general contract terms.

GENERAL CONTRACT TERMS	
Topic	Description
Joint and Several Responsibility	<p>Unless Fannie Mae otherwise agrees in writing, upon the transfer of servicing loans:</p> <ul style="list-style-type: none"> the transferor and transferee are jointly and severally responsible for all selling representations, warranties, and obligations related to the transferred loans, including those that arise before delivery of the loans to Fannie Mae; and the transferee is jointly and severally responsible for all servicing obligations and liabilities of the transferor, including those that arise before delivery of the loans to Fannie Mae.
Terminology and General Conventions	<ul style="list-style-type: none"> While the term "lender" is generally used throughout the <i>Selling Guide</i> to refer to the entity responsible for all aspects of the origination and delivery of loans to Fannie Mae and if applicable, the servicing of loans, the terms "seller", "servicer", "lender", and "seller/servicer" are all used in the Guides in different contexts. The particular term used should not be viewed as an exclusion of an entity's responsibilities in connection with a loan. The "responsible party" means a seller, servicer, or other entity(ies) that is responsible for the selling representations and warranties or for the servicing responsibilities and liabilities on a loan.
Glossary of Defined Terms	A glossary of defined terms is included in the Guides.
Independent Contractor	The servicer services Fannie Mae loans as an independent contractor and not as an agent, assignee, or representative of Fannie Mae.



Part A, Doing Business with Fannie Mae
Subpart A2, Lender Contract
Chapter A2-1, Contractual Obligations for Sellers/Serviceers

12/04/2018

GENERAL CONTRACT TERMS	
Topic	Description
Assignment	<p>A seller, servicer or seller/servicer may not, without Fannie Mae's prior written consent, assign:</p> <ul style="list-style-type: none"> the Lender Contract, or any component of the Lender Contract such as master agreements, whole loan or MBS commitments or contracts, under any circumstances; or its responsibility for servicing individual mortgages Fannie Mae owns or have a participation interest, except in accordance with the Guides. <p>Fannie Mae may assign its participation interest in any mortgage and all rights in the mortgages owned under the Lender Contract or any other instruments.</p>
No Third Party Beneficiaries	No borrower or other third party is a third party beneficiary of the Lender Contract or obtains any rights through the Lender Contract or any of our seller, servicer or seller/servicer communications.
Construction	<ul style="list-style-type: none"> The term "including" and similar words means "including, without limitation". Headings and captions are for convenience only. If any provision of the Lender Contract is held invalid, the enforceability of all remaining provisions are not affected, and the Lender Contract will be interpreted as if the invalid provision were not contained in the Lender Contract.
Notice of Termination	Any notice of termination of the Lender Contract or any component must be in writing and delivered by hand, electronic mail (with electronic confirmation of delivery), overnight express or similar service (fees prepaid), or first-class United States registered or certified mail with return receipt requested (postage prepaid), to the applicable party at its address specified in the MSSC (which may be changed by written notice).
Governing Law	New York state law without regard to its conflict of law rules.

Related Announcements

The table below provides references to the Announcements that have been issued that are related to this topic.

Announcement	Issue Date
<u>Announcement SEL-2018-07</u>	September 04, 2018
<u>Announcement SEL-2017-07</u>	August 29, 2017
<u>Announcement SEL-2013-03</u>	April 9, 2013
<u>Announcement 09-06</u>	March 23, 2009



Announcement	Issue Date
<u>Announcement 08-23</u>	September 16, 2008

A2-1-02, Nature of Mortgage Transaction (02/27/2018)

Introduction

This topic contains information on mortgage transaction requirements.

- Delivery Methods
- True Sale

Delivery Methods

Sellers may sell loans to Fannie Mae using either of the two following delivery methods.

- As **whole loans** - the seller sells the loans to Fannie Mae and receives cash proceeds in the amount of the purchase price, with the loans to be retained by Fannie Mae in its portfolio or to be included later in MBS pools formed by Fannie Mae.
- As **MBS loans** - the sellers sells the loans which are conveyed to an MBS trust under the terms of the Fannie Mae MBS program and the seller (or its designee) receives mortgage pass-through certificates representing interests in the loans as the purchase price for the loans.

The term "delivery" refers to the delivery of whole loans to Fannie Mae and into MBS pools. In cases where specific requirements apply to one type of transaction, the delivery method is specified. The term "loan" means "mortgage loan" and includes participation interests in loans unless specified otherwise. The glossary defines terms used in connection with Fannie Mae requirements in the *Selling Guide*.

True Sale

Both Fannie Mae and the seller intend that every sale of loans to be the seller's true, absolute, and unconditional sale to Fannie Mae of the loans. However, if a court or other appropriate forum holds the loans are still the seller's property, then Fannie Mae and the seller intend that the transaction be deemed to be:

- a pledge by the seller to secure a debt or other obligation owed to Fannie Mae for all related loans, and
- a grant by the seller to Fannie Mae of a first priority perfected security interest in the loans.



Accordingly, for each loan delivery, the seller grants Fannie Mae a security interest in all of the seller's right, title, and interest in the loans sold to Fannie Mae. Such security interest secures the seller's performance of all of its obligations to Fannie Mae pertaining to that loan or the contract under which it is sold to or serviced for Fannie Mae.

If the seller breaches its obligations to Fannie Mae, Fannie Mae may,

- without a binding election of remedies, use the remedies provided by applicable law to the holder of a security interest; or
- extinguish all equitable, legal, and other right, title, or interest of the seller in the pledged security and take such property as its property.

Related Announcements

The table below provides the reference to the Announcement that has been issued that is related to this topic.

Announcement	Issue Date
<u>Announcement-SEL-2018-02</u>	February 27, 2018

A2-1-03, Indemnification for Losses (08/29/2017)

Introduction

This topic contains information on indemnification for losses, including:

- [General Requirements](#)
 - [Application After Enforcement Relief](#)
 - [Indemnification Process](#)
-

General Requirements

The responsible party must indemnify and hold Fannie Mae (including its successors and assigns and its employees, officers, and directors individually when they are acting in their corporate capacity) harmless against all losses, damages, penalties, settlements, liabilities, judgments, claims, counterclaims, defenses, actions, costs, expenses, attorneys' fees, and other legal fees (collectively, "Fannie Mae losses" or "losses incurred by Fannie Mae"), that are based on, or result or arise from, the events described below.



Section A2-5.1, Establishment, Ownership, and Retention of Loan Files and Records

A2-5.1-01, Establishing Loan Files (12/19/2017)

Introduction

This topic contains information on loan files, including:

- Establishing the Loan File
- Establishing the Loan File for Manufactured Homes
- Additional Information for the Loan File

Establishing the Loan File

The seller must establish the individual mortgage loan file "loan file" when it originates a loan and clearly identifies each file with Fannie Mae's loan number (and Fannie Mae's participation and participation percentage interest and MBS pool number, if applicable). The loan file consists of the loan origination file, the loan custodial file, and the loan servicing file held by the seller, servicer, or a prior servicer arising from or related to the origination, sale, securitization, or servicing of a loan or acquired property, as applicable. The loan file includes all records needed to service the loan and support the validity of the loan, and must be readily accessible in connection with the servicing of the loan.

The loan origination file consists of the following:

- all documents, records and reports used to support the underwriting decision required by the Lender Contract;
- any documentation required by Fannie Mae or by law relating to the loan arising from or related to the origination, closing, sale, securitization, or delivery of a loan; and
- documents that are required as part of the post-closing mortgage loan file documentation requirements in the *Selling Guide*.

The following tables describe the documents included in the loan origination file and whether an original or a copy is required.

✓	Original Documents
	any unrecorded documents changing the terms of the note
	the assignment to MERS®, if the loan is registered with MERS and MERS is not named as nominee for the beneficiary, and the copies of all required intervening assignments



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✓	Document Copies
	the recorded mortgage or deed or trust, any applicable recorded rider or recorded modification or any other recorded document affecting Fannie Mae's right under the mortgage with the recording information from the recorder's office
	the Participation Certificate, if applicable
	the related Schedule of Mortgages if an MBS loan
	the note and any related addenda
	unrecorded assignments to Fannie Mae (or the recorded assignment, when applicable) and all required intervening assignments
	FHA mortgage insurance certificate, VA loan guaranty certificate, RD loan note guarantee certificate, HUD Indian loan guarantee certificate, or conventional mortgage insurance certificate, if applicable
	underwriting documents, including any DU reports
	property appraisal and inspection orders and reports
	title policy, property insurance policy, flood insurance policy (if required) and any other documents that might be of interest to a prospective purchaser or servicer of the loan or might be required to support title or insurance claims at some future date (for example, FEMA's flood hazard determination form, title evidence, or survey)
	final settlement statement evidencing all settlement costs paid by the borrower and seller (if applicable), <ul style="list-style-type: none"> the final version of the Closing Disclosure does not have to be signed by the borrower and seller although lenders may obtain signatures, which Fannie Mae supports as a best practice; if there are separate Closing Disclosures for the borrower and seller, the copies of the final version of each must be kept in the mortgage loan file.
	any other documents, records, and reports not specified above that are part of the loan origination file

Establishing the Loan File for Manufactured Homes

Servicers that have collateral documents for manufactured home loans with application dates prior to August 24, 2003 must retain all such documents, but they are not required to obtain these documents if they do not already have possession of them.

For a manufactured home with an application date on or after August 24, 2003, collateral documents include the following:

✓	Manufactured Home Collateral Documents
	documentation (if available) indicating that no certificate of title (or similar ownership document) was ever issued in states where a manufactured home can become real property without first being titled as personal property;



✓	Manufactured Home Collateral Documents
	documentation evidencing surrender or retirement in states where the certificate of title (or similar ownership document) can be surrendered or retired when the home becomes real property;
	the certificate of title (or similar ownership document) if it has been or cannot be surrendered;
	any UCC financing statement (or similar notice of lien) that was filed pursuant to applicable law; and
	a security agreement that creates a lien on the manufactured home in addition to the loan or deed of trust.

In order to be prepared to meet special servicing and default management requirements for loans secured by manufactured homes, the servicer must ensure that all loans secured by manufactured homes are identified on their internal systems. If it comes to the attention of the servicer that it is servicing a loan secured by a manufactured home that was delivered to Fannie Mae without notation of Special Feature Code 235 (which is required to identify that property type), the servicer must initiate a post-purchase adjustment. See Fannie Mae's [website](#) for additional information.

Additional Information for the Loan File

The seller/servicer must use the loan origination file to accumulate other pertinent servicing and liquidation information, including, the following:

- property inspection reports,
- copies of delinquency repayment plans,
- copies of disclosures of ARM loan interest rate and payment changes,
- documents related to insurance loss settlements, and
- foreclosure notices.

The loan custodial file consists of the custodial documents and all documents, books, records, and reports, in any format, required to be retained by the document custodian pursuant to the *Servicing Guide* or other Fannie Mae requirements.

The loan servicing file (including the file maintained with respect to an acquired property) consists of all documents, books, records, reports, and payment and escrow histories, in any format, arising from or related to the servicing of the mortgage loan or acquired property by the current servicer or any prior servicer. This includes those required at any time by the Lender Contract or an insurer and documents and records set forth in the *Servicing Guide*. The loan servicing file must also include copies of all documents or records that are used to evaluate a borrower and the property condition when determining the eligibility for a workout option.

Related Announcements

The table below provides references to the Announcements that have been issued that are related to this topic.



Announcement	Issue Date
<u>Announcement SEL- 2017-10</u>	December 19, 2017
<u>Announcement SEL-2013-03</u>	April 9, 2013

A2-5.1-02, Ownership and Retention of Loan Files and Records (12/19/2017)

Introduction

This topic contains information on individual mortgage loan files, including:

- [Ownership of the Loan File](#)
 - [General Requirements for Records](#)
 - [Record Retention Requirements](#)
-

Ownership of the Loan File

All records related to loans (including all data and materials representing, based on, or compiled from such records) sold to or serviced for Fannie Mae are Fannie Mae's property and any other owner of a participation interest in the loan regardless of their physical form or characteristics or whether they are developed or originated by the loan seller, servicer, or others.

Each of the loan originator, seller, servicer, and any service bureau or any other party providing services in connection with selling or servicing a Fannie Mae loan:

- has no right to possess these documents and records except under the conditions specified by Fannie Mae, and
- must hold these documents solely for the benefit of Fannie Mae.

The servicer must use the loan origination file to accumulate other pertinent servicing and liquidation information.

If the seller does not service the loan, it must transfer the loan file to the servicer. The servicer must document in the servicing loan file its compliance with all Fannie Mae policies and procedures, including timelines that are required by the *Servicing Guide*. The servicer and the responsible party must keep all of the individual loan records and all servicing records for the time it serviced the loan.



General Requirements for Records

The seller/servicer must:

- maintain the accounting records relating to loans in accordance with sound and generally accepted accounting principles;
- ensure that the records meet Fannie Mae's requirements;
- ensure the accuracy, security, confidentiality, integrity, completeness and legibility of the individual loan file;
- protect against any anticipated threats or hazards to the security or integrity of files and records;
- protect against unauthorized access to or use of files and records and is responsible for requiring, by contract, that any subservicers or other third parties that access mortgage files and records also implement these measures;
- periodically review changes in technology to make sure that all records continue to be obtainable and readable in the future.

The following table describes Fannie Mae's general rights related to its audit of records.

GENERAL REQUIREMENTS FOR AUDITS OF RECORDS	
Topic	Description
Right to Audit	Fannie Mae may examine and audit, at any reasonable time, all loan records and other information that Fannie Mae considers necessary to ensure that the seller/servicer is complying with Fannie Mae requirements.



GENERAL REQUIREMENTS FOR AUDITS OF RECORDS	
Topic	Description
Delivery of Records	<ul style="list-style-type: none">• When Fannie Mae sends a written request to a seller/servicer to examine mortgage records, the seller/servicer must deliver all records to Fannie Mae or to whomever Fannie Mae designates within the time frame specified by Fannie Mae.• Fannie Mae will not execute any trust receipts for documents it requests and will not pay for their delivery. If the seller/servicer is retaining any of the records in a format other than paper, the seller/servicer must reproduce them at its own expense.• If Fannie Mae has only a participation interest in a loan, Fannie Mae will provide proof of its ownership interest upon request.• If the seller/servicer is unable to respond to Fannie Mae's request to produce records in a timely manner, the seller/servicer must provide a reasonable explanation for its failure to produce the records and, if appropriate, offer evidence that it has satisfied any requirement about which Fannie Mae is concerned.• The seller/servicer is responsible for all Fannie Mae Losses incurred by Fannie Mae in enforcing its right of access to the records, unless it is determined that Fannie Mae had no legal right of access.
Audit Activities	<p>Fannie Mae's examination and audit of the seller/servicer's records may consist of</p> <ul style="list-style-type: none">• monitoring all monthly accounting reports submitted to Fannie Mae;• conducting periodic procedural reviews during visits to the seller/servicer's office or the document custodian's place of business;• conducting in-depth audits of the seller/servicer's internal records and operating procedures; and• performing spot-check reviews of loans in the seller/servicer's portfolio on a random sample basis.



Record Retention Requirements

The following table describes the record retention requirements for certain types of records.

RECORD RETENTION REQUIREMENTS	
Type of Record	Requirements
Loan payment records	<p>The servicer must maintain permanent mortgage account records for each loan it services for Fannie Mae. The records must be identified by Fannie Mae's loan number (and any related participation certificate or MBS pool number) in addition to any other identification the servicer uses. The servicer may develop its own system for maintaining these records, as long as it can produce an account transcript within a reasonable time after it is requested.</p> <p>The servicer's accounting system must be able to produce detailed information for the following:</p> <ul style="list-style-type: none">• all transactions that affect the loan balance,• the financial status of the loan, and• any overdrafts in the escrow account.
Accounting reports	<p>Unless instructed otherwise, the servicer may destroy any accounting reports 18 months after such reports are filed with Fannie Mae.</p>
<i>Annual Statement of Eligibility for Document Custodians (Form 2001)</i>	<p>A servicer that is also a Fannie Mae document custodian must maintain a copy of Form 2001 for seven years at all locations that are covered by the completed form and ensure that they are available for on-site reviews.</p>
Records related to HAMP	<p>The servicer must retain:</p> <ul style="list-style-type: none">• all documents and information evidencing the complete evaluation of a borrower for HAMP for seven years after document collection or four years after loan liquidation, whichever is later; and• all data, books, reports, documents, audit logs, and records, related to HAMP, and a copy of all computer systems and application software necessary to review and analyze any electronic records for at least four years, or for such longer period as may be required by applicable law.



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RECORD RETENTION REQUIREMENTS	
Type of Record	Requirements
Records related to 2MP	<p>The servicer must retain:</p> <ul style="list-style-type: none"> all documents and information evidencing compliance with our requirements when evaluating a borrower for 2MP, for seven years after document collection or for four years after loan liquidation, whichever is later; all documents and information related to the monthly payments during and after any trial period, as well as incentive payment calculation and such other required documents; and detailed records to document the reason(s) for any trial loan modification failure.
Records related to bankruptcy or foreclosure proceedings	<ul style="list-style-type: none"> The servicer must retain all of the documents required to be included in the individual loan file and must ensure that they are readily accessible if needed in any bankruptcy or foreclosure proceeding, or for any other purpose in connection with the servicing of the loan. The servicer may hold copies if originals are not required, while originals have been sent for filing but have not yet been returned, or while the originals are otherwise temporarily out of the seller/servicer's possession.
Expense reimbursement claims	The servicer must retain in the loan servicing file all supporting documentation for all requests for expense reimbursement.
Liquidation records	After a loan is liquidated, the servicer must keep the individual loan records for at least four years, unless the local jurisdiction requires longer retention or Fannie Mae specifies that the records must be retained for a longer period.
Records related to repurchase or reimbursement	If a loan or property is repurchased or a make whole payment remitted, the responsible party must keep the individual loan records for at least four years from loan liquidation unless applicable law requires longer retention or Fannie Mae specifies that the records must be retained for a longer period.

Note: The time frame from loan liquidation is measured from the date of the loan payoff or the date that any applicable claim proceeds are received, whichever is later.



For eMortgages, the seller/servicer must follow the record retention requirements for the type of record described in the table immediately above, if applicable, and the requirements for storing mortgage loan files and records as described in A2-5.1-03, Electronic Records, Signatures, and Transactions (10/31/2017)

Related Announcements

The table below provides references to the Announcements that have been issued that are related to this topic.

Announcement	Issue Date
<u>Announcement SEL-2017-10</u>	December 19, 2017
<u>Announcement SEL-2017-05</u>	May 30, 2017
<u>Announcement SEL-2015-09</u>	August 25, 2015
<u>Announcement SEL-2015-07</u>	June 30, 2015
<u>Announcement SEL-2012-13</u>	November 13, 2012
<u>Announcement SEL-2011-04</u>	May 24, 2011
<u>Announcement SEL-2010-10</u>	August 12, 2010
<u>Announcement 09-19</u>	June 8, 2009

A2-5.1-03, Electronic Records, Signatures, and Transactions (10/31/2017)

Introduction

This topic contains information on electronic records, including:

- [Electronic Records](#)
- [Electronic Signatures](#)
- [Electronic Notarizations](#)
- [Electronic Transactions with Fannie Mae](#)
- [Electronic Transactions with Third Parties](#)



Announcements	Issue Date
<u>Announcement SVC-2017-07</u>	August 16, 2017
<u>Announcement SVC-2016-04</u>	May 11, 2016

A1-1-03, Evaluating a Servicer's Performance (11/25/2015)

Introduction

This topic contains the following:

- [Performance Management Framework Overview](#)
 - [Servicing Performance Categories](#)
 - [Evaluating Performance](#)
 - [Implementing Performance Improvement Plans](#)
-

Performance Management Framework Overview

In order to determine the servicer's compliance with its servicing duties under the Lender Contract, Fannie Mae measures the servicer's performance utilizing various performance metrics, which may include servicer reviews and the STAR™ Program for those servicers (also refers to a subservicer if there is a subservicing arrangement) which Fannie Mae has identified for inclusion in the Program.

Servicers selected to participate in the STAR Program will receive written notification from Fannie Mae prior to being added into the program.

The STAR Program is one of Fannie Mae's performance management frameworks designed to determine the servicer's overall performance based on operational assessments and scorecards. The STAR Reference Guide serves as implementation guidance for servicers. The STAR Reference Guide is located on Fannie Mae's website on the STAR Program page and is incorporated herein by reference. Fannie Mae may change the STAR Reference Guide from time to time.

Servicing Performance Categories

Operational assessments and servicer reviews measure the servicer's performance based on key criteria in certain servicer performance categories, which may include, but are not limited to the following:

- customer service;



- escrow administration;
- property, flood, and MI;
- collections;
- loss mitigation;
- investor relations/reporting;
- mortgage loan payment processing;
- bankruptcy, foreclosure, and REO management;
- data integrity;
- delinquency and annual financial and management reporting;
- document custody and record retention;
- remitting; and
- accounting and reporting.

Fannie Mae reserves the right, from time to time, to

- amend the performance criteria,
- modify how the results are determined, and
- revise the content of the performance metrics.

Fannie Mae may also communicate individual performance targets which may not be included in the STAR Program operational assessments and scorecards. Fannie Mae must regularly monitor each servicer's performance.

Evaluating Performance

Fannie Mae considers many factors when it evaluates whether the servicer's overall performance is acceptable, including, without limitation, the following:

- trends in performance,
- adequacy of staffing,
- compliance reviews and audits,
- STAR Program results,
- mortgage loan file reviews,
- timeliness of its payment obligations, and
- overall compliance with the requirements of the Lender Contract.

Unacceptable performance, including unacceptable STAR Program results, may result in a performance improvement plan. Fannie Mae reserves the right to terminate the servicer's Lender Contract in whole or in part, including its selling and/or servicing arrangement at any time with or without cause, in accordance with the Lender Contract.



Implementing Performance Improvement Plans

Fannie Mae expects all servicers to service all mortgage loans in full compliance with the Lender Contract. The servicer's performance may be measured by Fannie Mae through any number of servicing quality and compliance reviews, including the STAR Program, servicer reviews, as well as, timely payment of its obligations, compliance with the *Servicing Guide*, and other key performance metrics.

Servicers with unacceptable performance may be subject to a performance improvement plan issued by Fannie Mae.

Performance improvement plans may require the servicer to take actions and/or meet targets within defined time frames in order to remedy servicing deficiencies, which may include one or more of the following areas:

- customer service;
- escrow administration;
- property, flood, and MI;
- collections;
- loss mitigation;
- investor relations/reporting;
- mortgage payment processing, remitting, accounting and reporting;
- bankruptcy, foreclosure and REO management;
- data integrity;
- delinquency and annual financial and management reporting; and
- document custody and record retention.

The failure of the servicer to meet the terms of its performance improvement plan, including any timeline requirements for the performance improvement, constitutes a breach of the Lender Contract and may result in Fannie Mae terminating the servicer's selling and/or servicing approvals in whole or in part or taking other appropriate actions under its Lender Contract.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
<u>Announcement SVC-2015-14</u>	November 25, 2015



A2-1-03, Execution of Legal Documents (11/12/2014)

Introduction

The servicer ordinarily appears in the land records as the mortgagee to facilitate performance of the servicer's contractual responsibilities, including, but not limited to, the receipt of legal notices that may impact Fannie Mae's lien, such as notices of foreclosure, tax, and other liens. However, Fannie Mae may take any and all action with respect to the mortgage loan it deems necessary to protect its or an MBS trust's ownership of the mortgage loan, including recording an assignment of mortgage, or its legal equivalent, from the servicer to Fannie Mae or its designee. In the event that Fannie Mae determines it necessary to record such an instrument, the servicer must assist Fannie Mae by

- preparing and recording any required documentation, such as assignments of mortgages, powers of attorney, or affidavits; and
- providing recordation information for the affected mortgage loans.

The servicer must follow the procedures in F-1-10, Obtaining and Executing Legal Documents (05/10/2017) when sending documents for Fannie Mae's execution.

The servicer is authorized to execute legal documents related to payoffs, foreclosures, releases of liability, releases of security, mortgage loan modifications, subordinations, assignments of mortgages, and conveyances (or reconveyances) for any mortgage loan for which it (or MERS®) is the owner of record. When an instrument of record requires the use of an address for Fannie Mae, including assignments of mortgages, foreclosure deeds, REO deeds, and lien releases, the servicer must follow the procedures in *Fannie Mae Contacts for Document Execution Requests* in F-1-10, Obtaining and Executing Legal Documents (05/10/2017) to locate the appropriate address.

This topic contains the following:

- Fannie Mae's Limited Power of Attorney to Execute Documents
- Correcting Conveyances to Fannie Mae

Fannie Mae's Limited Power of Attorney to Execute Documents

When Fannie Mae is the owner of record for a mortgage loan, it permits the servicer that has Fannie Mae's LPOA to execute certain types of legal documents on Fannie Mae's behalf. The servicer must have an LPOA in place to be authorized to execute the following legal documents on behalf of Fannie Mae:

- full satisfaction or release of a mortgage or the request to a trustee for a full reconveyance of a deed of trust;
- partial release or discharge of a mortgage or the request to a trustee for a partial reconveyance or discharge of a deed of trust;
- modification or extension of a mortgage or deed of trust;
- subordination of the lien of a mortgage or deed of trust;



- completion, termination, cancellation, or rescission of foreclosure relating to a mortgage or deed of trust, including, but not limited to, the following actions:
 - the appointment of a successor or substitute trustee under a deed of trust, in accordance with state law and the deed of trust;
 - the issuance or cancellation or rescission of notices of default;
 - the cancellation or rescission of notices of sale; and
 - the issuance of such other documents as may be necessary under the terms of the mortgage, deed of trust, or state law to expeditiously complete said transactions, including, but not limited to, assignments or endorsements of mortgages, deeds of trust, or promissory notes to convey title from Fannie Mae to the Attorney-in-Fact under this LPOA;
- conveyance of properties to FHA, HUD, the VA, RD, or a state or private mortgage insurer; and
- assignments or endorsements of mortgages, deeds of trust, or promissory notes to FHA, HUD, VA, RD, a state or private mortgage insurer, or MERS.

To request an LPOA, the servicer must follow the procedures in *Requesting a Limited Power of Attorney* in F-1-10, Obtaining and Executing Legal Documents (05/10/2017).

If the servicer does not have an LPOA to execute documents on Fannie Mae's behalf, or has a power of attorney that does not authorize it to execute documents for a specific type of transaction, the servicer must send the documents requiring execution in any instance in which Fannie Mae is the owner of record for the mortgage loan by email, when permitted. If, however, an original document must be executed by Fannie Mae, the servicer must send the document by regular or overnight mail. The servicer must follow the procedures in *Fannie Mae Contacts for Document Execution Requests* in F-1-10, Obtaining and Executing Legal Documents (05/10/2017) for instructions in sending documents to Fannie Mae.

Correcting Conveyances to Fannie Mae

The servicer must execute a quitclaim deed for properties that have been conveyed in error to Fannie Mae. The servicer must follow all procedures in F-1-10, Obtaining and Executing Legal Documents (05/10/2017) when preparing the reconveyance quitclaim deed. A quitclaim deed is an instrument of conveyance of real property that passes whatever title, claim, or interest that the grantor has in the property, but does not make any representations as to the validity of such title. A quitclaim deed is not a guarantee that the grantor has clear title to the property; rather it is a relinquishment of the grantor's rights, if any, in the property. The holder of a quitclaim deed receives only the interest owned by the person conveying the deed.

Fannie Mae will execute the quitclaim deed only if the servicer has prepared the document to quitclaim or assign back to the previous grantor or assignor. The servicer must send the request for quitclaim deed execution to Fannie Mae as described in *Submitting a Reconveyance Quitclaim Deed* in F-1-10, Obtaining and Executing Legal Documents (05/10/2017).

A2-1-04, Note Holder Status for Legal Proceedings Conducted in the Servicer's Name (06/21/2017)

Introduction



Fannie Mae is at all times the owner of the mortgage note, whether the mortgage loan is in Fannie Mae's portfolio or part of the MBS pool. In addition, Fannie Mae at all times has possession of and is the holder of the mortgage note, whether Fannie Mae has direct possession of the note or a custodian has custody of the note, except in the limited circumstances expressly described in this topic.

This topic contains the following:

- Temporary Possession by the Servicer
- Physical Possession of the Note by the Servicer
- Reversion of Possession to Fannie Mae

Temporary Possession by the Servicer

In order to ensure that a servicer is able to perform the services and duties incident to the servicing of the mortgage loan, Fannie Mae temporarily gives the servicer possession of the mortgage note whenever the servicer, acting in its own name, represents the interests of Fannie Mae in foreclosure actions, bankruptcy cases, probate proceedings, or other legal proceedings.

This temporary transfer of possession occurs automatically and immediately upon the commencement of the servicer's representation, in its name, of Fannie Mae's interests in the foreclosure, bankruptcy, probate, or other legal proceeding.

When Fannie Mae transfers possession, if the note is held by a document custodian on Fannie Mae's behalf, the custodian has possession of the note on behalf of the servicer so that the servicer has constructive possession of the note and the servicer shall be the holder of the note and is authorized and entitled to enforce the note in the name of the servicer for Fannie Mae's benefit.

If the servicer determines based on state law that it needs to be the holder of an eNote prior to representing the interests of Fannie Mae in a foreclosure, bankruptcy, or other legal proceeding, the servicer must follow the procedures in *Foreclosure, Bankruptcy and Other Legal Proceedings* in F-1-29, Servicing eMortgages (10/19/2016) to request a transfer in control and location from Fannie Mae.

Physical Possession of the Note by the Servicer

In most cases, the servicer will have a copy of the mortgage note. If the servicer determines that it needs physical possession of the original mortgage note to represent the interests of Fannie Mae in a foreclosure, bankruptcy, probate, or other legal proceeding, the servicer may obtain physical possession of the original mortgage note by submitting a request directly to the document custodian.

If Fannie Mae possesses the original note through a third-party document custodian that has custody of the note, the servicer must submit a *Request for Release/Return of Documents (Form 2009)* to Fannie Mae's custodian to obtain the note and any other custodial documents that are needed.

In either case, the servicer must specify whether the original note is required or whether the request is for a copy.

For eMortgages, if the eNote is not acceptable in its electronic form for a foreclosure, bankruptcy, or other legal proceeding, the servicer is authorized to use a printed Authoritative Copy of the eNote for the legal proceeding or action.



Reversion of Possession to Fannie Mae

At the conclusion of the servicer's representation of Fannie Mae's interests in the foreclosure, bankruptcy, probate, or other legal proceeding, or upon the servicer ceasing to service the loan for any reason, possession automatically reverts to Fannie Mae, and Fannie Mae resumes being the holder for itself, just as it was before the foreclosure, bankruptcy, probate, or other legal proceeding. If the servicer has obtained physical possession of the original note, it must be returned to Fannie Mae or the document custodian, as applicable.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
<u>Announcement SVC-2017-05</u>	June 21, 2017
<u>Announcement SVC-2016-09</u>	October 19, 2016

A2-1-05, Use of Fannie Mae Trademarks (08/16/2017)

Introduction

For a list of trademarks currently used by Fannie Mae and requirements on how to refer to them, see Selling Guide A2-6-01, Fannie Mae and Trademarks and [Fannie Mae's website](#).

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcement	Date
<u>Announcement SVC-2017-07</u>	August 16, 2017



Chapter A2-4, Fannie Mae's Quality Control Review

Fannie Mae's Quality Control Review

Introduction

This chapter contains information on Fannie Mae's quality control review.

In This Chapter

This chapter contains the following topic:

A2-4-01, Quality Control Reviews (08/17/2016)	94
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A2-4-01, Quality Control Reviews (08/17/2016)

Introduction

Fannie Mae may review mortgage loans it has purchased or securitized (including those with early payment defaults, those that have been foreclosed, as well as any other mortgage loan) to ensure that its underwriting, eligibility, and servicing requirements have been met.

When Fannie Mae's quality assurance risk assessment identifies a mortgage loan as having a higher degree of risk, Fannie Mae may perform a post-foreclosure full file QC review to evaluate the seller/servicer's initial underwriting of the mortgage loan and, if applicable, the actions the seller/servicer took in servicing the mortgage loan. In such cases, Fannie Mae will notify the seller/servicer about the type of review Fannie Mae will perform and the scope of the review.

This topic contains the following:

- Notification of a Quality Control Review
 - Timely Delivery of Individual Mortgage Loan Files
 - Document Submission Requirements
 - Fannie Mae's Quality Control Review
 - Requirements Specific for Servicing Quality Control Reviews
 - Fannie Mae Quality Control Report
-



- [Appeal of Fannie Mae QC Review Decisions](#)
- [Servicing Review File Requirements](#)
- [Underwriting or Servicing Reviews of Acquired Properties](#)

Notification of a Quality Control Review

The seller/servicer is notified which mortgage loans Fannie Mae has selected for review via written or electronic notification. Electronic notification will be delivered via QAS if the seller/servicer has signed up for it.

Timely Delivery of Individual Mortgage Loan Files

The seller/servicer must send the requested documentation for an underwriting or servicing review so that Fannie Mae receives the review file within 30 days after Fannie Mae notifies the seller/servicer that it has selected a mortgage loan for review. Fannie Mae, in its sole discretion, may request the documentation in a shorter or longer period of time based upon circumstances at the time.

Fannie Mae will make every effort to work with the seller/servicer when extenuating circumstances prevent it from delivering documentation in a timely manner. However, if a seller/servicer delays in providing the requested information, Fannie Mae, in its sole discretion, reserves the right to require indemnification, repurchase (depending on the circumstances of the individual case) of these mortgage loans, or other alternatives. When a seller/servicer has a pattern of extensive delays or unresponsiveness, Fannie Mae may consider this a breach of contract and consider other actions against the seller/servicer, up to and including termination.

Document Submission Requirements

The seller and servicer must maintain a complete individual mortgage loan file and be able to produce copies of the complete individual mortgage loan file upon Fannie Mae's request. The servicing review file must include supporting documents for all requests for expense reimbursement it has submitted or intends to submit to Fannie Mae (for example, vendor invoices and third-party invoices from the vendor rendering services), in addition to other servicing and liquidation information such as

- property inspection reports,
- copies of delinquency repayment plans,
- copies of disclosures of ARM loan interest rate and payment changes,
- documents related to insurance loss settlements, and
- foreclosure records, as stated in the *Servicing Guide*.

In all instances, the servicer must document its compliance with all Fannie Mae policies and procedures, including, but not limited to, timelines that are required by the *Servicing Guide*. The servicer must maintain in the individual mortgage loan file all documents and system records that preserve Fannie Mae's ownership interest in the individual mortgage loan.

The seller/servicer must package the requested documentation requested by Fannie Mae. When Fannie Mae requests both a mortgage loan origination and a mortgage loan servicing file, the seller/servicer may package the material as a single file



(with the origination and servicing documentation separated and clearly labeled within the file) or as two separate files that are packaged together (with one file identified as the "origination" file and the other identified as the "servicing" file).

The complete mortgage loan file must include clear copies of any required paper documents, not the originals. Paper documents must be sent in a manila folder, with the credit and property documents on the right side and the legal documents on the left side.

If the seller/servicer keeps its files electronically, Fannie Mae must be able to reproduce the documents required in a manner in terms of cost and time frames acceptable to Fannie Mae.

If the seller/servicer wishes to submit files in a form other than paper, it must contact the Fannie Mae's LQC File Receipt and Assignment team (see [F-4-03, List of Contacts \(12/12/2018\)](#)) to ensure that the requested form is compatible with the LQC's systems and processes. The requested files must be sent to Fannie Mae's LQC File Receipt and Assignment team (see [F-4-03, List of Contacts \(12/12/2018\)](#)).

Fannie Mae's Quality Control Review

Fannie Mae has QC policies and procedures in place for its review of performing and non-performing mortgage loans. Fannie Mae uses a statistically valid approach in selecting a random sample of new mortgage loan deliveries for review. The random sample is augmented with targeted, discretionary sampling, which aids in the measurement of the overall quality of mortgage loan deliveries. The QC process evaluates individual mortgage loan files on a comprehensive basis with the primary focus of confirming that mortgage loans meet Fannie Mae's underwriting and eligibility requirements. Fannie Mae will continue to review any servicing files requested with the primary focus of confirming that the mortgage loan has been serviced in accordance with the Lender Contract.

The QC process also provides the seller/servicer with data and feedback about the quality of its mortgage loan origination process. The goal is to engage the seller/servicer in frequent, meaningful exchanges of information about trends in the quality of delivered mortgage loans and to inform the seller/servicer about significant underwriting deficiencies identified through the QC review process. Together, Fannie Mae and its sellers/servicers should share a commitment to improving the quality of mortgage loan originations. Fannie Mae requires that the seller/servicer implement and enforce strong underwriting processes and, if necessary, will work with the seller/servicer to develop action plans to improve origination quality.

Fannie Mae's QC policies are administered by its LQC. The selection process may change at any time to address concerns.

Requirements Specific for Servicing Quality Control Reviews

Fannie Mae will utilize delinquent mortgage loan status code data and other information collected from the servicer during other interactions to identify delays in the default management process. Fannie Mae may elect to perform a servicing review to further evaluate the actions the servicer took in servicing those mortgage loans.

Fannie Mae will notify the servicer of the intention to perform a desk review or an on-site review. The servicer must submit the requested documentation or make it available for an on-site review in the time frame specified in the notification. If the servicer fails to do so, Fannie Mae may exercise available remedies, including compensatory fees, without first reviewing the individual mortgage loan file. The list of documents that must be included in any servicing review file Fannie Mae request are outlined in *Servicing Review File Requirements*.



Fannie Mae will communicate any performance deficiencies noted to the servicer. Unless Fannie Mae elects to immediately terminate the servicer's right to service the mortgage loans, the servicer will be given an opportunity to explain any mitigating circumstances or factors that justify the servicing actions it took or did not take within the time frame specified by Fannie Mae in its communication of the performance deficiencies.

Fannie Mae's evaluation of the actions the servicer took in servicing the mortgage loan will focus primarily on determining whether the servicer took all of the appropriate steps to cure the delinquency or avoid foreclosure (through Fannie Mae's various relief provisions or foreclosure prevention alternatives) and, if a foreclosure could not be avoided, on confirming that the servicer completed the legal actions within Fannie Mae's required time frames.

For the most part, Fannie Mae will rely on various reports that are produced by its automated delinquency and foreclosure prevention management systems to evaluate the servicer's performance. However, when Fannie Mae's analysis of these reports indicates that there is a possibility that the servicer's delinquency management performance is poor or if Fannie Mae believes certain servicing files should be reviewed for other reasons, Fannie Mae may require the servicer to submit a servicing review file for a mortgage loan to Fannie Mae's SF CPM division (see F-4-03, List of Contacts (12/12/2018)).

If Fannie Mae identifies deficiencies in its evaluation of the servicing review file, it will communicate them to the servicer. The servicer, in most instances, will be given an opportunity to explain any mitigating circumstances or factors that justify the servicing actions it took (or did not take).

When the servicer's review identifies significant deficiencies, it may offer to purchase the property from Fannie Mae when it submits the complete individual mortgage loan file (rather than waiting for the results of Fannie Mae's review). Fannie Mae will entertain such offers—as long as they will make Fannie Mae whole and are permitted by the Trust Agreement, if applicable—since Fannie Mae would no longer have to be concerned about the property disposition process.

When Fannie Mae has received the origination and/or servicing review file, it will begin the process of reviewing the file(s) to determine whether the mortgage loan met Fannie Mae's origination, eligibility and/or servicing standards. If Fannie Mae concludes that a repurchase demand should be issued on a mortgage loan pursuant to the origination defect remedies framework, Fannie Mae generally will issue a request for repurchase (calling for the servicer to take title to the property and pay Fannie Mae for its full investment in it). Fannie Mae may, on occasion, give the servicer the option of having Fannie Mae dispose of the property (and agreeing to indemnify Fannie Mae for any loss Fannie Mae incurs in connection with the sale), or require the lender to fully reimburse Fannie Mae for its loss through a demand for a make whole payment in the event that Fannie Mae sells the property or accepts a purchase offer prior to notifying the servicer that the mortgage loan did not meet Fannie Mae's eligibility or underwriting requirements.

In the event the servicing defect identified by Fannie Mae also turns out to be a breach of any provision of any MI policy issued with respect to a mortgage loan, the seller/servicer is not released from any breach of the Lender Contract that may result if the MI company insuring the loan rescinds, cancels, denies, or curtails the MI benefit due to the same or similar acts or omissions that make up the defect.

Fannie Mae Quality Control Report

Fannie Mae provides the seller/servicer with ongoing feedback about their overall QC performance. The feedback identifies defect types, reporting on frequent or common defects, and describes quality trend analyses and significant underwriting deficiencies identified through the QC review process. This information is provided through a variety of methods that range from regular electronic transmissions to more formal periodic discussions.



When Fannie Mae identifies a defective mortgage loan, it may in its sole discretion, impose a condition to retaining the mortgage loan, such as requiring the seller/servicer to agree to an alternative remedy to repurchase. In some cases, as permitted by the Lender Contract, Fannie Mae will issue a repurchase or make whole payment request to the seller/servicer.

The *Servicing Guide* contains timelines by which the seller/servicer must pay Fannie Mae the funds that are due in connection with a demand for a servicing remedy in A1-3-02, Fannie Mae-Initiated Repurchases, Indemnifications, Make Whole Payment Requests and Deferred Payment Obligations (08/17/2016). If the seller/servicer delays in this or has a pattern of unresponsiveness, Fannie Mae may consider this an independent breach of contract and consider other actions against the seller/servicer, up to and including termination.

Certain servicing repurchase alternatives may be available only to certain seller/servicers that are in good standing with Fannie Mae. See *Servicer Responses to a Demand* in A1-3-02, Fannie Mae-Initiated Repurchases, Indemnifications, Make Whole Payment Requests and Deferred Payment Obligations (08/17/2016) for more information.

Appeal of Fannie Mae QC Review Decisions

Fannie Mae maintains processes for the seller/servicer to appeal a demand for a servicing remedy, including an IDR process, in certain instances. See the *Selling Guide* for more information on the origination defect remedies framework appeals process and *Servicer Responses to a Demand* in A1-3-02, Fannie Mae-Initiated Repurchases, Indemnifications, Make Whole Payment Requests and Deferred Payment Obligations (08/17/2016) for more information on the servicing defect remedies framework appeal and escalation processes. A demand for a repurchase servicing remedy or reimbursement may be rescinded or withdrawn because the seller/servicer provides documentation within the time period specified by Fannie Mae (when Fannie Mae determines that a breach of the Lender Contract may be corrected).

Servicing Review File Requirements

The following table provides a list of the documentation that must be included in the servicing review file.

✓	The servicer must include in the servicing review file...
	The collection history for the default that led to the foreclosure or mortgage release (including the reason for the default, delinquency notices sent, and copies of borrower's previous payment histories).
	A summary of all attempts to develop a workout plan or arrange a workout option, including evidence of any communication with Fannie Mae.
	A bankruptcy tracking log, or a separate report indicating the dates of any bankruptcy filings and the dates that any lifting of a bankruptcy stay was attempted and attained.
	The foreclosure tracking log, or a separate report indicating the date that the case was referred to the foreclosure attorney and the date of the foreclosure sale, as well as summarizing any communications with Fannie Mae about delays in the foreclosure process (including delays resulting from the presence of hazardous waste, natural disasters, massive layoffs, etc.) or departures from standard foreclosure procedures (such as using judicial foreclosure in a power of sale state).
	Any other type of information that is requested, given the type of review.



The outside of the servicing review file must clearly identify the case, as follows:

- servicing file for acquired property;
- mortgage remittance type (A/A, S/A, or S/S);
- servicing option (special or shared risk);
- Fannie Mae mortgage loan number;
- servicer mortgage loan number;
- borrower's name; and
- property address.

Underwriting or Servicing Reviews of Acquired Properties

When Fannie Mae receives an offer to purchase an acquired property that is also subject to an underwriting or servicing review, Fannie Mae may accept the purchase offer without first notifying the servicer, whether or not a final decision has been reached with respect to the review. If, after completion of the review, Fannie Mae determines that the mortgage loan did not meet its eligibility or underwriting requirements and Fannie Mae has incurred a loss by selling the property, the seller/servicer will be required to fully reimburse Fannie Mae for its loss.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
<u>Announcement SVC-2016-07</u>	August 17, 2016
<u>Announcement SVC-2015-15</u>	December 16, 2015



Chapter A2-5, Individual Mortgage Loan Files and Records

Individual Mortgage Loan Files and Records

Introduction

This chapter contains information on resources for mortgage loan files and records, including electronic transactions.

In This Chapter

This chapter contains the following topics:

A2-5-01, Ownership and Retention of Individual Mortgage Loan Files and Records (12/13/2017)	100
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A2-5-01, Ownership and Retention of Individual Mortgage Loan Files and Records (12/13/2017)

A2-5-01, Ownership and Retention of Individual Mortgage Loan Files and Records (12/13/2017)

See the *Selling Guide* Chapter A2-5: Individual Mortgage Loan Files and Records for the following requirements:

- *Selling Guide* A2-5.1-01, Establishing Loan Files for information on documentation requirements and managing the individual loan file.
- *Selling Guide* A2-5.1-02, Ownership and Retention of Loan Files and Records for information on records retention.
- *Selling Guide* A2-5.1-03, Electronic Records, Signatures, and Transactions for information related to maintaining electronic records and data integrity.



Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
<u>Announcement SVC-2017-11</u>	December 13, 2017



Chapter A2-8, Mortgage Electronic Registration System

Mortgage Electronic Registration System

Introduction

This chapter contains information on the Mortgage Electronic Registration System.

In This Chapter

This chapter contains the following topic:

A2-8-01, Mortgage Electronic Registration System (11/12/2014)	126
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A2-8-01, Mortgage Electronic Registration System (11/12/2014)

Introduction

MERS is an electronic system that assists in the tracking of mortgage loans, servicing rights, and security interests. To initiate the electronic tracking, the seller/servicer assigns a special MERS MIN to the mortgage loan, registers the mortgage loan in MERS and the either

- originates the mortgage loan with MERS appearing in the security instrument as nominee for the beneficiary and its successors and assigns, or
- records an assignment of the mortgage loan to MERS (thus making MERS the mortgagee of record).

This topic contains the following:

- Registration of a Mortgage Loan to MERS
- Naming MERS as the Nominee for the Beneficiary in the Security Instrument
- Termination of the Use of MERS



Registration of a Mortgage Loan to MERS

When a MERS-registered mortgage loan is delivered to Fannie Mae, the seller/servicer reports the MIN on the Loan Schedule (*FRM/GEM Loan Schedule (Form 1068)* or *ARM/GPARM Loan Schedule (Form 1069)* or on the *Schedule of Mortgages (Form 2005)*.

The following table outlines the steps that must be taken when a mortgage loan is registered with MERS.

If the mortgage loan is...	Then...
registered with MERS before Fannie Mae purchases it	Fannie Mae will notify MERS to ensure that its records are updated to reflect Fannie Mae's ownership interest in the mortgage loan.
not registered with MERS until after Fannie Mae purchases it	the seller/servicer must report Fannie Mae's ownership when it registers the mortgage loan.

If the seller/servicer encounters a situation where Fannie Mae is the owner of record for a mortgage loan because the original assignment of the mortgage loan to Fannie Mae was recorded in the public records, the seller/servicer must correct the error before it completes the MERS registration by

- preparing an assignment of the mortgage loan from Fannie Mae to MERS,
- sending the assignment to Fannie Mae for execution, and
- recording the assignment in the public records.

Naming MERS as the Nominee for the Beneficiary in the Security Instrument

MERS will have no beneficial interest in the mortgage loan, even if it is named as the nominee for the beneficiary in the security instrument. In addition, the failure of MERS to perform any obligation with respect to a MERS-registered mortgage loan does not relieve the seller/servicer from its responsibility for performing any obligation required by the terms of its Lender Contract.

The following table describes the requirements of the seller/servicer.

✓	The seller/servicer must...
	Accurately and timely prepare and record security instruments, assignments, lien releases, and other documents relating to MERS-registered mortgage loans.
	Take all reasonable steps to ensure that the information on MERS is updated and accurate at all times.
	Be solely responsible for any failure to comply with the provisions of the MERS Member Agreement, Rules, and Procedures and for any liability that it or Fannie Mae incurs as a result of the registration of mortgage loans with MERS or any specific MERS transaction.



Registration of Fannie Mae mortgage loans in MERS (as either assignee or the nominee of the original mortgagee) does not change the seller/servicer's responsibility for complying with all applicable provisions of

- the MSSC;
- Fannie Mae's Guides, as they may be amended from time to time;
- the seller/servicer's Master Agreement;
- any negotiated contract that it has with Fannie Mae, unless Fannie Mae specifies otherwise; or
- any other agreements that are part of the Lender Contract.

Termination of the Use of MERS

If the seller/servicer decides to discontinue the use of MERS, the seller/servicer must request from MERS that the mortgage loan be "deactivated" in MERS. MERS will notify Fannie Mae about the deactivation of any mortgage loan in which it has an interest.

If the seller/servicer's membership in MERS is terminated, the seller/servicer must promptly notify Fannie Mae.

For each MERS-registered mortgage loan that it is servicing for Fannie Mae, the seller/servicer must perform the functions outlined in the following table.

✓	The seller/servicer must...
	Prepare an assignment of the mortgage loan from MERS to itself.
	Have the assignment executed.
	Record the executed assignment in the public land records.
	Prepare in (recordable form) an unrecorded assignment of the mortgage loan from itself to Fannie Mae.
	Submit the original of that assignment to Fannie Mae's DDC or the applicable document custodian.



Section E-1.3, Handling Non-Routine Litigation

E-1.3-01, General Servicer Responsibilities for Non-Routine Matters (11/12/2014)

"Non-routine" litigation generally consists of an action that, regardless of whether Fannie Mae is a party to the proceeding

- seeks monetary damages against Fannie Mae, its officers, directors, or employees;
- challenges the validity, priority, or enforceability of a Fannie Mae mortgage loan or seeks to impair Fannie Mae's interest in an acquired property and the handling of which is not otherwise addressed in the *Servicing Guide*; or
- presents an issue that may pose a significant legal or reputational risk to Fannie Mae.

The following table describes the servicer's responsibilities related to non-routine litigation.

✓	The servicer must...
	Appropriately handle legal matters affecting Fannie Mae mortgage loans.
	<p>Notify Fannie Mae's Legal department of any non-routine litigation by submitting a <i>Non-Routine Litigation Form (Form 20)</i>.</p> <p>Note: Fannie Mae reserves the right to direct and control all litigation involving a Fannie Mae mortgage loan, and the servicer and any law firm handling the litigation must cooperate fully with Fannie Mae in the prosecution, defense, or handling of the matter.</p>
	<p>Obtain Fannie Mae's prior written approval before either</p> <ul style="list-style-type: none"> • removing a case to federal court based on Fannie Mae's Charter, or • appealing or otherwise challenging judgment in any foreclosure or bankruptcy proceeding. <p>Note: The servicer must also notify Fannie Mae's Legal department by submitting <i>Form 20</i> if a borrower files an appeal or seeks other post-judgment relief in a foreclosure or bankruptcy proceeding.</p>
	Periodically update Fannie Mae on the progress of non-routine litigation as necessary and appropriate.



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 Chapter E-1, Referring Default-Related Legal Matters and Non-Routine Litigation to Law Firms
 Section E-1.3, Handling Non-Routine Litigation

12/12/2018

✓	The servicer must...
	<p>Provide Fannie Mae with sufficient opportunity in advance of any deadline or due date to review and comment upon proposed substantive pleadings, including:</p> <ul style="list-style-type: none"> • motions, • responses, • replies, and • briefs.
	<p>Notify retained counsel of its proposal to offer any mortgage loan modification and provide counsel with sufficient opportunity in advance of the solicitation to review and provide comments in connection with any solicitation materials. See also <i>Determining Eligibility for a Fannie Mae Flex Modification</i> in D2-3.2-09, <i>Fannie Mae Flex Modification</i> (09/18/2018), and <i>Determining Eligibility for a Fannie Mae Cap and Extend Modification for Disaster Relief</i> in D2-3.2-07, <i>Fannie Mae Cap and Extend Modification for Disaster Relief</i> (09/18/2018), for eligibility requirements.</p>

Not all contested matters constitute non-routine litigation. The following represent examples that are considered routine litigation and need not be reported to Fannie Mae:

- a contested foreclosure action in which the borrower alleges a case-specific procedural or technical defect in the foreclosure, or
- a contested foreclosure action in which the borrower alleges a case specific payment application claim.

In contrast, a contested foreclosure or bankruptcy action in which a borrower challenges the servicer's ability to conduct a foreclosure or seek relief from stay based on a legal argument that, if upheld, could have broader application to other Fannie Mae mortgage loans is non-routine litigation because of the potential for negative legal precedent to extend beyond the immediate case.

In order to assist the servicer in identifying non-routine litigation, the following table lists the categories of non-routine litigation and provides examples of matters that must be reported to Fannie Mae as non-routine litigation. Given the evolving nature of default-related litigation, it is not possible to provide an exhaustive list.

Non-Routine Category	Examples
Actions that seek monetary relief against Fannie Mae.	Any claim (including counterclaims, cross-claims, or third-party claims in foreclosure or bankruptcy actions) for damages against Fannie Mae or its officers, directors, or employees.



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Non-Routine Category	Examples
Actions that challenge the validity, priority, or enforceability of a Fannie Mae mortgage loan or seek to impair Fannie Mae's interest in an acquired property.	<p>An action seeking to demolish a property as a result of a code violation;</p> <p>An action seeking to avoid a lien based on a failure to comply with a law or regulation;</p> <p>An attempt by another lienholder to assert priority over Fannie Mae's lien or extinguish Fannie Mae's interests;</p> <p>A quiet title action seeking to declare Fannie Mae's lien void; or</p> <p>An attempt by a borrower to effect a cramdown of a mortgage loan in bankruptcy as to which Fannie Mae has not delegated authority to the servicer or law firm to address.</p>



Part E, Default-Related Legal Services, Bankruptcy, Foreclosure Proceedings, and Acquired Properties
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Non-Routine Category	Examples
Actions that present an issue that may pose significant legal or reputational risk to Fannie Mae.	<p>Any issue involving Fannie Mae's conservatorship, its conservator FHFA, Fannie Mae's status as a federal instrumentality, or an interpretation of Fannie Mae's Charter;</p> <p>Any contention that Fannie Mae is a federal agency or otherwise part of the United States Government;</p> <p>Any "due process" or other constitutional challenge;</p> <p>Any challenge to the methods by which Fannie Mae does business;</p> <p>Any putative class action involving a Fannie Mae mortgage loan;</p> <p>A challenge to the standing of the servicer to conduct foreclosures or bankruptcies that, if successful, could create negative legal precedent with an impact beyond the immediate case;</p> <p>A challenge to the methods by which MERS does business or to its ability to act as nominee under a mortgage;</p> <p>Any "show cause orders" or motions for sanctions relating to a Fannie Mae mortgage loan, whether against Fannie Mae, the servicer, a law firm, or a vendor of the servicer or law firm;</p> <p>Any foreclosure on Native American tribal lands;</p> <p>Any environmental litigation relating to a Fannie Mae loan;</p> <p>A need to foreclose judicially in a state where non-judicial foreclosures predominate;</p> <p>Any claim invoking a Fannie Mae HAMP as a basis to challenge a foreclosure;</p> <p>Any cross-border insolvency proceeding under Chapter 15 of the Bankruptcy Code;</p> <p>Any claim of predatory lending or discrimination in loan origination or servicing; or</p> <p>Any claim implicating the interpretation of the terms of the Fannie Mae/Freddie Mac Uniform Mortgage Instruments.</p>



E-1.3-02, Reporting Non-Routine Litigation to Fannie Mae (11/12/2014)

Non-routine litigation must be reported to Fannie Mae within two business days of the servicer receiving notice of the litigation, except with respect to the following three categories of loan-level challenges:

- a challenge to the standing of the servicer to conduct foreclosures or bankruptcies that, if successful, could create negative legal precedent with an impact beyond the immediate case;
- a challenge to the methods by which MERS does business or its ability to act as nominee under a mortgage; or
- any claim invoking HAMP as a basis to challenge a foreclosure.

With respect to these three categories of loan-level challenges, it is not necessary for the servicer to notify Fannie Mae until

- the borrower seeks summary judgment on such a challenge,
 - briefing is required in response to such a challenge, or
 - the issue is expected to be raised at a scheduled trial.
-

E-1.3-03, Reporting “Legal Filings” to MERS (11/12/2014)

Rule 14 of the MERS System Rules of Membership imposes notification requirements concerning “Legal Filings” that raise certain MERS-related challenges. The servicer is responsible for ensuring any notification required under MERS Rule 14 is provided to MERSCORP Holdings, Inc., and also immediately to Fannie Mae’s Single Family Legal department (see F-4-03, List of Contacts (12/12/2018)).



Section E-3.1, Foreclosure Proceedings in General

E-3.1-01, General Servicing Requirements Related to Foreclosure Proceedings (11/12/2014)

This chapter provides Fannie Mae's requirements and policies for conducting foreclosure proceedings for Fannie Mae mortgage loans.

Fannie Mae sets out those instances when its requirements vary for any particular

- lien type,
- amortization method,
- remittance type,
- servicing option,
- mortgage loan type, or
- ownership interest.

Absent any restrictive language, the same policy or requirement applies for all mortgage loans Fannie Mae has purchased or securitized as standard transactions.

Occasionally, Fannie Mae may address the need for a special servicing option MBS mortgage loan to be handled in a different manner than other mortgage loans serviced for Fannie Mae. Under no circumstances should the servicer of a regular servicing option MBS mortgage loan interpret the content of this chapter as relieving it of its responsibilities and obligations for conducting the foreclosure proceedings and disposing of the acquired property, including the absorption of all costs and any related losses.

E-3.1-02, Performing Due Diligence Prior to Considering Foreclosure (11/12/2014)



Part E, Default-Related Legal Services, Bankruptcy, Foreclosure Proceedings, and Acquired Properties
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The servicer of a portfolio mortgage loan, a participation pool mortgage loan that Fannie Mae holds in its portfolio, or of a special servicing option MBS loan, must protect Fannie Mae's investment by making every reasonable effort to cure the delinquency through Fannie Mae's various workout options before referring a mortgage loan for foreclosure proceedings. The servicer must complete the actions shown in the following table prior to referring a mortgage loan to foreclosure.

✓	The servicer must...
	Inspect the property and analyze the individual circumstances of the delinquency.
	Diligently investigate mortgage loans originated as investment properties and attempt to determine whether or not the borrower is collecting rental income from the property. If the servicer suspects that the property or any unit(s) of the property is tenant occupied, it must take appropriate action to ascertain the actual occupancy status of the property. This includes completing detailed property inspections and conducting skip tracing.

Note: If the servicer learns of a change in mortgage loan status after referring the mortgage loan to foreclosure, the servicer must promptly notify the law firm of the change. Status changes include:

- occupancy status,
- rental income and amounts,
- tenant information, and
- lease information.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
Announcements SVC-2017-08	September 13, 2017

E-3.1-03, Fannie Mae Address for Instruments of Record (11/12/2014)

When an instrument of record relating to a single-family property requires the use of an address for Fannie Mae, including assignments of mortgages, foreclosure deeds, REO deeds, and lien releases, see [F-4-03, List of Contacts \(12/12/2018\)](#) for the proper address.



E-3.1-04, Addressing a Bankruptcy Filed During Active Foreclosure (11/12/2014)

The servicer must contact the law firm within one business day after it learns of a bankruptcy filing in connection with a mortgage loan that has already been referred to a law firm for foreclosure. See *Required Referral Timelines for Mortgage Loans Previously Referred for Foreclosure* in E-1.2-01, *Timing of the Bankruptcy Referral (11/12/2014)* for additional requirements.



E-3.2-09, Conducting Foreclosure Proceedings (11/12/2014)

Introduction

This topic contains the following:

- [Conducting Foreclosure Proceedings When Fannie Mae Is the Mortgagee of Record](#)
 - [Conducting Foreclosure Proceedings When the Servicer Is the Mortgagee of Record](#)
 - [Conducting Foreclosure Proceedings When MERS Is the Mortgagee of Record](#)
-

Conducting Foreclosure Proceedings When Fannie Mae Is the Mortgagee of Record

The servicer must conduct the foreclosure in Fannie Mae's name when Fannie Mae is the mortgagee of record for all mortgage loans except for regular servicing option MBS mortgage loans that are secured by properties located in Utah or Mississippi. For these mortgage loans, the servicer must request that Fannie Mae reassign the mortgage loan to it so the foreclosure can be completed in the servicer's name.

The servicer must execute any required substitutions of trustees when Fannie Mae has granted the servicer its LPOA to do so on Fannie Mae's behalf. However, if state law or customary practice prohibits an attorney-in-fact from executing substitutions of trustees, the servicer must submit the substitution of trustee documents to Fannie Mae for execution before the foreclosure proceedings begin.

Conducting Foreclosure Proceedings When the Servicer Is the Mortgagee of Record

When the servicer is the mortgagee of record for a mortgage loan, the jurisdiction in which the security property is located will affect how the foreclosure proceedings are conducted or initiated.

In most states, the law firm must initiate the proceedings in the servicer's name when the servicer is the mortgagee of record or in the participating lender's name when the servicer is not the mortgagee of record for a participation pool mortgage loan. The law firm must subsequently have title vested in Fannie Mae's name in a manner that will not result in the imposition of a transfer tax.

The servicer and the law firm must determine the most appropriate method to use in each jurisdiction.

In any state or jurisdiction in which the foreclosure proceedings must be conducted in Fannie Mae's name to prevent the imposition of a transfer tax (such as Rhode Island; New Hampshire; Maine; or Orleans Parish, Louisiana), an assignment of the mortgage or deed of trust to Fannie Mae must be prepared and recorded in a timely manner to avoid any delays in the initiation of the foreclosure proceedings. If the servicer believes that a foreclosure proceeding must be conducted in Fannie Mae's name in any other jurisdiction to prevent the imposition of a transfer tax, the servicer must contact Fannie Mae's Legal department (see F-4-03, [List of Contacts \(12/12/2018\)](#)) for permission to do so.

When Fannie Mae's DDC or third-party document custodian has custody of an original unrecorded assignment of the mortgage to Fannie Mae, the servicer may either



- request return of that document so it can be recorded, or
- prepare a new assignment if doing so will expedite the process.

Once the assignment to Fannie Mae has been recorded, the foreclosure proceedings must be conducted in Fannie Mae's name.

Conducting Foreclosure Proceedings When MERS Is the Mortgagee of Record

The servicer must not name MERS as a plaintiff or foreclosing party in any foreclosure action on a Fannie Mae mortgage loan. When MERS is the mortgagee of record, the servicer must prepare an assignment from MERS to the servicer and bring the foreclosure in its own name unless Fannie Mae specifically allows the foreclosure to be brought in the name of Fannie Mae. In that event, the assignment must be from MERS to Fannie Mae, in care of the servicer at the servicer's address for receipt of notices. The assignment must be prepared and provided to the law firm in the referral package.

Fannie Mae will not reimburse the servicer for any expense incurred in preparing or recording an assignment of the mortgage loan from MERS to the servicer or to Fannie Mae. If the borrower reinstates the mortgage loan prior to completion of the foreclosure proceedings, re-assigning and re-registering the mortgage loan with MERS will be at the discretion and expense of the servicer.

The servicer must consult with the law firm to determine if any other legal requirements apply when conducting foreclosures of mortgage loans in which MERS is the prior mortgagee of record. See *Additional Required Foreclosure Referral Documents* in E-1.1-02, Required Referral Documents (11/12/2014) for additional information regarding MERS and proper assignments.

E-3.2-10, Paying Certain Expenses During the Foreclosure Process (11/12/2014)

The servicer must use any funds remaining in the borrower's escrow deposit account to pay T&I premiums that come due during the foreclosure process. The servicer also may use escrow funds to pay costs for the protection of the security and related foreclosure costs as long as state or local laws, government regulations, or the requirements of the mortgage insurer or guarantor do not preclude the use of escrow funds for these purposes. If the escrow balance is not sufficient to cover these expenses, the servicer must advance its own funds. See also *Advancing Funds to Cover Expenses* in B-1-01, Administering an Escrow Account and Paying Expenses (06/13/2018) for additional information.

E-3.2-11, Collecting Under an Assignment of Rents (08/12/2015)



Part E, Default-Related Legal Services, Bankruptcy, Foreclosure Proceedings, and Acquired Properties
Chapter E-3, Managing Foreclosure Proceedings
Section E-3.2, Initiating and Processing Foreclosure Proceedings

12/12/2018

The servicer must determine whether it is appropriate to pursue collections under the assignment of rents provision, taking into consideration mortgage insurer or guarantor requirements.

If the servicer pursues collections under an assignment of rents provision, it must ensure

- local law allows the mortgagee to collect rents under these circumstances, and
- this action will not create any new rights for the occupant that might impair Fannie Mae's ability to foreclose the mortgage loan at a later date.

Rental income that is collected on a delinquent mortgage loan must be applied in accordance with the terms of the note and security instrument.

The following table provides the servicer with instructions when the mortgage loan is in foreclosure and the servicer is already collecting rental income.

✓	The servicer must...
	Hold any rental income it receives as unapplied funds until the mortgage loan is liquidated.
	Keep a record of rental income collections and disbursements so that they can be considered when the final claim under the MI or guaranty is filed.
	Remit Fannie Mae's share of the rental income to Fannie Mae or deduct it from the amount due to reimburse the servicer for any advances it made.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
<i>Announcement SVC-2015-11</i>	August 12, 2015

E-3.2-12, Performing Property Preservation During Foreclosure Proceedings (07/12/2017)



Part E, Default-Related Legal Services, Bankruptcy, Foreclosure Proceedings, and Acquired Properties
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Section E-3.2, Initiating and Processing Foreclosure Proceedings

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When a mortgage loan is delinquent including throughout the foreclosure process, the servicer must perform all property maintenance functions as necessary to ensure that the condition and appearance of the property are satisfactorily maintained.

The servicer must manage and protect the property until it is conveyed to the insurer or guarantor, or until Fannie Mae assigns that responsibility elsewhere, including when

- a borrower selects an immediate move Mortgage Release and the REOgram is submitted to Fannie Mae, or
- a borrower selects the three-month transition or twelve-month lease.

The servicer must take whatever action is necessary to protect the value of the property in accordance with the *Property Preservation Matrix and Reference Guide*. This includes making sure that no apparent violations of applicable law are occurring on the property (such as violations of laws relating to illegal narcotics and similar substances) and that the property is protected against vandals and the elements.

The servicer must refer to the *Property Preservation Matrix and Reference Guide* for all maintenance work when a mortgage loan is delinquent and the property is vacant or abandoned. When the cost to complete property preservation work will exceed the Fannie Mae allowable, the servicer must submit the request via HomeTracker. The servicer must follow the procedures in *Requesting Fannie Mae Approval for Property Preservation and Maintenance in F-1-08, Managing Foreclosure Proceedings (11/14/2018)*, for detailed instructions for submitting a request when it does not have access to HomeTracker.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
Announcement SVC-2017-06	July 12, 2017

E-3.2-13, Addressing Title Defects Generally (12/16/2015)

With respect to each first lien mortgage loan sold to Fannie Mae, the following warranties are made to Fannie Mae:

- the mortgage is a valid and subsisting lien on the property;
- the property is free and clear of all encumbrances and liens having priority over it except for liens for real estate taxes, and liens for special assessments, that are not yet due and payable; and



Document Ownership	Document Execution Submission Without LPOA or Servicer Unable to Execute	For Inquiries OR If Required Delivery Method is Email	Delivery Address when an Original is Required to be Mailed
SF CPM Division	<ul style="list-style-type: none"> Quitclaim deeds for properties conveyed in error Release of liability Assignments of mortgage Substitution of trustees Conveyance or reconveyances of acquired properties Mortgage Loan Modifications All other documents 	CPM_Servicing_Documents@fanniemae.com	Fannie Mae Attn: SF CPM, Documents P.O. Box 650043, Dallas, TX 75265 or P.O. Box 809007 Dallas, TX 75265
SF CPM, Loss Mitigation Division	Partial Release of Security	partial_releases@fanniemae.com	Fannie Mae SF CPM, Loss Mitigation Department 5600 Granite Parkway VII Plano, TX 75024

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
Announcement SVC-2017-04	May 10, 2017

F-1-11, Post-Delivery Servicing Transfers (09/18/2018)

Introduction

This Servicing Guide Procedure includes the following:

- [Requesting Fannie Mae Approval](#)
- [Special Notifications to the Transferee Servicer](#)
- [Notifying Third Parties](#)



- Transfer of Individual Mortgage Loan Files and Portfolio Information
- Submission of Final Accounting Reports/Remittances
- Preparing Mortgage Loan Assignments
- Transfer of Custodial Documents

Requesting Fannie Mae Approval

Transfer of Mortgage Loans

As required in *Requesting Fannie Mae Approval* in A2-7-03, Post-Delivery Servicing Transfers (09/18/2018), the servicer must submit the appropriate information to request Fannie Mae's approval of the transfer of servicing, including servicing transfers involving a subservicer.

When requesting approval to transfer servicing, the transferor or transferee servicer or subservicer must submit a fully completed *Request for Approval of Servicing or Subservicing Transfer (Form 629)* in an electronic format to the Servicing Transfers group at servicing_transfers@fanniemae.com. The submission is required at least 60 days before the earlier of proposed sale or transfer date for servicing transfers, and at least 30 days before the earlier of proposed sale or transfer date for subservicing transfers.

The servicer must include the transfer and sale dates on *Form 629*. The transfer date refers to the date on which the physical transfer of the servicing (or subservicing) responsibilities from the transferor servicer (or subservicer, as the case may be) to the transferee servicer (or subservicer) occurs. It may not necessarily be the same date as the sale date identified in a servicing transfer agreement. The sale date is the date on which the ownership of the servicing rights and the legal liability for the servicing of the Fannie Mae mortgage loans transfer from one servicer to another.

Note: While Fannie Mae requires the transferring parties to identify the sale date associated with a servicing transfer, Fannie Mae's approval will only be issued as to the transfer date.

Special Notifications to the Transferee Servicer

As required in *Obligations of the Transferor and Transferee Servicers* and *Special Notifications to the Transferee Servicer* in A2-7-03, Post-Delivery Servicing Transfers (09/18/2018), the transferor servicer must provide special notification to the transferee servicer when a transfer of servicing includes the following:

- an eMortgage,
- a mortgage loan modified under HAMP and/or 2MP, or
- a mortgage loan subject to resale restrictions regardless of whether the restrictions survive foreclosure or acceptance of a Mortgage Release (deed-in-lieu of foreclosure).

When a Servicing Transfer Includes an eMortgage or a Mortgage Loan Modified Under HAMP/2MP

For an eMortgage or a mortgage loan modified under HAMP/2MP, the transferor servicer must take the actions described in the following table.



✓	The transferor servicer must...
	Advise the transferee servicer that an eMortgage or a mortgage loan modified under HAMP/2MP is part of the portfolio being transferred.
	Confirm that the transferee servicer <ul style="list-style-type: none"> is aware of the special requirements for these mortgage loans, and agrees to assume the additional responsibilities associated with servicing these mortgage loans.

Special Requirements when the Servicing Transfer includes eMortgages

Subsequent to Fannie Mae's approval of a servicing transfer, the following table describes additional actions that the transferor servicer must complete prior to the date of transfer, for a transfer of servicing that includes eMortgages.

✓	The transferor servicer must...
	Provide to the transferee servicer a copy of all eNotes included in the transfer via MSERS eDelivery or some other mutually agreed-upon means.
	Update the "Servicing Agent" field in the MERS eRegistry to reflect the transferee servicer or transferee servicer's agent, as applicable.
	Provide to the transferee servicer all associated borrower attribution evidence and audit trail information detailing the eClosing event.

The transferee servicer must confirm that all actions in the table above have been completed prior to the date of the transfer.

When a Servicing Transfer Includes a Mortgage Loan Subject to Resale Restrictions

For a mortgage loan subject to resale restrictions, the transferor servicer must take the actions described in the following table.

✓	The transferor servicer must...
	Identify each mortgage loan subject to resale restrictions on <u>Form 629</u> .
	Confirm that the transferee servicer is aware of its duties and obligations related to the servicing of a mortgage loan subject to resale restrictions.



Notifying Third Parties

As described in *Notifying Third Parties* in *A2-7-03, Post-Delivery Servicing Transfers (09/18/2018)*, the transferor and transferee servicers must take certain actions to ensure that all servicing functions that involve third parties will continue uninterrupted (or discontinued, if appropriate) after the transfer of servicing.

The following table describes the actions the transferor or transferee servicer must take to ensure that all servicing functions that involve third parties will continue uninterrupted (or discontinued, if appropriate) after the transfer of servicing.

✓	The transferor or transferee servicer must...
	<p>Fulfill all requirements of each MI policy that insures any conventional mortgage loans included in the transfer—including, but not limited to, the requirements for providing timely notification or requesting prior approval—to ensure the continuation of the MI coverage.</p> <p>If the current mortgage insurer will not provide continuing coverage following the servicing transfer, the transferee servicer must find another mortgage insurer to provide MI coverage that is equivalent to the previous coverage—at no increased cost to the borrower or Fannie Mae—and obtain that mortgage insurer's written commitment to provide the required coverage.</p>
	Fulfill all requirements of FHA, VA, RD, or HUD—including, but not limited to, providing timely notification or requesting prior approval—to ensure the continuation of the MI or mortgage loan guaranty, if applicable.
	Notify the hazard, flood, earthquake, other property insurance carriers, as applicable, to request a policy endorsement to substitute the transferee servicer's name in the mortgagee clause and to change the premium billing address to that of the transferee servicer (unless the borrower pays the premium directly).
	Notify any tax or flood service provider and any optional insurance provider (or other products that are providing coverage) that the transferor servicer used for any of the mortgage loans that are being transferred to indicate whether the transferee servicer will continue using its services.
	<p>Send appropriate notices of the transfer of servicing (providing the transferee servicer's name and address) to taxing authorities, holders of leaseholds, HOAs, and other lien holders.</p> <p>Note: Any public utilities that levy mandatory assessments for which funds are being escrowed also must be notified.</p>
	Notify any law firm involved in the management of foreclosure or other legal action in connection with the mortgage loans or acquired properties.
	Notify the current document custodian of the pending transfer of servicing and make arrangements for the prompt and safe transfer of the custodial documents to the document custodian designated by the transferee servicer, in accordance with requirements in the <i>Servicing Guide</i> .



Transfer of Individual Mortgage Loan Files and Portfolio Information

As described in *Transfer of Individual Mortgage Loan Files and Portfolio Information* in A2-7-03, *Post-Delivery Servicing Transfers* (09/18/2018), the transferor servicer must deliver specific information to the transferee servicer.

The following table describes the information that must be delivered to the transferee servicer.

✓	The transferor servicer must deliver to the transferee servicer...
	Documentation evidencing each mortgage insurer's approval of the servicing transfer or its commitment to insure the transferred mortgage loans, or a copy of the mortgage insurer's master policy evidencing that it is permissible to transfer servicing of insured mortgage loans without the mortgage insurer's prior approval.
	A list of any conventional mortgage loans that have borrower-paid or lender-purchased MI (identifying the applicable premium rates and the due date of the next premium payment) and an explanation of the premium payment obligations and claim payment procedures that apply to them.
	A list of any eMortgages that are part of the portfolio being transferred.
	Copies of any tax or flood service contracts that will remain in effect, or notification that the contracts will be transferred to the transferee servicer by a tape process.
	A list of tax bills, assessments, property insurance premiums, MIPs, etc. that are due to be paid by the servicer, but that are still unpaid as of the transfer date.
	A list of the expiration dates and premium payment frequencies for property insurance, and MI policies, as applicable, related to each mortgage loan being transferred, whether or not premiums for these policies are escrowed.
	A list of mortgage loans that have optional insurance and other insurance products that will remain in effect.
	A list of mortgage loans that are subject to automatic drafting of the monthly payments.
	A list of ARM loans, showing the plan identification and parameters, the index used, the next interest rate change date, the next payment change date, the dates on which any fixed rate conversion option may be exercised, and the current status of any changes in process.
	Transaction and payment histories for the life of the mortgage loans.



✓	The transferor servicer must deliver to the transferee servicer...
	<p>Trial balances, as of the close of business on the day immediately preceding the transfer date, showing</p> <ul style="list-style-type: none"> the remittance type for each mortgage loan (actual/actual, scheduled/actual, or scheduled/scheduled); the remittance cycle for each MBS mortgage loan (standard, RPM, or MBS Express); Fannie Mae's applicable ownership interest if it holds only a participation percentage in the mortgage loan; the applicable pool number for MBS mortgage loans; delinquencies, foreclosure, bankruptcies, and acquired properties; transfers of ownership, payoffs, and other exception transactions that are in process, including mortgage loan modification-related transactions; escrow balances, escrow advances, curtailments, unapplied funds, and loss drafts; and buydown account balances for mortgage loans subject to temporary interest rate buydown plans.
	A copy of the custodial bank reconciliation for each custodial bank account maintained as of the cutoff date (if the transferor servicer is unable to complete this reconciliation by the transfer date, it should complete the reconciliation as promptly as possible and send it to the transferee servicer within five business days after the transfer date).
	Copies of all investor accounting reports that were filed with Fannie Mae for the three months that immediately precede the cutoff date.
	A reconciliation of any outstanding shortage/surplus balance, if applicable, related to the mortgage loans being transferred as of the last reporting period of Fannie Mae's investor reporting system.
	Definitions of codes used in ledger records, trial balances, or any other documents that are being forwarded to the transferee servicer.
	Escrow analyses.
	All information relating to delinquency management and default prevention.
	Copies of all documents including items held by a document custodian, and all other documents pertinent to servicing the mortgage loans including mortgage loan modification agreements.
	All customer correspondence and responses, including borrower complaints and escalated cases.
	The title policies or alternative title products.
	A list of each mortgage loan that is in the process of foreclosure or for which the borrower has filed bankruptcy, including the Fannie Mae loan number and the name and address of the law firm handling the foreclosure or bankruptcy.
	<p>Information and records for any mortgage loans that are in foreclosure, bankruptcy, or a workout status and for any properties that Fannie Mae acquired by foreclosure or acceptance of a Mortgage Release [(deed-in-lieu of foreclosure) (if Fannie Mae has not sold them by the transfer date)].</p> <p>Note: If the original mortgage loan custodial documents are not part of the individual mortgage loan file that is being transferred, the transferor servicer must provide a list showing the name of the party that is in possession of the original mortgage loan note.</p>



✓	The transferor servicer must deliver to the transferee servicer...
	All pertinent information related to the status of any mortgage loan for which a workout option is being pursued.
	A list of any acquired properties for which it is performing administrative functions, such as paying taxes or performing property maintenance if the responsibilities for these functions will be transferred to the transferee servicer. The list must identify each property by the Fannie Mae loan number and include a history of the transferor servicer's actions from the date the property was acquired (including information about expenditures, receipts, and management and marketing activities) and provide the appropriate documentation.
	Information on any mortgage loan or acquired property being transferred that is the subject of litigation at the time of the transfer, including all records pertaining to such litigation (including court filings, disclosure requests and responses, and preliminary rulings).

Transfer of P&I and T&I Funds

As required in A4-1-02, Establishing Custodial Bank Accounts (04/12/2017), the servicer is responsible for the safekeeping of custodial funds at all times. The transferor servicer must forward to the transferee servicer all P&I and T&I custodial account balances including, but not limited to, the following:

- unremitted P&I collections;
- escrow funds;
- unapplied funds;
- loss drafts;
- accruals on deposit—for example, for the payment of future renewal premiums for lender-purchased MI; and
- buydown funds.

If the transferor servicer has advanced delinquent interest or scheduled P&I to Fannie Mae, the transferee servicer must reimburse the transferor servicer once it receives a final accounting of all monies from the transferor servicer.

All new amounts owed must be paid to the appropriate party promptly, as agreed by the parties.

Submission of Final Accounting Reports/Remittances

As described in Submission of Final Accounting Reports/Remittances in A2-7-03, Post-Delivery Servicing Transfers (09/18/2018), the transferor servicer must submit the monthly LAR for the month that includes the transfer date.

In the month of the transfer date, the transferor servicer will be contractually responsible for

- reporting the monthly LAR for all mortgage loan activity processed on the mortgage loans, and
- ensuring that sufficient funds to satisfy that month's remittance obligation are available for drafting on the scheduled remittance date. However, the transferor and transferee servicers may agree that the transferee servicer will make the actual remittance to Fannie Mae.

In the month following the transfer date, the transferee servicer will be responsible for reporting the monthly LAR applicable to the transferred mortgage loans.



The transferor servicer must provide the transferee servicer with copies of its Fannie Mae investor reporting system shortage/surplus reconciliations for the final monthly accounting period for all mortgage loans included in the servicing transfer. The two servicers should agree on how to resolve any differences and reconcile items or funds that are owed Fannie Mae and security holders. (Any questions regarding these issues must be directed to the transferor servicer's Fannie Mae Investor Reporting Representative.)

If, after reconciling the final shortage/surplus balance, the transferor servicer determines that Fannie Mae needs to process a shortage/surplus adjustment, the transferor servicer must send to its Fannie Mae Investor Reporting Representative (see F-4-03, List of Contacts (12/12/2018)) a copy of the final shortage/surplus reconciliation along with adequate documentation to support the requested adjustment. The adjustment must be requested within 30 days after the transfer date. The transferee servicer will be responsible for any Fannie Mae investor reporting system shortages related to mortgage loans included in the transfer that are not promptly resolved by the transferor servicer.

Preparing Mortgage Loan Assignments

Mortgage loan assignments must be prepared and recorded, if required, in accordance with *Preparing Mortgage Loan Assignments* in A2-7-03, Post-Delivery Servicing Transfers (09/18/2018).

Any required assignment that is submitted to the document custodian(s) must be identified by the applicable Fannie Mae loan number and submitted under cover of a transmittal letter that includes the following information:

- the name of the transferor servicer;
- the name of the transferee servicer;
- the number of mortgage loans included in the transfer, as well as the number of mortgage loans for which recordable (but unrecorded) assignments to Fannie Mae have been executed;
- the transfer date; and
- a trial balance of the transferred mortgage loans, which identifies the mortgage loans for which assignments to Fannie Mae are being provided (or, if only a few mortgage loans are being transferred, a list of the transferred mortgage loans for which assignments are being provided).

Fannie Mae is the Mortgagee of Record

A new mortgage loan assignment does not need to be prepared if the assignment to Fannie Mae has been recorded. A mortgage loan for which Fannie Mae is the mortgagee of record would be one of the following:

- a mortgage loan that was delivered to Fannie Mae before it converted to the Fannie Mae investor reporting system in 1984 (regardless of the location of the security property);
- a mortgage loan that is secured by a property located in Mississippi or Utah, if the mortgage loan was delivered to Fannie Mae during the period that Fannie Mae required recorded assignments for a Mississippi mortgage loan (after September 1, 1988, until June 7, 1989) or for a Utah mortgage loan (after September 1, 1988, until October 31, 1991); or
- a mortgage loan for which Fannie Mae requested recordation of the assignment (for any reason) after it purchased or securitized the mortgage loan.

Fannie Mae is Not the Mortgagee of Record and the Mortgage Loan is Not Registered with MERS

An assignment from the transferor servicer to the transferee servicer must be prepared and recorded if an assignment to Fannie Mae has not been recorded for a mortgage loan that is not registered with the MERS. The transferor servicer is re-



sponsible for recording the assignment from itself to the transferee servicer. (Blanket assignments may be used for the assignment, as long as the coverage for each blanket assignment is restricted to a single recording jurisdiction.) If the transferee servicer is a master servicer utilizing a subservicer and the subservicer will be the mortgagee of record, the required assignment must be from the transferor servicer to the subservicer unless the subservicer is already the mortgagee of record. If the transferor servicer will be the subservicer of the transferee servicer and will remain the mortgagee of record, an assignment to the transferee servicer will not be required.

An assignment from the transferee servicer (or the subservicer if the subservicer will be the mortgagee of record) to Fannie Mae must be prepared (in recordable form, but unrecorded) to replace the one Fannie Mae had originally received from the transferor servicer. This unrecorded assignment from the transferee servicer to Fannie Mae must be an individual assignment. The transferee servicer is responsible for preparing the unrecorded assignment to Fannie Mae and delivering to the applicable document custodian within six months of the transfer date. If the transferor servicer will be the subservicer of the transferee servicer, will remain the mortgagee of record and has previously delivered an unrecorded assignment to the document custodian; a new unrecorded assignment to Fannie Mae will not be required.

Note: Generally, when a transferred mortgage loan is secured by a property located in Puerto Rico, neither an assignment of the mortgage loan from the transferor servicer to the transferee servicer nor an unrecorded assignment from the transferee servicer to Fannie Mae will need to be prepared and recorded.

Fannie Mae is Not the Mortgagee of Record and the Mortgage Loan is Registered with MERS

Generally, when the servicing of a MERS-registered mortgage loan is transferred to a servicer that is not a MERS member (or to a servicer that elects not to continue the MERS registration for the mortgage loan), Fannie Mae requires

- the transferor servicer to prepare an assignment of the mortgage loan from MERS to the transferee servicer (or the subservicer if the subservicer will be the mortgagee of record) and have it executed and recorded,
- the transferor servicer to "deactivate" the Mortgage Identification Number (MIN) in the MERS system for reason: "Transfer to Non-MERS Status," and
- the transferee servicer (or the subservicer if the subservicer will be the mortgagee of record) to prepare a recordable (but unrecorded) assignment of the mortgage loan from itself to Fannie Mae and to deliver it to the applicable document custodian.

Transfer of Custodial Documents

If the transferee servicer continues to store the custodial documents with the existing document custodian, it must execute the *Master Custodial Agreement*, in accordance with *Fannie Mae's Requirements for Document Custodians*. If the transferee servicer already has a master custodial agreement on file with that document custodian, the transferee servicer must obtain an *MBS Custodian Recertification (Form 2002)* in connection with the servicing transfer within six months of the transfer date.

The transferee servicer and the transferor servicer must work out appropriate arrangements for paying the costs of transferring the documents and obtaining the required pool recertification in an expeditious manner. MBS pool documents that will be held by a new document custodian or by the transferee servicer must be recertified, and *Form 2002* must be completed and submitted to the transferee servicer's Fannie Mae office within six months of the transfer date. In the event the transferee servicer cannot complete recertification of the transferred mortgage loans and cannot cure an exception to recertification within six months of the transfer date, the transferee servicer must contact its Fannie Mae Servicing Representative (see *F-4-03, List of Contacts (12/12/2018)*) for further discussion and resolution.

Custodial Documents for Participation Pool Mortgage Loans



For participation pool mortgage loans that Fannie Mae holds in its portfolio, any original mortgage notes that the transferor servicer has in its possession must be transferred to Fannie Mae's DDC for permanent retention no later than 30 days after the transfer date. To ensure that the transferred documents are appropriately identified, a label showing the Fannie Mae loan number must be affixed to the notes. The documents that are being turned over to Fannie Mae for custody also must be annotated on the trial balance that is submitted to Fannie Mae in connection with the servicing transfer.

Related Announcements

The following table provides references to Announcements that are related to this topic.

Announcements	Issue Date
<u>Announcement SVC-2018-06</u>	September 18, 2018
<u>Announcement SVC-2017-05</u>	June 21, 2017
<u>Announcement SVC-2017-04</u>	May 10, 2017
<u>Announcement SVC-2017-01</u>	January 18, 2017
<u>Announcement SVC-2016-09</u>	October 19, 2016

F-1-12, Preparing to Implement a Workout Option (11/14/2018)

Introduction

This Servicing Guide Procedure contains the following:

- [Calculating the Housing Expense-to-Income Ratio for Imminent Default for a Conventional Mortgage Loan Modification](#)
- [Calculating the Housing Expense-to-Income Ratio for Imminent Default for a Fannie Mae Short Sale or Fannie Mae Mortgage Release](#)
- [Processing the IRS Form 4506T-EZ or IRS Form 4506-T](#)
- [Notifying Fannie Mae of Lead-Based Paint Citations](#)

Calculating the Housing Expense-to-Income Ratio for Imminent Default for a Conventional Mortgage Loan Modification

The servicer must determine the borrower's pre-modification housing expense-to-income ratio as outlined in *Evaluating a Borrower for Imminent Default for Conventional Mortgage Loan Modification Eligibility* in D2-1-01, [Determining if the Borrower's Mortgage Payment is in Imminent Default \(12/12/2018\)](#).

EXHIBIT C

EXHIBIT C

Inst #: 201006300004065
Fees: \$14.00
N/C Fee: \$0.00
06/30/2010 03:27:38 PM
Receipt #: 409485
Requestor:
FIDELITY NATIONAL DEFAULT S
Recorded By: DXI Pgs: 1
DEBBIE CONWAY
CLARK COUNTY RECORDER

FIDELITY NATIONAL
RECORDING REQUESTED BY:
RECONTRUST COMPANY, N.A.
AND WHEN RECORDED MAIL DOCUMENT TO:
BAC Home Loans Servicing, LP
400 COUNTRYWIDE WAY SV-35
SIMI VALLEY, CA 93065

TS No. 10-0071205
TITLE ORDER#: 100375035NVGTI
APN 140-34-413-075

CORPORATION ASSIGNMENT OF DEED OF TRUST NEVADA

FOR VALUE RECEIVED, THE UNDERSIGNED HEREBY GRANTS, ASSIGNS AND TRANSFER TO:
BAC HOME LOANS SERVICING, LP FKA COUNTRYWIDE HOME LOANS SERVICING LP

ALL BENEFICIAL INTEREST UNDER THAT CERTAIN DEED OF TRUST DATED 06/22/2006,
EXECUTED BY: GENEVIEVE UNIZA-ENRIQUEZ, A MARRIED WOMAN AS HER SOLE AND
SEPARATE PROPERTY, TRUSTOR: TO FIRST AMERICAN TITLE, TRUSTEE AND RECORDED
AS INSTRUMENT NO. 0002110 ON 06/30/2006, IN BOOK 20060630, OF OFFICIAL RECORDS IN
THE COUNTY RECORDER'S OFFICE OF CLARK COUNTY, IN THE STATE OF NEVADA.

DESCRIBING THE LAND THEREIN: AS MORE FULLY DESCRIBED IN SAID DEED OF TRUST.

TOGETHER WITH THE NOTE OR NOTES THEREIN DESCRIBED OR REFERRED TO, THE
MONEY DUE AND TO BECOME DUE THEREON WITH INTEREST, AND ALL RIGHTS
ACCRUED OR TO ACCRUE UNDER SAID DEED OF TRUST/MORTGAGE.

DATED: June 25, 2010

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS,
INC.

State of: Texas
County of: Tarrant

BY:

Khadija Gulley
Khadija Gulley, Assistant Secretary

JUN 28 2010

On June 25, 2010 before me Elsie E. Kroussakis, personally appeared
Asst. Secy, know to me (or proved to me on the oath of Asst. Secy or through
Asst. Secy) to be the person whose name is subscribed to the foregoing instrument and
acknowledged to me that he/she executed the same for the purposes and consideration therein expressed.
Witness my hand and official seal.

Elsie E. Kroussakis
Notary Public's Signature

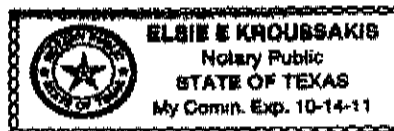


EXHIBIT D

EXHIBIT D

Inst #: 201004010001086

Fees: \$15.00

N/C Fee: \$0.00

04/01/2010 10:50:35 AM

Receipt #: 294131

Requestor:

CAMCO

Recorded By: BGN Pgs: 2

DEBBIE CONWAY

CLARK COUNTY RECORDER

Return to:
Attn: Kelly Mitchell
Absolute Collection Services, LLC
PO Box 12117
Las Vegas, NV 89112
(702) 531-3394 phone

APN # 140-34-413-075

Notice of Delinquent Assessment Lien

This **NOTICE OF DELINQUENT ASSESSMENT** is being given pursuant to N.R.S. 117.70 et seq. or N.R.S. 116.3115 et. Seq. and N.R.S. 116.3116 through 116.31168 et. Seq. and the provisions of the Declaration of Covenants, Conditions and Restrictions (CC&Rs) of the Homeowners Association as follows:

Association Claimant: Palo Verde Ranch HOA Declarations of CC&Rs recorded 3/12/04 Instrument No: 01067, Book No.: 20040312, Page No:___ County of CLARK, and any and all amendments or annexations of record thereto.

The description of the common interest development unit against which this notice is being recorded is as follows: Legal Unit No.: 6279 Downpour Ct., Charleston & Fogg Plat Book 113 Page 40 Lot 75

The reputed owner is: GENEVIEVE UNIZA-ENRIQUEZ

Common address: 6279 Downpour Ct., Las Vegas NV 89110

Owner's mailing address: Same

DELINQUENCY #A1259

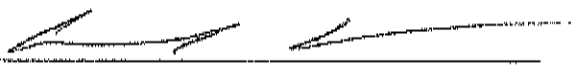
Total Amount due as of 03/31/10	\$754.56
---------------------------------	----------

Additional monies shall accrue under this claim at the rate of the claimant's periodic assessments, plus permissible late charges, costs of collection and interest and other charges, if any, that shall accrue subsequent to the date of this notice.

The acting agency for enforcement on this lien is:

ABSOLUTE COLLECTION SERVICES, LLC
PO BOX 12117
LAS VEGAS NV 89112
(702) 531-3394

DATED: 03/31/2010


RICHARD KAYE, Trustee Sales Officer

STATE OF NEVADA
COUNTY OF CLARK

On 3/31/10 before me, the undersigned, a Notary Public in and for said county, personally appeared, RICHARD KAYE personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is subscribed to the within Instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the Instrument.

WITNESS my hand and official seal.

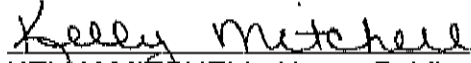

KELLY MITCHELL, Notary Public



EXHIBIT E

EXHIBIT E

Inst #: 201007140001222

Fees: \$16.00

N/C Fee: \$0.00

07/14/2010 09:49:23 AM

Receipt #: 424836

Requestor:

CAMCO

Recorded By: GILKS Pgs: 3

DEBBIE CONWAY

CLARK COUNTY RECORDER

Return to:

Attn: Kelly Mitchell

Absolute Collections Services, LLC

PO Box 12117

Las Vegas, NV 89112

(702) 531-3394

APN # 140-34-413-075

TS NO: A1259

Title Order No:

**NOTICE OF DEFAULT AND ELECTION TO
SELL UNDER NOTICE OF DELINQUENT
ASSESSMENT**

WARNING! IF YOU FAIL TO PAY THE AMOUNT SPECIFIED IN THIS NOTICE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE! You may have the legal right to bring your account in good standing by paying all of your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account. No sale date may be set until ninety (90) days from the date this notice of default may be recorded or mailed. The amount is \$1749.65 as of July 13, 2010 and will increase until your account becomes current. Upon your written request, Palo Verde Ranch HOA will give you a written itemization of the entire amount you must pay. You and the Association may mutually agree in writing prior to the time the notice of sale is posted to, amount other things, (1) provide additional time in which to cure the default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to cure your default; or both (1) and (2). Following the expiration of the time period previously referred to, unless a separate written agreement between you and the Association permits a longer period, you have only the legal right to stop the sale of your property by paying the entire amount demanded by the Association.

To find out the amount you must pay, or to arrange for payment to stop the foreclosure, contact the following trustee who has been authorized by the Association to enforce its lien by sale: Absolute Collection Services, LLC, PO Box 12117, Las Vegas, NV 89112, 702-531-3394.

THIS NOTICE is given pursuant to NRS 117.070 et. Seq. or NRS 116.3115 et. Seq. and NRS 116.3116 through 116.31168 et. Seq., and pursuant to that certain Notice of

Delinquent Assessment Lien, recorded on 4/01/10 as Document no. 0001086 book 20100401 of Official Records in the office of the Recorder of Clark County, State of Nevada.

Owner: **Genevieve Uniza-Enriquez**
Property Address: **6279 Downpour Ct, Las Vegas, NV 89110**

Legal Description-shown on the Subdivision map recorded in Book No.113 Page(s) 40 Inclusive, of Maps of the County of Clark, State of Nevada.

If you have any questions, you should contact a lawyer. Notwithstanding the fact that your property is in foreclosure, you may offer your property for sale, provided the sale is concluded prior to the conclusion of the foreclosure.

REMEMBER, YOU MAY LOSE LEGAL RIGHTS IF YOU DO NOT TAKE PROMPT ACTION

NOTICE IS HEREBY GIVEN THAT: Absolute Collection Services, LLC, is the duly appointed Trustee/Agent authorized by the Association, pursuant to the terms contained in that certain Declaration of Covenants, Conditions and Restrictions, Recorded on 3/12/04 as document number 01067-20040312 of Official Records in the Office of the Recorder of Clark County, Nevada, and any and all amendments or annexations of record thereto, describing the land therein. That the beneficial interest under said Notice of Delinquent Assessment is presently held by the Association. That a breach of, and default in, the obligation for which said Covenants, Conditions and Restrictions as security has occurred in that the payment(s) have not been made of:


Periodic assessments, less credits and offsets, plus any late charges, interest, fees, charges, collection costs, trustee's fees, and attorney fees, if any.

That by reason thereof, the present Association under such Covenants, Conditions and Restrictions, has executed and delivered to said Trustee, a written Declaration and Demand for Sale, and has deposited with said duly appointed Trustee, such Covenants, Conditions and Restrictions and all documents evidencing the obligations secured thereby, and has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the herein described property, lien by said Association, to be sold to satisfy the obligations secured thereby.

PLEASE NOTE THAT WE ARE A DEBT COLLECTOR.

Date: 7/13/10

Absolute Collection Services, LLC as Trustee


Richard Kaye, Trustee Sale Officer

STATE OF NEVADA
COUNTY OF CLARK

On 7/13/10 before me, the undersigned, a Notary Public in and for said county, personally appeared, Richard Kaye personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is subscribed to the within Instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

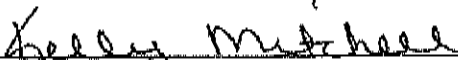

Kelly Mitchell, Notary Public



EXHIBIT F

EXHIBIT F

Return to:
Attn: Kelly Mitchell
Absolute Collections Services, LLC
PO Box 12117
Las Vegas, NV 89112
(702) 531-3394

APN # 140-34-413-075
TS NO: A1259.
Title Order No: 072210-4-J
HOA: Palo Verde Ranch HOA

Inst #: 201011180001542
Fees: \$15.00
N/C Fee: \$25.00
11/18/2010 09:18:10 AM
Receipt #: 582556
Requestor:
CAMCO
Recorded By: ARO Pgs: 2
DEBBIE CONWAY
CLARK COUNTY RECORDER

NOTICE OF TRUSTEE'S SALE

WARNING! A SALE OF YOUR PROPERTY IS IMMINENT! UNLESS YOU PAY THE AMOUNT SPECIFIED IN THIS NOTICE BEFORE THE SALE DATE, YOU COULD LOSE YOUR HOME, EVEN IF THE AMOUNT IS IN DISPUTE. YOU MUST ACT BEFORE THE SALE DATE. IF YOU HAVE ANY QUESTIONS, PLEASE CALL ABSOLUTE COLLECTION SERVICES, LLC AT 702-531-3394. IF YOU NEED ASSISTANCE, PLEASE CALL THE FORECLOSURE SECTION OF THE OMBUDSMAN'S OFFICE, NEVADA REAL ESTATE DIVISION AT 877-829-9907 OR 702-486-4480 IMMEDIATELY.

You are in default under a Notice of Delinquent Assessment LIEN, dated APRIL 1, 2010. Unless you take action to protect your property, it may be sold at public sale. If you need an explanation of the nature of the proceedings against you, you should contact a lawyer.

NOTICE IS HEREBY GIVEN THAT: On JANUARY 11, 2011 at 4:00 PM, at the front entrance to Absolute Collection Services, LLC, 1820 E Sahara Ave #111, Las Vegas NV 89104, under the power of sale pursuant to the terms of those certain covenants conditions and restrictions recorded on MARCH 12, 2004 as instrument number 01067 Book 20040312 of official records of Clark County, as the duly appointed agent and pursuant to Notice of Delinquent Assessment LIEN, recorded on 4/1/10 as Document No. 0001086 in Book 20100401 of Official Records in the Office of the Recorder of Clark County, Nevada, **WILL SALE AT PUBLIC AUCTION TO THE HIGHEST BIDDER FOR CASH**, (payable at time of sale in lawful money of the United States) all right, title and interest in the following commonly known property as:

Address: 6279 DOWNPOUR CT.
City, State, Zip: LAS VEGAS NV 89110

The owner(s) of said property as of the date of the recording of said lien is purported to be:

GENEVIEVE UNIZA-ENRIQUEZ

The undersigned agent disclaims any liability for any incorrectness of the street address and other common designation, if any, shown herein. Said sale will be made, but without covenant or warranty, expressed or implied, regarding title, possession, or encumbrances, to pay the remaining principal sum due under said Notice of Delinquent Assessment Lien, with interest thereon, as provided in said notice, advances, if any, estimated fees, charges, and expenses of the Trustee, to-wit:

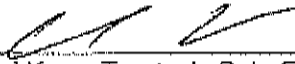
\$2,873.86 Estimated Accrued interest and additional advances, if any, will increase this figure prior to sale.

The Notice of Default and Election to Sell the described property was recorded on JULY 14, 2010 as instrument 0001222 Book 20100714 in the official records of Clark County.

PLEASE NOTE THAT WE ARE A DEBT COLLECTOR

Date: 11/19/10

Absolute Collection Service, LLC
1820 E Sahara Ave #111
Las Vegas NV 89104
702-531-3394


Richard Kaye, Trustee's Sale Officer

STATE OF NEVADA
COUNTY OF CLARK

On 10/19/10 before me, the undersigned, a Notary Public in and for said county, personally appeared, Richard Kaye personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is subscribed to the within Instrument and acknowledged to me that he/she executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the Instrument.

WITNESS my hand and official seal.


Kelly Mitchell, Notary Public



EXHIBIT G

EXHIBIT G

Inst #: 201104130000953

Fees: \$16.00 N/C Fee: \$0.00

RPTT: \$22.95 Ex: #

04/13/2011 09:13:03 AM

Receipt #: 738696

Requestor:

CAMCO

Recorded By: MSH Pgs: 4

DEBBIE CONWAY

CLARK COUNTY RECORDER

APN: 140-34-413-075

WHEN RECORDED MAIL DEED AND
TAX STATEMENTS TO:

Las Vegas Development Group, LLC
397 3rd Ave, Ste A
Chula Vista CA 91910

Title No. A1259
Account NO. 77983
TS No. 072210-4-J

SPACE ABOVE THIS LINE FOR RECORDER'S USE

TRUSTEE'S DEED UPON SALE

The undersigned declares:

- 1) The grantee herein WAS NOT the foreclosing beneficiary
- 2) The amount of the unpaid debt together with costs was \$4,001.00
- 3) The amount paid by the grantee at the trustee sale was \$4,001.00
- 4) The documentary transfer tax is \$ 22.95
- 5) City Judicial District of LAS VEGAS

And **Absolute Collection Services, LLC.**, as the duly appointed Trustee under the Notice of Delinquent Assessment hereinafter described, does hereby GRANT and CONVEY, but without warranty, express or implied, to: **Las Vegas Development Group, LLC, 397 3rd Ave, Ste A, Chula Vista CA 91910**

(herein called Grantee), all of its right, title and interest in and to that certain property situated in the County of CLARK, State of NEVADA, described as follows:

6279 Downpour Ct., Las Vegas NV 89110

Legal Description-shown on the Subdivision map recorded in Book No. 113 Page(s) 40 Inclusive, of Maps of the Country of Clark, State of Nevada; See Exhibit A Attached

AGENT STATES THAT:

This conveyance is made pursuant to the powers granted to PALO VERDE RANCH HOA and conferred upon appointed trustee by the provisions of the Nevada Revised Statutes, the PALO VERDE RANCH HOA governing documents (CC&R's) recorded as instrument number 01067 Book 20040312 on MARCH 12, 2004 and that certain Notice of Delinquent Assessment Lien recorded on APRIL 1, 2010 instrument number 0001086

Book 20100401 Official Records of CLARK County; and pursuant to NRS 117.070 et Seq. or NRS 116.3115 et Seq and NRS 116.3116 through 116.31168 et Seq. The name of the owner(s) of the property (trustor) was: GENEVIEVE UNIZA-ENRIQUEZ

Default occurred as set forth in a Notice of Default and Election to Sell, recorded on JULY 14, 2010 as instrument 0001222 Book 20100714 which was recorded in the office of the recorder of said county. Absolute Collection Services, LLC. Has complied with all requirements of law including, but not limited to, the elapsing of 90 days, mailing of copies of Notice of Delinquent Assessment and Notice of Default and the posting and publication of the Notice of Sale. Said property was sold by said agent, on behalf of PALO VERDE RANCH HOA at public auction on April 12, 2011 at the place indicated on the Notice of Sale. Grantee being the highest bidder at such sale, became the purchaser of said property and paid therefore to said agent the amount bid \$4,001.00 in lawful money of the United States, or by satisfaction, pro tanto, of the obligations then secured by the Delinquent Assessment Lien.

Dated: April 13, 2011


By Richard Kaye on behalf of Absolute Collection Services

STATE OF NEVADA)
COUNTY OF CLARK)

On 4/13/11 before me, Kelly Mitchell, personally appeared Richard Kaye personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged that he/she executed the same in his/her authorized capacity, and that by signing his/her signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and seal.


Kelly Mitchell, Notary Public



EXHIBIT "A"

THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE STATE OF NEVADA, COUNTY OF CLARK, CITY OF LAS VEGAS, AND DESCRIBED AS FOLLOWS:

PARCEL I:

LOT 75 OF CHARLESTON AND FOGG (A COMMON INTEREST COMMUNITY); AS SHOWN BY MAP THEREOF ON FILE IN BOOK 113 OF PLATS, PAGE 40, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA

PARCEL II:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS, USE AND ENJOYMENT, LANDSCAPING AND PUBLIC UTILITIES PURPOSES ON, OVER AND ACROSS THE "PRIVATE DRIVES/P.U.E." AND "COMMON AREAS" AS DELINEATED ON SAID MAP, AND AS FURTHER DEFINED BY THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT AND RESERVATION OF EASEMENTS FOR PALO VERDE RANCH RECORDED MARCH 12, 2004 IN BOOK 20040312, AS DOCUMENT NUMBER 01067, OF OFFICIAL RECORDS, CLARK COUNTY, NEVADA

**STATE OF NEVADA
DECLARATION OF VALUE FORM**

1. Assessor Parcel Number(s)

a. 140-34-413-075
b. _____
c. _____
d. _____

2. Type of Property:

a. ☐ Vacant Land b. ☒ Single Fam. Res.
c. ☐ Condo/Townhse d. ☐ 2-4 Plex
e. ☐ Apt. Bldg f. ☐ Comm'l/Ind'l
g. ☐ Agricultural h. ☐ Mobile Home
i. ☐ Other _____

FOR RECORDER'S OPTIONAL USE ONLY

Book: _____ Page: _____
Date of Recording: _____
Notes: _____

3. a. Total Value/Sales Price of Property

\$ 4001.00

b. Deed in Lieu of Foreclosure Only (value of property)

c. Transfer Tax Value:

\$ 4001.00

d. Real Property Transfer Tax Due

\$ 22.95

4. If Exemption Claimed:

a. Transfer Tax Exemption per NRS 375.090, Section _____

b. Explain Reason for Exemption: _____

5. Partial Interest: Percentage being transferred: _____ %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature: _____

Capacity: Member, Grantee

Signature: _____

Capacity: _____

**SELLER (GRANTOR) INFORMATION
(REQUIRED)**

Print Name: Absolute Collection Services
Address: PO Box 12117
City: Las Vegas
State: NV Zip: 89112

**BUYER (GRANTEE) INFORMATION
(REQUIRED)**

Print Name: Las Vegas Development Group LLC
Address: 397 BRD AVE Suite
City: CHULA VISTA
State: CA Zip: 91910

COMPANY REQUESTING RECORDING

Print Name: Camco
Address: PO Box 12117
City: Las Vegas

Escrow #: W/A-foreclosure

State: NV Zip: 89112

As a public record this form may be recorded/microfilmed

EXHIBIT H

EXHIBIT H



Statement

Statement on HOA Super-Priority Lien Foreclosures

FOR IMMEDIATE RELEASE

4/21/2015

Title 12 United States Code Section 4617(j)(3) states that, while the Federal Housing Finance Agency acts as Conservator, “[no] property of the Agency shall be subject to levy, attachment, garnishment, foreclosure, or sale without the consent of the Agency.” This law precludes involuntary extinguishment of Fannie Mae or Freddie Mac liens while they are operating in conservatorships and preempts any state law that purports to allow holders of homeownership association (HOA) liens to extinguish a Fannie Mae or Freddie Mac lien, security interest, or other property interest.

As noted in our December 22, 2014 statement on certain super-priority liens, FHFA has an obligation to protect Fannie Mae’s and Freddie Mac’s rights, and will aggressively do so by bringing or supporting actions to contest HOA foreclosures that purport to extinguish Enterprise property interests in a manner that contravenes federal law. Consequently, FHFA confirms that it has not consented, and will not consent in the future, to the foreclosure or other extinguishment of any Fannie Mae or Freddie Mac lien or other property interest in connection with HOA foreclosures of super-priority liens.

12/22/2014: Statement of the Federal Housing Finance Agency on Certain Super-Priority Liens

###

The Federal Housing Finance Agency regulates Fannie Mae, Freddie Mac and the 12 Federal Home Loan Banks. These government-sponsored enterprises provide more than \$5.6 trillion in funding for the U.S. mortgage markets and financial institutions. Additional information is available at www.FHFA.gov, on Twitter [@FHFA](https://twitter.com/FHFA), YouTube and LinkedIn.

Contacts:

Media: Corinne Russell (202) 649-3032 / Stefanie Johnson (202) 649-3030

Consumers: Consumer Communications or (202) 649-3811

© 2015 Federal Housing Finance Agency

EXHIBIT I

EXHIBIT I

①-2

Inst #: 20170307-0000183
Fees: \$20.00 N/C Fee: \$0.00
RPTT: \$0.00 Ex: #003
03/07/2017 08:03:10 AM
Receipt #: 3025633
Requestor:
JOHN JENTZ
Recorded By: RNS Pge: 6
DEBBIE CONWAY
CLARK COUNTY RECORDER

RECORDING COVER PAGE

(Must be typed or printed clearly in BLACK ink only
and avoid printing in the 1" margins of document)

APN# 140-34-413-075

(11 digit Assessor's Parcel Number may be obtained at:
<http://redrock.co.clark.nv.us/assrealprop/owner.aspx>)

TITLE OF DOCUMENT

(DO NOT Abbreviate)

Grant Deed

re-recording to include missing Exhibit A

Document Title on cover page must appear EXACTLY as the first page of the document
to be recorded.

RECORDING REQUESTED BY:

Jon Jentz

RETURN TO: Name Airmotive Investments, LLC

Address 6360 E Sahara Ave

City/State/Zip Las Vegas, NV 89142

MAIL TAX STATEMENT TO: (Applicable to documents transferring real property)

Name Airmotive Investments, LLC

Address 6360 E Sahara Ave

City/State/Zip Las Vegas, NV 89142

This page provides additional information required by NRS 111.312 Sections 1-2.

An additional recording fee of \$1.00 will apply.

To print this document properly, do not use page scaling.

Using this cover page does not exclude the document from assessing a noncompliance fee.

P:\Common\Forms & Notices\Cover Page Template Feb2014

THIS SPACE PROVIDED FOR RECORDER'S USE ONLY:

③

Inst #: 20170105-0002749
Fees: \$18.00 N/C Fee: \$0.00
RPTT: \$0.00 Ex: #001
01/05/2017 02:38:06 PM
Receipt #: 2875139
Requestor:
LAS VEGAS DEVELOPMENT
GROUP
Recorded By: DXI Pgs: 3
DEBBIE CONWAY
CLARK COUNTY RECORDER

PARCEL NUMBER: 140-34-413-075
WHEN RECORDED RETURN TO:
Airmotive Investments, LLC
6360 E Sahara Ave
Las Vegas, Nevada, 89142

GRANT DEED

THE GRANTOR(S),

- Las Vegas Development Group, LLC, Jon Jentz, Managing Member,

for and in consideration of: One Dollar (\$1.00) and other good and valuable consideration grants

to the GRANTEE(S):

- AIRMOTIVE INVESTMENTS, LLC, JON JENTZ, MANAGING MEMBER, 6360 E SAHARA AVE, LAS VEGAS, Clark County, Nevada, 89142,
- the following described real estate, situated in Las Vegas, in the County of Clark, State of Nevada:

(LEGAL DESCRIPTION): Legal Description-shown on the Subdivision map recorded in Book No. 113 Page(s) 40 Inclusive, of Maps of the County of Clark, State of Nevada, See Exhibit A Attached

Description is as it appears in Document No. 201104130000953, Official Records, Clark County, Nevada.

Property address: 6279 Downpour Ct., Las Vegas NV, 89110.

Subject to existing taxes, assessments, liens, encumbrances, covenants, conditions, restrictions, rights of way and easements of record the grantor hereby covenants with the Grantee(s) that Grantor is lawfully seized in fee simple of the above granted premises and has good right to sell and convey the same.

Tax Parcel Number: 140-34-413-075

Mail Tax Statements To:
AIRMOTIVE INVESTMENTS,
LLC
6360 E SAHARA AVE
LAS VEGAS, Nevada 89162

Grantor Signatures:

DATED: December 16, 2016

J. J. A.
Jon Jentz, Managing Member, on behalf of
Las Vegas Development Group, LLC
6360 E Sahara Ave
Las Vegas, Nevada, 89142

California San Diego
STATE OF NEVADA, COUNTY OF CLARK, ss:

This instrument was acknowledged before me on this 16th day of December, 2016 by Jon Jentz, Managing Member, on behalf of Las Vegas Development Group, LLC.

Hope Rose
Notary Public
Signature of person taking acknowledgment

Notary Public
Title (and Rank)

My commission expires 3-13-2018

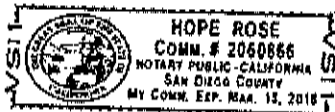


EXHIBIT "A"

THE LAND REFERRED TO IN THIS REPORT IS SITUATED IN THE STATE OF NEVADA, COUNTY OF CLARK, CITY OF LAS VEGAS, AND DESCRIBED AS FOLLOWS:

PARCEL I:

LOT 75 OF CHARLESTON AND FOGG (A COMMON INTEREST COMMUNITY); AS SHOWN BY MAP THEREOF ON FILE IN BOOK 113 OF PLATS, PAGE 40, IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

PARCEL II:

A NON-EXCLUSIVE EASEMENT FOR INGRESS, EGRESS, USE AND ENJOYMENT, LANDSCAPING AND PUBLIC UTILITIES PURPOSES ON , OVER AND ACROSS THE "PRIVATE DRIVES/P.U.E." AND "COMMON AREAS" AS DELINEATED ON SAID MAP, AND AS FURTHER DEFINED BY THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS AND GRANT AND RESERVATION OF EASEMENTS FOR PALO VERDE RANCH RECORDED MARCH 12, 2004 IN BOOK 20040312, AS DOCUMENT NUMBER 01607, OF OFFICIAL RECORDS

, CLARK COUNTY, NEVADA

STATE OF NEVADA
DECLARATION OF VALUE

1. Assessor Parcel Number(s)

- a) 140-34-413-075
b) _____
c) _____
d) _____

2. Type of Property:

- a) ☐ Vacant Land b) ☒ Single Fam. Res.
c) ☐ Condo/Twnhse d) ☐ 2-4 Plex
e) ☐ Apt. Bldg f) ☐ Comm'l/Ind'l
g) ☐ Agricultural h) ☐ Mobile Home
i) ☐ Other _____

FOR RECORDERS OPTIONAL USE ONLY

BOOK _____ PAGE _____
DATE OF RECORDING: _____
NOTES: _____

3. Total Value/Sales Price of Property:

Deed in Lieu of Foreclosure Only (value of property) \$ 1.00
Transfer Tax Value: (\$ _____)
Real Property Transfer Tax Due: (\$ _____)

4. If Exemption Claimed:

- a. Transfer Tax Exemption per NRS 375.090, Section # 01
b. Explain Reason for Exemption: Transfer between affiliated business entities with identical common ownership

5. Partial Interest: Percentage being transferred: 100 %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month.

Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature [Signature] Capacity Managing Member

Signature _____ Capacity Managing Member

SELLER (GRANTOR) INFORMATION
(REQUIRED)

Print Name: Las Vegas Development Group, LLC
Address: 6360 E Sahara Ave
City: Las Vegas
State: NV Zip: 89142

BUYER (GRANTEE) INFORMATION
(REQUIRED)

Print Name: Airmotive Investments, LLC
Address: 6360 E Sahara Ave
City: Las Vegas
State: NV Zip: 89142

COMPANY/PERSON REQUESTING RECORDING

(required if not the seller or buyer)

Print Name: _____ Escrow # _____
Address: _____
City: _____ State: _____ Zip: _____

(AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED)

**STATE OF NEVADA
DECLARATION OF VALUE**

1. Assessor Parcel Number(s)

- a. 140-34-413-075
b. _____
c. _____
d. _____

2. Type of Property:

- a. ☐ Vacant Land b. ☒ Single Fam. Res.
c. ☐ Condo/Twnhse d. ☐ 2-4 Plex
e. ☐ Apt. Bldg f. ☐ Comm'l/Ind'l
g. ☐ Agricultural h. ☐ Mobile Home
 ☐ Other

FOR RECORDERS OPTIONAL USE ONLY

Book _____ Page: _____

Date of Recording: _____

Notes: _____

3.a. Total Value/Sales Price of Property

\$ 1.00

b. Deed in Lieu of Foreclosure Only (value of property (_____)

c. Transfer Tax Value: \$ _____

d. Real Property Transfer Tax Due \$ _____

4. If Exemption Claimed:

a. Transfer Tax Exemption per NRS 375.090, Section 3

b. Explain Reason for Exemption: re-recording to include missing Exhibit A

5. Partial Interest: Percentage being transferred: 100 %

The undersigned declares and acknowledges, under penalty of perjury, pursuant to NRS 375.060 and NRS 375.110, that the information provided is correct to the best of their information and belief, and can be supported by documentation if called upon to substantiate the information provided herein. Furthermore, the parties agree that disallowance of any claimed exemption, or other determination of additional tax due, may result in a penalty of 10% of the tax due plus interest at 1% per month. Pursuant to NRS 375.030, the Buyer and Seller shall be jointly and severally liable for any additional amount owed.

Signature [Signature] Capacity: Managing Member

Signature _____ Capacity: Managing Member

SELLER (GRANTOR) INFORMATION
(REQUIRED)

Print Name: Las Vegas Development Group, L

Address: 6360 E Sahara Ave

City: Las Vegas

State: NV Zip: 89142

BUYER (GRANTEE) INFORMATION
(REQUIRED)

Print Name: Airmotive Investment, LLC

Address: 6360 E Sahara Ave

City: Las Vegas

State: NV Zip: 89142

COMPANY/PERSON REQUESTING RECORDING (Required if not seller or buyer)

Print Name: _____

Escrow # _____

Address: _____

City: _____

State: _____

Zip: _____

AS A PUBLIC RECORD THIS FORM MAY BE RECORDED/MICROFILMED

EXHIBIT J

EXHIBIT J



Federal Housing Finance Agency

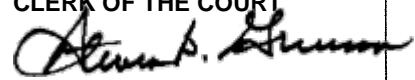
August 28, 2015

Servicer Reliance on the Housing and Economic Recovery Act of 2008 in Foreclosures Involving Homeworkership Associations

As noted in the December 22, 2014 and April 21, 2015 statements on certain super-priority liens, the Federal Housing Finance Agency has an obligation to protect Fannie Mae's and Freddie Mac's property rights. FHFA will aggressively do so by bringing or supporting actions to contest common ownership association (commonly known as HOAs) foreclosures that purport to extinguish Enterprise property interests in a manner that contravenes federal law.

This statement confirms that FHFA supports the reliance on Title 12 United States Code Section 4617(j)(3) in litigation by authorized servicers of the Enterprises to preclude the purported involuntary extinguishment of an Enterprise's property interest by an HOA foreclosure sale.

Alfred M. Pollard
General Counsel
Federal Housing Finance Agency



SAO

ARIEL E. STERN, ESQ.
Nevada Bar No. 8276

JARED M. SECHRIST, ESQ.
Nevada Bar No. 10439

AKERMAN LLP

1635 Village Center Circle, Suite 200
Las Vegas, Nevada 89134
Telephone: (702) 634-5000
Facsimile: (702) 380-8572
Email: darren.brenner@akerman.com
Email: jared.sechrist@akerman.com

Attorneys for Bank of America, N.A.

DISTRICT COURT

CLARK COUNTY, NEVADA

LAS VEGAS DEVELOPMENT GROUP,
LLC

Plaintiff,

vs.

BANK OF AMERICA; GENEVIEVE UNIZA-
ENRIQUEZ; DOES 1 through 20, and ROE
CORPORATIONS 1 through 20, inclusive,

Defendants.

BANK OF AMERICA, N.A.,

Counterclaimant,

vs.

LAS VEGAS DEVELOPMENT GROUP,
LLC,

Counter-Defendant.

Case No.: A-12-654840-C
Dept. No.: XXIII

**STIPULATION AND ORDER TO
SUBSTITUTE AIRMOTIVE INVESTMENTS,
LLC FOR LAS VEGAS DEVELOPMENT
GROUP, LLC**

Plaintiff Las Vegas Development Group, LLC (**LVDG**) and defendant Bank of America,
N.A. hereby stipulate and agree as follows:

1. On or about June 22, 2006, Genevieve Uniza-Enriquez (**Borrower**) obtained a home
loan from Utah Financial, Inc. in the amount of \$360,000.00 (the **Loan**) to secure the purchase real
property located at 6279 Downpour Court, Las Vegas, Nevada 89110 (the **Property**). Repayment of
the loan was secured by a Deed of Trust (the **Deed of Trust**) recorded on June 30, 2006 as
instrument number 20060630-0002110.

...


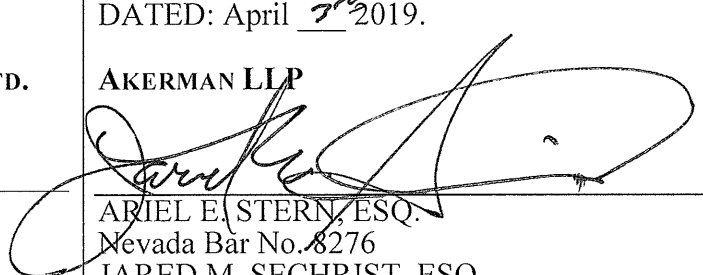
2. Plaintiff obtained an interest in the property via a Trustee's Deed Upon Sale associated with a homeowners association lien foreclosure sale recorded on April 13, 2011 as instrument number 20110413-0000953.

3. Plaintiff then conveyed its interest in the property to Airmotive Investments, LLC ("Airmotive") via a Grant Deed recorded as instrument number 0170307-0000183. LVDG no longer claims any right, title or interest in the Property.

4. Accordingly, the parties have determined that Airmotive Investments, LLC should be substituted in the place and stead of LVDG as the plaintiff herein.

5. LVDG shall be dismissed from this action. All claims and defenses raised by and against LVDG shall be deemed to apply to Airmotive.

6. The ^{3rd} caption shall be appropriately amended.

DATED: April 3 rd 2019.	DATED: April 7 th 2019.
ROGER P. CROTEAU & ASSOCIATES, LTD.	AKERMAN LLP
 ROGER P. CROTEAU, ESQ. Nevada Bar No. 4958 TIMOTHY E. RHODA, ESQ. Nevada Bar No. 7878 9120 West Post Road, Suite 100 Las Vegas, Nevada 89148 <i>Attorneys for Plaintiff Las Vegas Development Group, LLC</i>	 ARIEL E. STERN, ESQ. Nevada Bar No. 8276 JARED M. SECHRIST, ESQ. Nevada Bar No. 10439 1635 Village Center Circle, Suite 200 Las Vegas, Nevada 89134 <i>Attorneys for Bank of America, N.A.</i>

ORDER

Having reviewed the parties' stipulation and good cause appearing,

IT IS HEREBY ORDERED that Airmotive Investments, LLC shall be substituted in the place and stead of LVDG as Plaintiff.

IT IS FURTHER ORDERED that LVDG shall be dismissed from this action and that all claims and defenses raised by and against LVDG shall be deemed to apply to Airmotive.

IT IS FURTHER ORDERED that the case caption shall be appropriately amended.

Dated this 5th day of April, 2019


DISTRICT COURT JUDGE

A-12-654840-C

Submitted by:


AKERMAN LLP

ARIEL E. STERN, ESQ.

Nevada Bar No. 8276

JARED M. SECHRIST, ESQ.

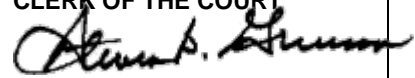
Nevada Bar No. 10439

1635 Village Center Circle, Suite 200

Las Vegas, Nevada 89134

JUDGE STEFANY A. MILEY

Attorneys for Bank of America, N.A.



1 **NOE**
2 **ARIEL STERN, ESQ.**
3 Nevada Bar No. 8276
4 **JARED M. SECHRIT, ESQ.**
5 Nevada Bar No. 10439
6 **AKERMAN LLP**
7 1635 Village Center Circle, Suite 200
8 Las Vegas, NV 89134
9 Telephone: (702) 634-5000
10 Facsimile: (702) 380-8572
11 Email: ariel.stern@akerman.com
12 Email: jared.secrhist@akerman.com
13
14 *Attorneys for Bank of America, N.A.*

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EIGHTH JUDICIAL DISTRICT COURT
CLARK COUNTY, NEVADA

10 **AIRMOTIVE INVESTMENTS, LLC**
11 Plaintiff,

12 vs.

13 **BANK OF AMERICA; GENEVIEVE UNIZA-**
14 **ENRIQUEZ; DOES 1 through 20, and ROE**
15 **CORPORATIONS 1 through 20, inclusive,**
16
17 Defendants.

17 **BANK OF AMERICA, N.A.,**
18
19 Counterclaimant,

20 vs.

21 **AIRMOTIVE INVESTMENTS, LLC,**
22
23 Counter-Defendant.

Case No.: A-12-654840-C
Dept. No.: XXIII

**NOTICE OF ENTRY OF STIPULATION AND
ORDER TO SUBSTITUTE AIRMOTIVE
INVESTMENTS, LLC FOR LAS VEGAS
DEVELOPMENT GROUP, LLC**

24 ///

25 ///

26 ///

27 ///

28 ///

29 ///

30 ///

1 **TO ALL PARTIES AND TO THEIR ATTORNEYS OF RECORD:**

2 PLEASE TAKE NOTICE that a **STIPULATION AND ORDER TO SUBSTITUTE**
3 **AIRMOTIVE INVESTMENTS, LLC FOR LAS VEGAS DEVELOPMENT GROUP, LLC**
4 was entered on this 9th day of April, 2019 a copy of which is attached hereto as **Exhibit A.**

5 Dated: April 9, 2019

6 **AKERMAN LLP**

7 /s/ Jared Sechrist

8 ARIEL STERN, ESQ.

9 Nevada Bar No. 8276

JARED M. SECHRIT, ESQ.

Nevada Bar No. 10439

10 1635 Village Center Circle, Suite 200

11 Las Vegas, NV 89134

12 *Attorneys for Bank of America, N.A.*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that I am an employee of AKERMAN LLP, and that on this 9th day of April, 2019, I caused to be served a true and correct copy of the foregoing **NOTICE OF ENTRY OF STIPULATION AND ORDER TO SUBSTITUTE AIRMOTIVE INVESTMENTS, LLC FOR LAS VEGAS DEVELOPMENT GROUP, LLC**, in the following manner:

(ELECTRONIC SERVICE) Pursuant to Administrative Order 14-2, the above-referenced document was electronically filed on the date hereof and served through the Notice of Electronic Filing automatically generated by the Court's facilities to those parties listed on the Court's Master Service List as follows: Roger Croteau

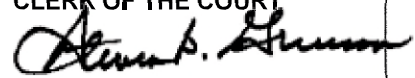
ROGER P. CROTEAU & ASSOCIATES, LTD.

Roger Croteau croteaulaw@croteaulaw.com
Shirin Weisman receptionist@croteaulaw.com

/s/ Christine Weiss
An employee of Akerman LLP

EXHIBIT A

EXHIBIT A



SAO

ARIEL E. STERN, ESQ.
Nevada Bar No. 8276

JARED M. SECHRIST, ESQ.
Nevada Bar No. 10439

AKERMAN LLP

1635 Village Center Circle, Suite 200
Las Vegas, Nevada 89134
Telephone: (702) 634-5000
Facsimile: (702) 380-8572
Email: darren.brenner@akerman.com
Email: jared.sechrist@akerman.com

Attorneys for Bank of America, N.A.

DISTRICT COURT

CLARK COUNTY, NEVADA

LAS VEGAS DEVELOPMENT GROUP,
LLC

Plaintiff,

vs.

BANK OF AMERICA; GENEVIEVE UNIZA-
ENRIQUEZ; DOES 1 through 20, and ROE
CORPORATIONS 1 through 20, inclusive,

Defendants.

BANK OF AMERICA, N.A.,

Counterclaimant,

vs.

LAS VEGAS DEVELOPMENT GROUP,
LLC,

Counter-Defendant.

Case No.: A-12-654840-C

Dept. No.: XXIII

**STIPULATION AND ORDER TO
SUBSTITUTE AIRMOTIVE INVESTMENTS,
LLC FOR LAS VEGAS DEVELOPMENT
GROUP, LLC**

Plaintiff Las Vegas Development Group, LLC (**LVDG**) and defendant Bank of America,
N.A. hereby stipulate and agree as follows:

1. On or about June 22, 2006, Genevieve Uniza-Enriquez (**Borrower**) obtained a home
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property located at 6279 Downpour Court, Las Vegas, Nevada 89110 (the **Property**). Repayment of
the loan was secured by a Deed of Trust (the **Deed of Trust**) recorded on June 30, 2006 as
instrument number 20060630-0002110.

...


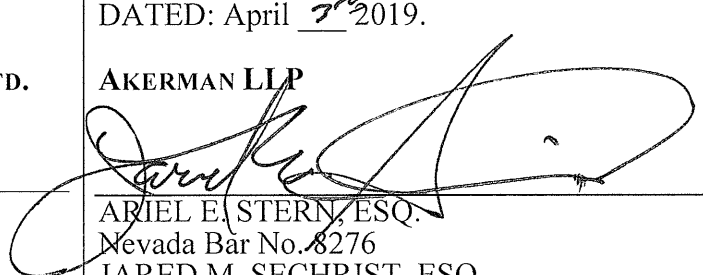
2. Plaintiff obtained an interest in the property via a Trustee's Deed Upon Sale associated with a homeowners association lien foreclosure sale recorded on April 13, 2011 as instrument number 20110413-0000953.

3. Plaintiff then conveyed its interest in the property to Airmotive Investments, LLC ("Airmotive") via a Grant Deed recorded as instrument number 0170307-0000183. LVDG no longer claims any right, title or interest in the Property.

4. Accordingly, the parties have determined that Airmotive Investments, LLC should be substituted in the place and stead of LVDG as the plaintiff herein.

5. LVDG shall be dismissed from this action. All claims and defenses raised by and against LVDG shall be deemed to apply to Airmotive.

6. The case caption shall be appropriately amended.

DATED: April <u>3rd</u> 2019.	DATED: April <u>7th</u> 2019.
ROGER P. CROTEAU & ASSOCIATES, LTD.	AKERMAN LLP
 ROGER P. CROTEAU, ESQ. Nevada Bar No. 4958 TIMOTHY E. RHODA, ESQ. Nevada Bar No. 7878 9120 West Post Road, Suite 100 Las Vegas, Nevada 89148 <i>Attorneys for Plaintiff Las Vegas Development Group, LLC</i>	 ARIEL E. STERN, ESQ. Nevada Bar No. 8276 JARED M. SECHRIST, ESQ. Nevada Bar No. 10439 1635 Village Center Circle, Suite 200 Las Vegas, Nevada 89134 <i>Attorneys for Bank of America, N.A.</i>

ORDER

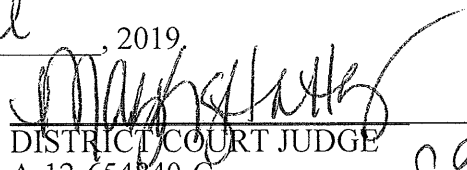
Having reviewed the parties' stipulation and good cause appearing,

IT IS HEREBY ORDERED that Airmotive Investments, LLC shall be substituted in the place and stead of LVDG as Plaintiff.

IT IS FURTHER ORDERED that LVDG shall be dismissed from this action and that all claims and defenses raised by and against LVDG shall be deemed to apply to Airmotive.

IT IS FURTHER ORDERED that the case caption shall be appropriately amended.

Dated this 5th day of April, 2019


DISTRICT COURT JUDGE
A-12-654840-C

Submitted by:


AKERMAN LLP

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Nevada Bar No. 8276

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