

DECLARATION OF DEFAULT AND REQUEST TO PREPARE NOTICE OF DEFAULT

Date : _____ Loan No. _____ (optional)

The attached note and deed of trust are in default and we are electing to sell the property. Please use the following documents (photocopies) to institute foreclosure proceedings:

- | | |
|---|---|
| <input type="checkbox"/> Note(s) | <input type="checkbox"/> Modification agreement (s) |
| <input type="checkbox"/> Deed of Trust | <input type="checkbox"/> Change in Terms or Extension Agreement |
| <input type="checkbox"/> Assignment of Deed of Trust | <input type="checkbox"/> Payment history |
| <input type="checkbox"/> Other: | |
| <input type="checkbox"/> Please prepare a Substitution of Trustee naming Mortgage Lender Services, Inc. | |

UNPAID PRINCIPAL BALANCE \$ _____

DATE INTEREST IS PAID TO: _____

INTEREST RATE: _____ %

The interest rate is variable Y N.

DEFAULT INTEREST RATE (if applicable) _____ AND DATE INVOKED: _____

MATURITY DATE: _____

PAYMENT AMOUNT \$ _____ Due Monthly Other: _____

LATE CHARGE AMOUNT \$ _____ AFTER _____ DAYS Number of LATE CHARGES DUE _____.

REASON FOR COMMENCING FORECLOSURE PROCEEDINGS (check all appropriate boxes):

- PAYMENTS:** Trustor failed to pay the installment that became due on _____ and all subsequent installments.
- LATE CHARGES** due.
- NOTE HAS MATURED:** The entire unpaid principal balance, plus accrued and subsequent interest. (If loan is due in full, has a 90 day balloon payment notice been sent? yes no).
- FIRE INSURANCE:** Failure to provide evidence of satisfactory fire insurance coverage.
- SENIOR LIEN:** Delinquent payment due on a prior Deed of Trust.
- TAXES:** Delinquent property taxes.
- PERSONAL PROPERTY** granted as additional security for loan, include this in the foreclosure action
- Other:

PLEASE COMPLETE ONE OF THE FOLLOWING (or attach detail):

TOTAL AMOUNT TO REINSTATE (bring loan payments current) AS OF _____ IS \$ _____

TOTAL AMOUNT TO REDEEM (pay loan in full) AS OF _____ IS \$ _____

ADVANCES: We will notify you of any additional advances as they are made. To date advances are:

DATE	AMOUNT	TO	FOR

VERY IMPORTANT:			
The names and address of the current owners of the property are as follows:			

The purported street address of the property is: _____

Subject property is: SFR 1-4 commercial property unimproved other _____

If subject property is residential: Is the property now or at origination occupied by the borrower? Y N

The subject loan is secured as 1st position 2nd position other _____ on property.

Borrowers Social Security (last4) #(s) his _____ ; hers _____

Additional information: _____

OTHER INFORMATION – MARK ONE:	Yes	No
Was the subject loan principally negotiated in Spanish?		
Was the subject originated as a result of a contract for goods, services, such as the purchase of a pool, new roof, siding or air conditioning?		
Does the subject secure personal property in addition to the real property?		
If you answered yes to the above question, do you want us to conduct a unified foreclosure?		

Bankruptcy information (if applicable):

Has a bankruptcy been filed? yes no

Case no. _____ Chapter: _____ District: _____

Has relief been obtained or the case dismissed? yes no (If yes, please attach copy of order.)

Your attorney name _____ Contact ph or email _____

Litigation information (if applicable):

Is there currently litigation concerning the subject property? yes no

Was there litigation previously on this property? yes no

Status of any litigation:

COMPLETE THE FOLLOWING SECTION ONLY IF YOUR LOAN IS SECURED BY A FIRST DEED OF TRUST ON OWNER-OCCUPIED PROPERTY.

<p>IF YOUR LOAN IS SECURED BY A FIRST DEED OF TRUST ON OWNER-OCCUPIED RESIDENTIAL REAL PROPERTY CONTAINING NOT MORE THAN FOUR UNITS. (FOR THESE PURPOSES, "OWNER-OCCUPIED" MEANS THAT THE PROPERTY IS THE PRINCIPAL RESIDENCE OF THE BORROWER AND IS SECURITY FOR A LOAN MADE FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES). PLEASE ANSWER THE FOLLOWING:</p>
<p>The undersigned referring mortgage servicer, beneficiary, or authorized agent represents that (pick ONE):</p>
<p>1. <input type="checkbox"/> it is a depository institution chartered under state or federal law; a person licensed pursuant to Division 9 (commencing with Section 22000) or Division 20 (commencing with Section 50000) of the Financial Code, or a person licensed pursuant to Part 1 (commencing with Section 10000) of Division 4 of the Business and Professions Code, that during its immediately preceding annual reporting period, as established with its primary regulator, foreclosed on MORE THAN 175 residential properties, containing no more than four dwelling units, that are located in California.</p>
<p>OR</p>
<p>2. <input type="checkbox"/> it is NOT a depository institution chartered under state or federal law; a person licensed pursuant to Division 9 (commencing with Section 22000) or Division 20 (commencing with Section 50000) of the Financial Code, or a person licensed pursuant to Part 1 (commencing with Section 10000) of Division 4 of the Business and Professions Code.</p>

Foreclosure Processing Services

The undersigned, as Beneficiary or Beneficiary's authorized representative, hereby make the following representations, each of which is material to and will be relied upon by Mortgage Lender Services, Inc. (MLS) in performing the services described herein:

1. A default has occurred on the subject loan and the reason for default, the specific amounts and terms causing said default, and all other information about the loan have been accurately related to MLS on this form.
2. Beneficiary has no knowledge of any bankruptcy proceeding affecting the trustor or successor owner (other than noted above) or the subject property, and Beneficiary will immediately inform MLS in writing of any knowledge or notice of any such proceeding subsequently received.
3. To the best of the Beneficiary's knowledge and belief, the present owner of the subject property is not entitled to the benefits of the Soldier's and Sailor's Civil Act of 1940, as amended, and Beneficiary will execute and deliver to MLS an affidavit, when requested, to such effect.
4. Beneficiary will immediately notify MLS in writing of any further advances made on loan.
5. Beneficiary will immediately notify MLS in writing of any subsequent payments received from the trustor, owner, lessee or other party.
6. Beneficiary has complied with all notification provisions as may be applicable to this loan.
7. Beneficiary has provided MLS all known mailing addresses for the current property owners.
8. Beneficiary authorizes MLS to attach a Declaration of Mortgage Servicer that I have completed and executed to the Notice of Default.
9. Beneficiary has possession of the original documents (including, but not limited to the Promissory Note(s), Deed of Trust and assignments) and will produce them upon demand.

Beneficiary further directs MLS to act as its agent in all respects in order to complete a non-judicial foreclosure sale and, without limiting other acts, specifically authorizes MLS or its agents as follows:

1. To sign and to record Notice(s) of Default and to include the charges therefore as part of the Trustee's fees and expenses.

2. To order a Trustee's Sale Guarantee report and to include the charges therefore as part of the Trustee's fees and expenses.
3. To post and publish a Notice of Trustee's Sale and to include the charges therefore as part of the Trustee's fees and expenses. Beneficiary understands that when MLS requests bidding instructions, Beneficiary is responsible to provide the amount in writing to MLS at least one full business day prior to the scheduled trustee's sale. If Beneficiary fails to provide the bid instructions when required, then MLS at its sole discretion, may postpone the trustee's sale with no liability or recourse.
4. To conduct and/or continue a trustee's sale and to include the charges therefore as part of the Trustee's fees and expenses. Client shall pay such Trustee's fees and expenses immediately on demand as a condition of MLS being required to continue or complete its services hereunder.
5. If this order is cancelled prior to Notice of Default recording, we agree to pay a cancellation fee.

MLS shall be entitled to act pursuant to this authorization unless and until Beneficiary gives written notice to MLS terminating this agreement, which shall be effective only from the date of receipt of such notice and upon paying any and all amounts due MLS. Until all amounts due are paid in full, MLS shall have a lien on the Note and Deed of Trust in an amount equal to any amount owed to MLS. Should MLS ascertain that certain facts have arisen or have been suppressed, or information is received which would necessitate the canceling of the file, Beneficiary hereby authorizes MLS to do so without any liability to MLS and without approval from Beneficiary.

Beneficiary and its/their Agent(s) hereby irrevocably indemnify, defend and hold harmless MLS from any and all costs, filing fees, expenses, damages, attorney fees, obligations and liabilities of any kind, whether or not actually incurred (collectively "Expenses") by or in any action, claim, cause of action, injunctive relief, demand, complaint or application, arising out of or related to the Subject Property, the foreclosing proceedings and foreclosure sale, post-sale proceeding, and as may arise or actually arise during the course of or subsequent to MLS's performance of its duties hereunder, unless said liability arises due to MLS's own negligence as determined by a court of competent jurisdiction. Without limitations Beneficiary shall pay the attorney's fees and costs incurred by MLS in preparing and filing a Declaration on Non-Monetary Status.

I hereby certify that I have read and understand this Agreement. I also certify that I am the Beneficiary or the representative and agent of all the Beneficiaries under the subject Note and Deed of Trust and, as such, have legal authority to commit each Beneficiary to the payment, jointly and severally, of the total charges, costs, and expenses to perform the foreclosure.

Date: _____

Return correspondence to:

Telephone no. () _____

Email: _____ or _____

By: _____ By: _____

Electronic submission of this form by Beneficiary or Designated Agent will be considered acknowledgement and acceptance of the provisions shown above.