UNITED STATES BANKRUPTCY COURT Central DISTRICT OF California		PROOF OF CLAIM
Name of Debtor: James C. Gianulias	С	Case Number:
	8	3:08-bk-13150-RK
NOTE: This form should not be used to make a claim for an administrative expense arising after the comme	ence	ment of the case. A request for payment
of an administrative expense may be filed pursuant to 11 U.S.C. § (Name of Creditor (the person or other entity to whom the debtor owes money or property):	_	·
Name of Creditor (the person or other entity to whom the debtor owes money or property): The Bank of New York Mellon fka The Bank of New York as Trustee for CHL Mortgage Pass-Through Trust 2003-48 Mortgage Pass-Through Certificates, Series 2003-48 Name and address where notices should be sent:		1 Check this box to indicate that this claim amends a previously filed claim.
BAC Home Loans Servicing, LP		ourt Claim
7105 Corporate Drive PTX-B-35	Ni	umber: (If known)
Plano, TX 75024		•
Telephone number: (972) 498-6083	1"	iled on:
Name and address where payment should be sent (if different from above):	力	Charle this have if you are aware that
		Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.
Telephone number:		Check this box if you are the debtor or trustee in this case.
1. Amount of Claim as of Date Case Filed: \$1,369,790.88	 	. Amount of Claim Entitled to Priority
If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.	-	under 11 U.S.C. §507(a). If any portion of your claim fails in one of the
If all or part of your claim is entitled to priority, complete item 5.		following categories, check the box and state the amount.
Check this box if claim includes interest or other charges in addition to the principle amount of claim. Attach Itemized statement of interest of charges.	1	pecify the priority of the claim.
2. Basis for Claim: Adjustable Rate Note Dated 6/13/03 (See instruction #2 on reverse side.)		Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).
3. Last four digits of any number by which creditor identifies debtor:3528 (C.094-5875)		
Debtor may have scheduled account as:		\$10,950*) earned within 180 days before filing of the bankruptcy petition or Cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507
4. Secured Claim: (See instruction #4 on reverse side.)	1	(a)(4).
Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.		Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5)
Nature of property or right of setoff: ☑ Real Estate ☐ Motor Vehicle ☐ Other Describe: 21 Atlantis Cove, Newport Beach, California		Up to \$2,425* of deposits toward
Value or Property:\$ Annual Interest Rate%	ĺ	services for personal, family, or households use - 11 U.S.C. §507 (a)(7).
Amount of arrearage and other charges as of time case filed included in secured claim,		Taxes or penalties owed to governmental
If any: \$ 0.00 Basis for perfection: Note and Deed of Trust		units - 11 U.S.C. §507 (a)(8).
Amount of Secured Claim: \$ 1,369,790.88 Amount Unsecured: \$		Other - Specify applicable paragraph of
Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.	ĺ	11 U.S.C. §507 (a)(). Amount entitled to priority:
7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes,	ĺ	\$
pararidad orders, invoices, itemized statements or rinning accounts contracts judgments and accounts	ĺ	\$
evidence of perfection of a security interest. You may also attach a summary. (Conjunt of the security interest of the summary of the security interest of the security int	*Ar	mounts are subject to adjustment on
Samulation of reverse side.)	4/10	0/10 and every 3 years thereafter with spect to cases commenced on or after the
DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.	date	le of adjustment.
If the documents are not available, please explain:		
Date: 09/03/09 Signature: The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this grain.	Т	FUED
different from the notice address above. Attach copy of power of attorney, if any.	e if	FORCELETOLY
Prober & Raphael, A Law Corporation /s/ Homan Mobasser		SEP 10 2009

Case Name James C Gianulias	
Unpaid Principal Balance	\$ 1,369,790 88
Reinstatement	
Total Reinstatement	\$ 0 00
'TOTAL UNPAID PRINCIPAL PLUS REINSTATEMENT	, \$ 1,369,790 88
Post-petition, pre-confirmation fees have and/or will be incurred proceeding for the preparation and filing of this POC and for the been included in the arrearage claim to be paid by the trustee but an Amended Proof of Claim upon request and if permitted by the	ereview and/or Objection of any Plan This amount has not t will be added to the subject loan. The fee will be added to

PROBER & RAPHAEL ATTORNEYS FOR MOVANT P O Box 4365 Woodland Hills CA 91365-4365 (818) 227-0100

SPECIAL NOTICE

THE FOLLOWING NOTICE IS GIVEN TO YOU IN THE EVENT THAT THE FEDERAL FAIR DEBT COLLECTIONS ACT APPLIES TO THIS COMMUNICATION

The following statement provides you with notice of certain rights which you may have by law Nothing in this statement modifies or changes the hearing date or response time specified in the attached documents or your need to take legal action to protect your rights in this matter. No provision of the following statement modifies or removes your need to comply with local rules concerning the attached documents.

CONSUMER DISCLOSURE

This communication is made in an attempt to collect on a debt or judgment and any information obtained will be used for that purpose

Please be advised that if you notify The Bank of New York Mellon's attorneys in writing within 30 days that all or a part of your obligation or judgment to

The Bank of New York Mellon is disputed, then The Bank of New York Mellon's attorneys will mail to you a written verification of the obligations or judgment and the amounts owed to The Bank of New York Mellon. In addition and upon your written request within 30 days, you will be provided with the name and address of the original creditor, if different from the current creditor.

In re	James C Gianulias		CHAPTER	11
		Debtor(s)	CASE NUMBE	R8 08-bk-13150-RK

NOTE When using this form to indicate service of a proposed order, **DO NOT** list any person or entity in Category I Proposed orders do not generate an NEF because only orders that have been entered are placed on the CM/ECF docket

PROOF OF SERVICE OF DOCUMENT

	TROOF OF OL	ATTOE OF BOOGHIEM
I am over the age of	f 18 and not a party to this bankrupt	cy case or adversary proceeding My business address is
Prober & Raphael A	Law Corporation	
20750 Ventura Blvd	suite 100 Woodland Hills CA 9136	4
The foregoing docui	ment described PROOF OF CLAIM	
		will be served or was served (a) on the judge in 5-2(d), and (b) in the manner indicated below
Order(s) and Local to the document Or proceeding and details	Bankruptcy Rule(s) ("LBR) the fore n_August 28_2009I checked	ELECTRONIC FILING ("NEF") – Pursuant to controlling General egoing document will be served by the court via NEF and hyperlink the CM/ECF docket for this bankruptcy case or adversary are on the Electronic Mail Notice List to receive NEF transmission
See 1 III Addendum		
		Service information continued on attached page
On 09/10/09 address(es) in this benvelope in the Unit	I served to bankruptcy case or adversary proce ted States Mail, first class postage audge here constitutes a declaration	dicate method for each person or entity served) the following person(s) and/or entity(ies) at the last known eding by placing a true and correct copy thereof in a sealed prepaid, and/or with an overnight mail service addressed as that mailing to the judge will be completed no later than 24 hours
III <u>SERVED BY PI</u>	ERSONAL DELIVERY, FACSIMILE	Service information continued on attached page TRANSMISSION OR EMAIL (indicate method for each person or
entity served) Puis person(s) and/or en facsimile transmissi	uant to F R Civ P 5 and/or controlli itity(ies) by personal delivery, or (for	ng LBR on I served the following those who consented in writing to such service method) by the judge here constitutes a declaration that personal delivery on
		Service information continued on attached page
I declare under pen	alty of perjury under the laws of the	United States of America that the foregoing is true and correct
09/10/09	Danielle Seth-Hunter	/s/ Danielle Seth-Hunter
Date	Type Name	Signature

January 2009 F 9013-3 1

SERVICE LIST

Honorable Robert N Kwan U S Bankruptcy Court Ronald Reagan Federal Building 411 W Fourth Street Suite 5165 Santa Ana CA 92701-4593 JUDGE'S COPY

James C Gianulias 1105 Quail Street Newport Beach CA 92660

Alan J Friedman Esquire 840 Newport Center Drive Suite 400 Newport Beach CA 92660

James E Till 601 S Figueroa Street 30th Floor Los Angeles CA 90017

California National Bank 221 S Figueroa Street Los Angeles CA 90012-2552

Joshua D Wayser 2029 Century Park East Suite 2600 Los Angeles CA 90067-3012

Famille Holdings LP 27675 Chapala Mission Viejo CA 92692

Jess R Bressi 19800 MacArthur Blvd Suite 500 Irvine CA 92612-2435

M W Housing Partners III LP c/o Perkins Coie LLP 1620 26th Street 6th Floor Santa Monica CA 90404-4013

Lori Scott 1301 Fifth Avenue Suite 3100 Seattle WA 98101

Steven G Polard 1620 26th Street Suite 600 S Tower Santa Monica CA 90404

Michael J Hauser Office of the U S Trustee 411 West 4th Street Suite 9041 Santa Ana CA 92701-4593

Daniel A Lev 333 S Hope Street 35th Floor Los Angeles CA 90071

Whitman L Holt 1901 Ave of the Stars 12th Floor Los Angeles CA 90067

Addendum

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United States Trustee (SA) ustpregion16 sa ecf@usdoj gov

Matthew S Walker matthew walker@pillsburylaw com,

sue hodges@pillsburylaw com,pamela breeden@pillsburylaw com

Joshua D Wayser Joshua wayser@kattenlaw com

TAMINATIVA IN CONTRACT IN WINDLINGS

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] [Name of Recording Jurisdiction]

LOT 33 OF TRACT NO 15851, IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA,
AS SHOWN ON A MAP RECORDED IN BOOK 795, PAGES 31 TO 36 INCLUSIVE OF
MISCELLANEOUS MAPS, RECORDS OF ORANGE COUNTY, CALIFORNIA

CAEWAY

Recording Requested By

MARTIN-LAWLEY

This Document

electronically recorded by Gateway Title Company

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

46.00

2003000733161 08·00am 06/24/03

104 42 D11 21

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After Recording Return To

COUNTRYWIDE HOME LOANS. INC MS SV-79 DOCUMENT PROCESSING 1800 Tapo Canyon Simi Valley, CA 93063-6712 Prepared By

NGUYEN

CHL 001 **D2** 001

(Space Above This Line For Re

3032206-3-

16265-7

[Escrow/Closing #]

[uoc ID #]

DEED OF TRUST

MIN 1000

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 13, 2003 with all Riders to this document.

, together

(B) "Borrower" is

JAMES C GIANULIAS, AN UNMARRIED MAN

Borrower's address is

21 ATLANTIS COVE, NEWPORT BEACH, CA 92657-

THIS IS CENTIFIED TO BE A TRUE AND

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

Page 1 of 16

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VMP MORTGAGE FORMS (800)521 7291





			DOC	
Borrower is the trustor under the	his Security Instrum	ent.		
(C) "Lender" is				
COUNTRYWIDE HOME LOAM	NS, INC.			
Lender is a CORPORATION	La lawa of NEW VA	יח		
organized and existing under the Lender's address is	ne laws of MEW TO	KN		
4500 Park Granada, Ca	alahasas ra c	1302-1613		
(D) "Trustee" is	riususus, on s	1305 1013		
CTC REAL ESTATE SERVI	ICES			
155 NORTH LAKE AVENUE		CALIFORNIA 91	.109	
(E) "MERS" is Mortgage Ele				corporation that is acting
solely as a nommee for Lend				
Security Instrument. MERS				and has an address and
telephone number of PO Box				
(F) "Note" means the promi		by Borrower and o	dated JUNE 13,	2003 The
Note states that Borrower owe ONE MILLION THREE HUI		ONE THOUGHD	and 00/100	
Dollars (U.S. \$1,371,000				ou this dobt in romitor
Periodic Payments and to pay				ay mis deor in telinin
(G) "Property" means the p				ransfer of Rights in the
Property "	brokers, muc 12 con			TOTAL OF TABLET IN THE
(H) "Loan" means the debt e	videnced by the No	te, plus interest, any	prepayment cha	ges and late charges due
under the Note, and all sums d	ine under this Securi	ty Instrument, plus	interest.	
(I) "Riders" means all Riders	s to this Security Ins	trument that are exe	cuted by Borrow	er The following Riders
are to be executed by Borrowe	er [check box as app	licable]		
W Administration was				
X Adjustable Rate Rider	Condominium		Second Ho	
Balloon Rider VA Rider	Biweekly Pay	Development Rider	1-4 Family Other(s) [s	
L VA KOO	Diweekly Fay	HEIR KIGEI		респуј
(J) "Applicable Law" means	s all controlling app	licable federal, state	and local statutes	s, regulations, ordinances
and administrative rules and	orders (that have the	e effect of law) as v	vell as all applica	ble final, non-appealable
judicial opinions.				
(K) "Community Association	on Dues, Fees, and	Assessments" me	ans all dues, fee	s, assessments and other
charges that are imposed on I or similar organization.	somower or the Pro	perty by a condomi	num association,	homeowners association
(L) "Electronic Funds Tran	refort magne any tr	anefor of funda oth	or than a transca	tran programmetral has abando
draft, or similar paper instru	isici ilicans any u iment which is ini	austed through an e	ler ulan a ulansac	uon onginated by check,
computer, or magnetic tape	so as to order, insti	nice or authorize a	financial institut	non to debit or credit an
account Such term includes,	but is not limited to.	noint-of-sale transi	fers, automated te	Her machine transactions
transfers initiated by telephon	e, wire transfers, and	i automated clearing	shouse transfers	IMPONIENT HIMEEUNON
(M) "Escrow Items" means	those items that are	described in Section	3	
(N) "Miscellaneous Proceed	is" means any comp	pensation, settlemen	t, award of dama	iges, or proceeds paid by
any thurd party (other than in	surance proceeds pa	id under the coverage	ges described in S	Section 5) for, (i) damage
to, or destruction of, the Pro	perty, (11) condemn	ation or other taker	ng of all or any p	part of the Property, (m)
conveyance in heu of cond	emnation; or (1V)	nusrepresentations	of, or omissions	as to, the value and/or
condition of the Property				A
				N.
-6A(CA) (0207) CHL	_ (09/02)	Page 2 of 16		initials \
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- (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 (1) 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

IType of Recording Jurisdiction]

LOT 33 OF TRACT NO. 15851, IN THE COUNTY OF ORANGE, STATE OF CALIFORNIA, AS SHOWN ON A MAP RECORDED IN BOOK 795, PAGES 31 TO 36 INCLUSIVE OF MISCELLANEOUS MAPS. RECORDS OF ORANGE COUNTY, CALIFORNIA

Parcel ID Number: 47722109 21 ATLANTIS COVE, NEWPORT BEACH

which currently has the address of

California 92657 -

("Property Address")

[Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property" Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of those interests, including, 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.

[Street/City]

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BORROWER COVENANTS that Borrower is lawfully seised 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 reheve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

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

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

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

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3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property, (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5, and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender m 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 warver, 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

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

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

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

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

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

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

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

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

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

7. Preservation, Maintenance and Protection of the Property; Inspections. Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property Whether or not Borrower is residing in the Property. Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not reheved 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 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 heu of Mortgage Insurance Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the

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premiums required to maintain Mortgage Insurance in effect, or to provide a non-remindable 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 melude 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

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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 begin 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 Successors in Interest of Borrower shall not operate to release the hability 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.

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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 warver 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's change of address, then 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.

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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 remstatement sums and expenses in one or more of the following forms, as selected by Lender (a) cash; (b) money order; (c) cerufied 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 bigant 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

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

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

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

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

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

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

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

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein Trustee shall apply the proceeds of the sale in the following order:

(a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

- 23. Reconveyance. Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Lender may charge such person or persons a reasonable fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law. If the fee charged does not exceed the fee set by Applicable Law, the fee is conclusively presumed to be reasonable
- 24. Substitute Trustee. Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument is recorded and the name and address of the successor trustee Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by Applicable Law This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.
- 25. Statement of Obligation Fee. Lender may collect a fee not to exceed the maximum amount permitted by Applicable Law for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

-6A(CA) (0207)

Page 14 of 18

CHL (09/02)

Initials Form 3005 1/01

DOC I

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

Witnesses*	JAMES C GIANULIAS	(Seal)
dational design of the second		(Seal) -Borrower
	*Accession to the contract of	(Seal) Borrower
		(Seal)

State of California
County of CRANGE

On JUNE 19, 2003

before me, SHANE MARK KARUNARATNE, Notarcy Public

JAMES C GIANULIAS

personally appeared

, personally known to me

(or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to
the within instrument and acknowledged to me that he/she/they executed the same in ins/her/their authorized
capacity(jes), 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

Form 3005 1/01

(Seal)

SHANE MARK KARUNARATNE Commission # 1331346 Notary Public - California Los Angeles County My Comm. Expires Nov 20, 2005 After Recording Return To COUNTRYWIDE HOME LOANS, INC. MS SV-79 DOCUMENT PROCESSING P.O.Box 10423 Van Nuys, CA 91410-0423

- [Space Above This Line For Recording Data] ----

FIXED/ADJUSTABLE RATE RIDER

(LIBOR One-Year Index (As Published In The Wall Street Journal) - Rate Caps)

Prepared By KYLE V. NGUYEN

16265-7 [Escrow/Closing #]

[Doc ID #]

CONV

• MULTISTATE FIXED/ADJUSTABLE RATE HIDER WSJ One-Year LIBOR Single Family INTEREST ONLY 1U795-XX (04/02)(d) Page 1 of 4







DOC II

THIS FIXED/ADJUSTABLE RATE RIDER is made this THIRTEENTH day of JUNE, 2003 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 Fixed/Adjustable Rate Note (the "Note") to COUNTRYWIDE HOME LOANS, INC.

("Lender") of the same date and covering the property described in the Security Instrument and located at 21 ATLANTIS COVE, NEWPORT BEACH, CA 92657

[Property Address]

THE NOTE PROVIDES FOR A CHANGE IN BORROWER'S FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE. THE NOTE LIMITS THE AMOUNT BORROWER'S ADJUSTABLE INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE BORROWER MUST PAY.

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

A. ADJUSTABLE RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial fixed interest rate of 4.875 % The Note also provides for a change in the initial fixed rate to an adjustable interest rate, as follows:

4. ADJUSTABLE INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The mitial fixed interest rate I will pay will change to an adjustable interest rate on the first day of JULY, 2013, and the adjustable interest rate I will pay may change on that day every 12th month thereafter. The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate could change, is called a "Change Date"

(B) The Index

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

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

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding TWO & ONE-QUARTER percentage points (2.250 %) to the Current Index The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0 125%) Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date

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

CONV

 MULTISTATE FIXED/ADJUSTABLE RATE RIDER - WSJ One-Year LIBOR Single Family INTEREST ONLY 1U796 XX (04/02) Initials TH

DOC ID

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 9 875 % or less than 2.250 %. Thereafter, my adjustable interest rate will never be increased or decreased on any single Change Date by more than two percentage points from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 9 875 %

(E) Effective Date of Changes

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

(F) Notice of Changes

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

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

1 Until Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument shall 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.

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

2 When Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Uniform Covenant 18 of the Security Instrument described in Section B1 above shall then cease to be in effect, and the provisions of Uniform Covenant 18 of the Security Instrument shall be 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

CONV

 MULTISTATE FIXED/ADJUSTABLE RATE RIDER - WSJ One-Year LIBOR - Single Family INTEREST ONLY 10796-XX (04/02) Initials A

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 also may 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, Fixed/Adjustable Rate Rider.	Borrower accepts and agrees to the terms and covena	ints contained in this
	Od Le	(Seal)
	JAMES C. GIANULIAS	-Borrower
		(Seal)
		-Borrower
		(Seal)
		-Borrower
		(Seal)
	•	-Borrower

CONV

 MULTISTATE FIXED/ADJUSTABLE RATE RIDER WSJ One-Year LIBOR - Single Family INTEREST ONLY 1U796-XX (04/02)
 Page 4 of 4

GOVERNMENT CODE 27361.7

I CERTIFY UNDER PENALTY OF PERJURY THAT THE NOTARY SEAL ON THE DOCUMENT TO WHICH THIS STATEMENT IS ATTACHED READS AS FOLLOWS
NAME OF NOTARY SHANE MARK KARU HARATHE
DATE COMMISION EXPIRES NOV 20, 2005
COUNTY WHERE BOND IS FILED LOS ANGELES
COMMISSION NUMBER 1331346
MANUFACTURER / VENDOR NUMBER - ~~ / /
PLACE OF EXECUTION ORANGE DATE 6-23-03
SIGNATURE CON (Sterence
I CERTIFY UNDER PENALTY OF PERJURY AND THE LAWS OF THE STATE OF CALIFORNIA ILLEGIBLE PORTION OF THIS DOCUMENT READS AS FOLLOWS
~~
PLACE OF EXECUTION DATE
SIGNATURE

Presumed by MISUAEL & WALTERS

7.OA

InterestOnlySM ADJUSTABLE RATE NOTE (One-Year LIBOR Index (As Published in The Wall Street Inurnal) - Rate Caps)

This note contains provisions allowing for a change in my fixed interest rate to an adjustable interest rate and for changes in my monthly payment. This note limits the amount my adjustable interest rate can change at any one time and the maximum rate i must pay

SCOR LE, RODS

(Due)

GLENDATO

CALIFORNIA

(City)

2. ATLANTIS COVE. NIWFORI BEACK CA 92657 [Property Address]

1. Borrower's promise to pay

In some for a least that I have resolved, I promise to pay U.5 & I 371,000 BB (this amount is called "Principal") plus interest, to the order of Lendon, Lendor of Coldant Stock of the Coldant Stock

Interest will be drarged on unpaid principal until the full amount of Principal has been paid. I will pay interest of a yearly rate of 4 975 %. The interest rate I will pay may change in secondance with Section 4 of this Note.

The interest rate required by this Section 2 and Section 4 of this Note is the rate I will pay both before and ofter any default described to Section 7(0) of this Note.

A PAYMENTS

A. Parments

(A) There and Place of Payments

I will make a payment on the first day of every month, beginning on August 01, 2003

I will make a payment on the first expense that as described in Section 4 of this Pote my flagment will consist only of the interest due on the impaid principal minimum of this Note Thereafter, I will pay municipal and interest by making a payment every months as provided below.

I will make my monthly payments of principal and innerest beginning on the First Francipal and Interest Payment Due Date as described in Section 4 of this Note, I will make these payments over month until I have paid all of the minoipal and interest and any other charges dearthood below that I may own under this Note. Each monthly payment will be applied as of us schooled due date, and if the payment includes both principal and interest, it will be applied to microst before Principal. If, an outly of 1. 2013.

It till own amounts these this Note, I will pay those amounts in full on that date, which is called

Taill owe amounts under this Note, I will pay those amounts in full on that date, which is called the Manyiy Date.

I will make my monthly payments at 1 will on the College of the Manying of the Manying of the Note Holder of the Amount of My Initial Monthly Payments My monthly payment will be in the amount of U.S. 55, 569.69 before the First Pameipal and Interest Payment Date. But, and thereafter will be in an amount conficient to repay the principal and interest at the rate determined as described in Section 4 of this Note in substantially equal intellments by the Monthly Date. The Note Holder will notify me prior to the date of change in monthly payment. Changes in the monthly payment will reflect changes in the unpaid principal of my lean and in the interest rate that I must pay The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 or 5 of this Note.

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4 Adjustable interest hate and monthly payment changes

A ADJUSTABLE INTEREST RATE AND MONTHLY PARMENT LIBOURS

(A) Change Dates

The initial fixed interest rate I will pay will change to an adjustable interest rate on the fixet day of JULY, 2013, and the adjustable interest rate I will pay may change on that day every 12th month thereafor The date on which my initial fixed interest rate changes to an adjustable interest rate, and each date on which my adjustable interest rate, and each date on which my adjustable interest rate could change, is called a "Change Date".

(B) The index

Beginning with the first Change Date, my adjustable interest rate will be based on an Index The "Index" is the average of interbank offered rates for one-year U.S dollar-domeniasted deposits in the London market (LIBOR), as published in The Wolf Street Journal. The must recent index figure available as of the date 45 days before each Change Date is called the "Counter 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 (C) Calculation of Changes

(c) Customeror of change Date the Note Holder will calculate my new interest rate by adding

140 s ONZ-QUARTER percentage points 2.250 %) to the Current Index. The Note Holder will then

cound the rately of this addition to the nearest one-sighth of one percentage paint (0 125%) Subject to the limits stated in

Section 4D) below, this rounded amount will be my new interest rate until the next Change Date

The Note Holder will then determine the amount of the monthly payment that would be cufficient to repay the unfall

principal that I am expected to own at the Change Date in full on the Manney Date at my new interest rate in substantially equal

principal that I am expected to own at the Change Date in till on the Maunity Date at may new interest rate in substantially equal payment. The result of this calculation will be the now amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 9 875 % or last than 1-2.250 % Thereafter, my adjustable interest rate will never to increased or decreased on any single Change Date by more than two percentage points from the rate of interest I have been paying for the preceding 12 months My interest rate will never be greater than 9 875 %

(E) Effective Date of Changes

My interest rate with provide a facility of each Change Date I will now the provided from pay monthly expensed.

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

(F) Notice of Changes

(c) reduce at the negative date of any change in my interest rate and/or monthly payment, the Note Rolder will deliver or mail to me a nodes of such change. The nodes will include information required by law to be given to me and also the title and telephone number of a person who will entwer any question I may have regarding the nodes.

(G) Date of First Principal and Interest Payment.

The date of my hirst payment consisting of both puncipal and interest on this Note (the First Frincipal and Interest Payment Due Date) about the first monthly payment date after the first Change Date.

5 BORROWER'S RIGHT TO PREPAY

5 HORROWER'S RIGHT TO PREPAY

Linvo the right to make payments of Principal at any time belong they are due. A payment of Principal only is known as a Trapsyment, "When I make a Prepayment. I will left the Note Holder in writing that I am doing so I may not designate a payment as a Prepayment if I have not made all the menthly payments due under this Note

I may make a full Propayment or partial Prepayments without paying may Prepayment charge. The "York Holder will use my Prepayments to reduce the amount of Frincipal that I new under the Note Holder of Holder may apply my Prepayments to the accrued and unpuld interest on the Prepayment amount before applying my Prepayment to reduce the Erimpal amount of the Note. If I make a partial Prepayment amount is made during the period when my monthly payments consisted only interest, the amount of the monthly payment will decrease for the term when my partial Prepayment consisted only interest, the amount of the monthly payment will decrease for the term when my partial Prepayment consisted only interest. If the partial Prepayment will decrease for the term when my partial Prepayment payments consisted only interest. If the partial Prepayment is made during the period when my payments consist of principal and interest my partial Prepayment from monthly payments after the first Change Date following my partial Prepayment However any reduction that to my partial Prepayment may be offset by an interest rule literess.

6. LOAN CHARGES

If a law which applies to this loan and which sets maximum loan charges is finally interpreted so that the interest or prince loan charges collected or to be collected in connection with the loan exceed the permitted limits when (a) any care heavy collected from the reduced by the account necessary to reduce the charge to the permitted limit, and (b) any carea heavy collected from no that exceeded permitted limits will be refunded to me. The Note Holder may choose to make thus refund by reducing the Principal I own under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a marked Principal. as a partial Propaymen

HORROWER'S FAILURE TO PAY AS REQUIRED

[A) Late Charges for Overtice Payments

If the Note Holder lies not received the full remainst of any manifely payment by the end of FFFTEN extender

days after the date it is due, I will gay a late charge to the Note Holder. The amount of the charge will be \$ 000 % of my

overdue payment, of interest, duding the period when my payment is interest only and of principal and interest thereafter I will

pay this late charge promptly but only once on each late payment.

[B) Default

[B] Default

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

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(C) Notice of Defenit
If I an in default, the Note Holder may send me a watton nonce telling me that if I do not pay the overdue amount by a
certain date the Note Holder may require me to pay immediately the felt amount of Principal that has not been gaid and all the
interest that I owe on that amount. That date must be at least 30 days after the date on which the antice is mailed to me or

delivered by other matter.

(D) No Walver By Note Visider

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

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

If the Note Holder has required me to pay immediately in full at described above, the Vote Fielder will have the right to be

If the Note Holder has required me to pay immediately in full at described above, the Vote Fielder will have the right to be valid back by me for all of its crast and expenses in controlling this toro to the extent not prohibited by applicable law. Those expenses include, for example, reasonable morrows fired.

a visual OF NATICES

Unless applicable law requires a different method, any nonce that most be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if 1 give the Note Holder a nonce of my different address. But he Note Holder a nonce of my different address a different method, any nodes that must be given to the Note Holder under this Note Ollers the Note Holder under this Note Holder under this Note address of mailing it by first class small to the Note Holder at the address stand in Section 3(A) above or at a different address if I am given a notice of that different address.

9 OBLIGATIONS OF PERSONS UNDER THIS NOTE

There there are person signs this note, each person is fully and personally obligated to keep all of the promises made in the Note, including the promise to pay the full amount ewed. Any person who is a guaranter surely or endonce of this Note is also obligated to do those things. Any person who excesses obligated in its including the obligations of a guaranter surely or endonce of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to have all of the account and of the state of the account and of the state and of the state o pay all of the amounts owed under this Mote.

IN WAIVERS

I and any other person who has abligations under this Note waive the rights of Pretentrisat and Notice of Dishonor "Pretentment" means the right to require the Note Holder to demand payment of amounts due "Notice of Dishonor" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid

This Note is uniform instrument with limited variations in some judicitions in addition to the processors given to the Note Holder under this Note, a Morgage. Deed of Trust or Security Deed (the "Security Instrument") dated the same date as this Note, protect the Note Holder from possible leaves that might result if I do not keep the promises that I make in this Note. That Security Instrument describes how and under what conditions I may be required to make annualize payment in full of all amounts I owe under this Note. Some of those conditions read as follows:

(A) Until my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above Uniform Coremant 18 of the Security Interment shall each as follows

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

If all or any pair of the Property or any interest in it is told or transferred (or if Riomewer is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's gaior whem conson, Lender may at its option, require instanciate payment in full of all soms secured by this Security Instrument. However, this option shall not be executed by Londer if exercise is prohibiled by federal law

If Lender exercises his upono Lender shall give Borrower notice of exceleration. The notice that provide a great of not less than 30 days from the date the notice as given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument without further notice or demand on Borrower

(B) When my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above Uniform Covenant 18 of the Security Institutional described in Section 11(A) above shall then cause to be in effect, and Uniform Covenant 18 of the Security Instrument chall include raid as follows.

Transfer of the Property or a Reccelled Interest in Dorrower As used in this Section 18, "Interest in the Property means say legal or beneficial inspect in the Property including, but not limited to, those beneficial interest transferred in a food for dead, contract for Gord, installment sales nontract or exceed agreement, the invent of which is the transfer of title by Burnaver at a finite date to a purchaser

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If all or any part of the Property or any Inscreet 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 pilor written consent. Lender may require interesting payment in full of all sums secured by this Security Instrument. However the option shall not be carefuled by Lender is given exercise is prohibited by Applicable Law. Lender also shall not exclude the option if (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intereded ordinate on the instrument is now were being made to the transferre and (b) Lender resonately determines that Lender's required will not be implaned by the loan assumption and that the risk of a breach of any coverant or agreement in this Security Instrument is accaptable to Lender.

To the extert permitted by Applicable Lew. Lender may charge a reasonable for us a condition to Lender consent to the loan assumption. Lender may also require the transferre to sign an assumption agreement that is acceptable to Lender and that obligates the transferre to keep all the promises and agreements made in the Note and in the Security Instrument Lender with Security Instrument in the lost exercises the option to require unmediate payment in full Lender shall give Berrower notice of seculeration. The notice chail provide a period of not less than 30 days from the date the notice is given in accordance with Security Instrument. If Berrower facile to pay these sums prior to the expiration of the period. Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on the period. Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on the period. Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on the period.

(Seal)	These the Hand(s) and Seal(s) of the Undersigned
(Scal) Bannett	
(Seal) Horo-tr	Name and apply detailed in Principle And Apply Apply And Apply Apply Apply And Apply Apply Apply Apply Apply And Apply
(Ecsl)	who and the second
(Sign Original Oxis)	

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DATE 06/13/2003 BORROWER JAMES C GIANULIAS CASE#

LOAN #

PROPERTY ADDRESS 21 ATLANTIS COVE NEWPORT BEACH, CA 92657 Branch # 0000012 118 WEST STOCKER AVENUE GLENDALE, CA 91202 Phone (818) 550-8700 Br Fax No : (818)551-9915

NON-CONFORMING "INTEREST ONLY" FIXED PERIOD LIBOR ARMS

This disclosure describes the features of an Adjustable Rate Mortgage (ARM) program you are considering Information about our other ARM programs will be provided upon request. HOW YOUR INTEREST RATE AND PAYMENT ARE DETERMINED

 After the first three five seven or ten years of your loan as applicable your interest rate will be based on an index rate plus a margin. Please ask us for our current interest rates and margins The "Index" is the average of interbank offered rates for one year U.S. dollar-denominated deposits in the London market (LIBOR") as published in The Well Street Journal Your Initial interest rate is not based on the index used to make later adjustments if the initial interest rate is below the sum of the then-current index plus margin (the "fully indexed rate"), then the initial interest rate will be a "discounted" interest rate if the initial interest rate is above the fully indexed rate. Places ask us for the amount of our ourent interest rate discounts and premiums

	3/1 ARM	5/1 ARM	7/1 ARM	YO/1 ARM
		How Your Interest	Rate Can Change	
our Interest rate can change	After 3 years and annually thereafter	After 5 years and annually thereafter	After 7 years and annually thereafter	After 10 years and annually thereafter
		How Your Paym	ent Can Change	
ach time your interest rate changes he new interest rate will equal the sum of the index plus the margin, subject to he following limits	Your Interest rate will be rounded to the nearest 1/8%	• Your Interest rate will be rounded to the πearest 1/8%	Your Interest rate will be rounded to the nearest 1/8%	 Your Interest rate will be rounded to the neares 1/8%
ne following limits	On the first change date, your interest rate can increase or decrease by 2.0%	On the first change date, your interest rate can increase or decrease by 5 0%	On the first change date your interest rate can increase or decrease by 5 0%	On the first chang date, your interest rat can increase of decrease by 5 0%
	On each subsequent change date, your interest rate will not increase by more than 20%	change date, your interest rate will not increase by more than 20%	change date your interest rate will not increase by more than 20%	 On each subsequer change date, you interest rate will no increase by more the 20%
	Your Interest rate will not increase by more than 60% over the life of your loan	Your interest rate will not increase by more than 50% over the life of your toan	Your Interest rate will not increase by more than 50% over the life of your loan	Your Interest rate we not increase by moithan 50% over the life of your loan.
Your monthly payments will cover nterest only	your loan	your loan	For the first 7 years of your loan	your loan
f you make voluntary principal sayments during the interest only seriod	Your required interest only	payment will be reduced to	reflect the decrease in your k	can amount
Your monthly payments can change	Each time the interest rate interest rate	changes and can increase	or decrease substantially b	ased on the changes in t
For the first 3, 5, 7 or 10 years of your ic period, your monthly payments will begin period ends even if your interest rate sta	ean, as applicable, your regu to reduce your loan balance you the same or goes down	lar monthly payments will no This means that your payn	ot reduce your loan balance nents could increase substan	After this initial interest-or tially when the interest-or
You will be notified in writing	At least 25, but no more	than 120 days, before the the Index, your interest rates	due date of a payment at a , payment amount, and loan	i new level. This notice v balance
	The examples below illust	rate interest rate and payme	ent changes based on a \$10	.000. 30-year loan using
		on the first business day of		
			rest rate (below sum of in	dex and margin)
nilial Interest Rate	4 5 %	4 5 %	4 5 %	4 5 %
vlaximum Interest Flate	10.5 %	9 5 %	95%	95%
First Year Payment	\$ 37 50	\$ 37 50		
vlaximum payment	\$ 92 06 In the 6th year	\$ 87.37 In the 6th year		
	Exemples of	loans with a premium inte	rest rate (above sum of Ind	ex and margin)
nitlal Interest Rate	6 %	5 %	5 %	5 %
Vlaximum interest Rate	12 %	10 %	10 %	10 %
First Year Payment	\$ 50.00			
Maximum payment	\$ 103 29 In the 6th year			
Note To see what your payment w	ould be, divide your mort	dage amount by \$10,000.		

JAMES C GIANULIAS 6/19/03 Date

Applicant

Applicant

Date

Applicant

Date

Date

Applicant

Conv ● Program Disclosure Interest Only Fixed LIBOR ARM 2D807 US (05/02)(d)





Central District Of California Claims Register

8 08-bk-13150-RK James C Gianulias Converted 07/02/2008

Judge Robert N Kwan Chapter 11

Office Santa Ana Last Date to file claims 11/12/2008

Trustee Last Date to file (Govt)

(24595284)Claim No 62 Creditor Status The Bank of New York Original Filed Filed by CR Mellon Date 09/10/2009 Entered by Raphael, Lee c/o BAC Home Loans Original Entered Modified Date 09/10/2009 Servicing, LP 7105 Corporate Drive PTX-B-35 'Plano, TX 75024 Secured claimed \$1369790 88

Total claimed \$1369790 88

History

<u>Details</u> 62-1 09/10/2009 Claim #62 filed by The Bank of New York Mellon total amount claimed \$1369790 88 (Raphael, Lee)

Description (62-1) 21 Atlantis Cove, Newport Beach, CA

Remarks

Claims Register Summary