B 10 (Official Form 10) (12/08)

UNITED STATES BANKRUPTCY COURT Middle District of Florida, Jacksonville Div. | **PROOF OF CLAIM**

Name of Debtor: Taylor Bean and Whitaker Mortgage Corporation | Case Number: :09bk07047

NOTE: *This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.*

Name of Creditor (the person or other entity to whom the debtor owes money or property): Scott Allan Schledwitz

☑ Check this box to indicate that this claim amends a previously filed claim.

Name and address where notices should be sent:
5314 Lemon Twist Lane
Windermere, FL 34786

CLAIM FILED
JACKSONVILLE, FLORIDA
FEB 25 2010

Court Claim Number: _____ (*If known*)

Telephone number: (407) 347-8641

Filed on: _____

Name and address where payment should be sent (if different from above):
CLERK, U. S. BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA

Telephone number:

☐ 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.

☐ Check this box if you are the debtor or trustee in this case.

1. Amount of Claim as of Date Case Filed: $ 210,000.00

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.

If all or part of your claim is entitled to priority, complete item 5.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

2. Basis for Claim: Property Deed
(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: tbaw

3a. Debtor may have scheduled account as: _____
(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)
Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: ☑ Real Estate ☐ Motor Vehicle ☐ Other
Describe: Residential Property - 423 S Fairview Avenue Extension, Spartanburg, SC 29302

Value of Property: $ 210,000.00 **Annual Interest Rate** 0%

Amount of arrearage and other charges as of time case filed included in secured claim, if any: $ 0.00 **Basis for perfection:** _____

Amount of Secured Claim: $ 210,000.00 **Amount Unsecured:** $ 0.00

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (*See instruction 7 and definition of "redacted" on reverse side.)*

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.

Specify the priority of the claim.

☐ Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).

☐ Wages, salaries, or commissions (up to $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 (a)(4).

☐ Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).

☐ Up to $2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7).

☐ Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(__).

Amount entitled to priority:

$ _____

**Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.*

Date: 02/15/2010

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 claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Scott Allan Schledwitz

Penalty for presenting fraudulent claim: Fine of up to $500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

FOR COURT USE ONLY

T, B & W Mortgage Corp.
00994

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:
Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

Creditor's Name and Address:
Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. **Amount of Claim as of Date Case Filed:**
State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. **Basis for Claim:**
State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if the trustee or another party in interest files an objection to your claim.

3. **Last Four Digits of Any Number by Which Creditor Identifies Debtor:**
State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:
Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

4. **Secured Claim:**
Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

5. **Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a).**
If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. **Credits:**
An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. **Documents:**
Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). If the claim is based on the delivery of health care goods or services, see instruction 2. Do not send original documents, as attachments may be destroyed after scanning.

Date and Signature:
The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor
A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor
A creditor is a person, corporation, or other entity owed a debt by the debtor that arose on or before the date of the bankruptcy filing. See 11 U.S.C. §101 (10)

Claim
A claim is the creditor's right to receive payment on a debt owed by the debtor that arose on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim
A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. §506(a)
A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim
An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. §507(a)
Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted
A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

Evidence of Perfection
Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim
To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim
Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

Mail original claim and copies of supporting documentation to:

If by regular mail

TB&W Mortgage
c/o BMC Group, Claims Processing
P.O. Box 3020
Chanhassen, MN 55317-3020

If by messenger or overnight courier

TB&W Mortgage
c/o BMC Group, Claims Processing
18750 Lake Drive East
Chanhassen, MN 55317

Once filed, a "Filed" stamped copy of the claim will be returned to the claimant within three (3) business days of docketing **If** the claimant encloses a stamped, self-addressed envelope with a copy of the proof of claim.

The Debtors are:

Taylor, Bean & Whitaker Mortgage Corp.	Case No. 3:09-bk-07047-JAF□
REO Specialists, LLC	Case No. 3:09-bk-10022-JAF□
Home America Mortgage, Inc	Case No.□3:09-bk-10023-JAF□□

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

In re: Taylor, Bean & Whitaker Mortgage Corp
Case No. 09-07047

DOCUMENTS APPENDED TO CLAIM

On June 18, 2010, the document(s) identified below were appended to Claim No. 994 for the reason(s) indicated:

☐ Stipulation/Order: Docket No. _____.

☐ New Supporting Document(s).

☐ Letter dated _____ requesting of Withdrawal of Claim No. _____.

☐ Notice of Withdrawal of Claim filed _____, Docket No. _____, for Claim No. _____.

☒ Other: Additional Correspondence sent in by Creditor to Chanhassen

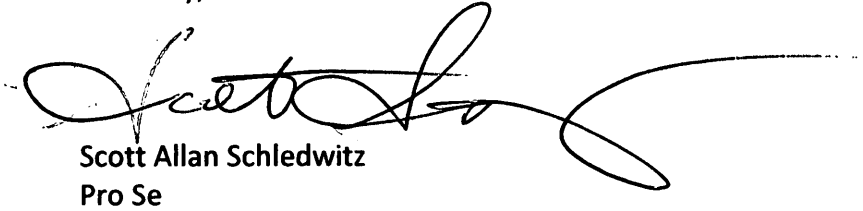
Scott Allan Schledwitz
5314 Lemon Twist Lane
Windermere, FL 34786
June 9, 2010

BMC Group, Inc
Taylor, Bean & Whitaker Mortgage Corp Claims Processing
P.O. Box 3020
Chanhassen, MN 55317-3020

Attached to this previously filed Proof of Claim is supporting documentation for the secured claim. Per Judge Jerry Funk during the hearing data February 19, 2010 regarding Relief from Automatic Stay in *Schledwitz vs. Taylor, Bean and Whitaker,* a secured claim should be filed regarding the real property noted in the following documentation based on Defendant attorney's statement acknowledging wrong doing as claimed by the Plaintiff in Plaintiff's Motion for Relief from Automatic Stay.

Please add the attached as supporting documentation in the secured claim with the Judge's instructions from the aforementioned hearing.

Sincerely,



Scott Allan Schledwitz
Pro Se
June 9, 2010

RECEIVED
JUN 14 2010
BMC GROUP

B 10 (Official Form 10) (12/08)

UNITED STATES BANKRUPTCY COURT Middle District of Florida, Jacksonville Div. | **PROOF OF CLAIM**

Name of Debtor: Taylor Bean and Whitaker Mortgage Corporation | Case Number: :09bk07047

NOTE: *This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.*

Name of Creditor (the person or other entity to whom the debtor owes money or property): Scott Allan Schledwitz

☑ Check this box to indicate that this claim amends a previously filed claim.

Name and address where notices should be sent:
5314 Lemon Twist Lane
Windermere, FL 34786

CLAIM FILED
JACKSONVILLE, FLORIDA
FEB 25 2010

Court Claim Number: _____ (*If known*)

Telephone number: (407) 347-8641

Filed on: _____

Name and address where payment should be sent (if different from above):
CLERK, U. S. BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA

☐ 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: $ 210,000.00

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.

If all or part of your claim is entitled to priority, complete item 5.

☐ Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.

2. Basis for Claim: Property Deed
(See instruction #2 on reverse side.)

3. Last four digits of any number by which creditor identifies debtor: tbaw

3a. Debtor may have scheduled account as: _____
(See instruction #3a on reverse side.)

4. Secured Claim (See instruction #4 on reverse side.)
Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.

Nature of property or right of setoff: ☑ Real Estate ☐ Motor Vehicle ☐ Other
Describe: Residential Property - 423 S Fairview Avenue Extension, Spartanburg, SC 29302

Value of Property: $ 210,000.00 **Annual Interest Rate** 0%

Amount of arrearage and other charges as of time case filed included in secured claim, if any: $ 0.00 **Basis for perfection:** _____

Amount of Secured Claim: $ 210,000.00 **Amount Unsecured:** $ 0.00

6. Credits: The amount of all payments on this claim has been credited for the purpose of making this proof of claim.

7. Documents: Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (*See instruction 7 and definition of "redacted" on reverse side.)*

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☐ Wages, salaries, or commissions (up to $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 (a)(4).

☐ Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).

☐ Up to $2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7).

☐ Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).

☐ Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(__).

Amount entitled to priority:

$ _____

**Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.*

Date: 02/15/2010

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 claim and state address and telephone number if different from the notice address above. Attach copy of power of attorney, if any.

Scott Allan Schledwitz

Penalty for presenting fraudulent claim: Fine of up to $500,000 ...

FOR COURT USE ONLY

T. B & W Mortgage Corp.
00994

FILED
JACKSONVILLE, FLORIDA
JAN 27 2010
CLERK, U.S. BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA

IN THE UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

IN RE:
Scott Allan Schledwitz and
Roxanne Johnson Schledwitz,

Movant
VS.

Taylor, Bean and Whitaker Mortgage Corporation,

Defendant

CASE NO: 3:09-bk-07047-JAF
CHAPTER: 11

MOTION FOR RELIEF OF AUTOMATIC STAY

Movant, Scott Allan Schledwitz and Roxanne Johnson Schledwitz, by *Pro Se*, (hereafter "Movant"), pursuant to 11 U.S.C. Section 362(d), moves the Court for entry of an Order modifying the automatic stay against lien enforcement to permit Movant to pursue its Complaint of Creditor Misconduct, filed in the United States Bankruptcy Court of South Carolina. Relief of Automatic Stay is based on damages caused by Defendant, Taylor, Bean and Whitaker Mortgage Corporation, through willful acts of Violation of Automatic Stay, Creditor Misconduct and Truth in Lending Act and alleges the following:

1. The Movant filed a Chapter 13 Plan on February 7, 2007.
2. The aforementioned case was confirmed on August 29, 2007 CASE Number 07-00666-hb United States Bankruptcy Court of South Carolina.
3. The gravamen of this motion is that despite Movant' confirmed bankruptcy, Defendant has willfully violated the Automatic Stay by applying interest and late charges of pre-petition arrearage (attached Proof of Claim), adjustable rate interest was willfully calculated incorrectly and payment history post-petition was erroneously reported. When payoff statement was requested by Movant, Defendant made a demand of payment for the aforementioned erroneous interest, fees and penalties.

FACTS

1. On November 25, 2005, Movant, executed a $160,000 adjustable rate mortgage with Taylor, Bean and Whitaker Mortgage Corporation secured by the aforementioned first mortgage on their principal residence located at 423 South Fairview Avenue Extension, Spartanburg, South Carolina, 29302. Recorded on November 30, 2005, instrument number MTG-2005-62325, Book 3565, Page 239.
2. On November 25, 2005, Movant, executed a $40,000 fixed rate mortgage with Taylor, Bean and Whitaker Mortgage Corporation secured by the aforementioned second mortgage on their principal residence located at 423 South Fairview Avenue Extension, Spartanburg, South Carolina, 29302. Recorded on November 30, 2005, instrument number MTG-2005-62326, Book 3565, Page 255.
3. On February 29, 2008, Movant' were conditionally approved by Michigan Mutual (a.k.a First Premier Mortgage)for an FHA Mortgage for refinancing of their principal resident that was secured by the aforementioned mortgage with the Defendant. This approval was based on showing 12 months of on time payments made to the Trustee for the Chapter 13 Plan and 12 months of on time payments to the Defendant.
4. On May 7, 2008, the Movant' submitted a Motion to Incur Indebtedness that was approved by the court on June 12, 2008.
5. On or around March, 2008 Movant' received upon request to Defendant, Payoff Statements for aforementioned mortgage with pay history. The statements showed incorrect interest rate applied to the adjustable rate mortgage, an accumulation of interest and late charges on the pre-petition arrearage and a pay history that was incorrectly showing the post-petition pay history (attached Payoff Statement).
6. On or about March, 2008, Movant' attorney requested information from the Defendants' attorney regarding the interest and accumulated fees not covered in the plan that were on the Movant' Payoff Statement(attached Attorney Inquiry Email). Plaintiff also discovered Defendant had updated Plaintiff

mailing address to now reflect Defendant company location at 1417 North Magnolia Avenue, Ocala, Florida 34475(attached in payoff statement).

7. Due to the erroneous Payoff Statement, FHA terms mandated that the conditional approval would be retracted because of the stated post-petition pay history. This required Michigan Mutual to obtain conditional approval from another FHA lender willing to lock the rate while Defendant updated the pay history and pay off statement to reflect the correct post petition pay history and a payoff that accounted for the remaining principal balance and pre-petition arrearage and an estimate of the daily interest rate based on actual payoff date, with no accumulation of interest, fees and other penalties on pre-petition arrearage.
8. On March 31, 2008, Michigan Mutual obtained a new conditional approval with a higher interest rate, based on the Trustee Pay History and awaiting the aforementioned post-petition pay history and adjusted payoff statement for the secured mortgage with the Defendant.
9. On April 30, 2008, Defendants' attorney replied with partial information regarding adjustable interest rate and a pre-petition balance that was different than the pre-petition Proof of Claim amount (attached Korn April 30 Email). Defendant offered no statement correcting post-petition pay history, adjustment to incorrect charges on pre-petition arrearage nor validation or adjustment of Adjustable Rate Interest for the monthly payment.
10. On May 31, 2008, conditional approval for FHA mortgage refinance with Michigan Mutual expired due to the refusal of revised pay statement reflecting corrected adjustable rate interest, reduced over charge for erroneous compilation of late fees and penalty interest and updated post-petition pay history by Defendant.
11. On June 14, 2008, Plaintiff, Scott Allan Schledwitz, had to accept a position with his employer in another state. The new position would guarantee continued income that would allow for the Movant to continue making earnest effort to maintain payment schedules for the Chapter 13 plan, living expenses and mortgage payments to the best of their ability. The new position added undue stress as it required a commute of 540 miles to Lake Mary, Florida with long term absences from the Plaintiff family for the next 56 weeks. Because of the inconsistent payment schedule with amounts and fraudulent actions of the Defendant, alternative employment options would not allow Scott Schledwitz to take employment at slightly lower income nor allow for a Mr. Schledwitz to obtain a second job for additional income to offset any reduction from taking other employment near the Movant' residence.
12. On or around August, 2008, Plaintiff Scott Allan Schledwitz, sought assistance from Dr. Christopher Caston seeking medical assistance due to stress and anxiety directly related to the Defendant's actions and the resulting course taking by the Movant' to continue making payments to the Defendant for the secured mortgage. Mr. Schledwitz was prescribed 500mg of Depakote mid-day to help with the added stress and anxiety. The related stress and anxiety has placed a physical toll on Mr. Schledwitz.
13. On or around October, 2008, Movant' retained attorney Scott Talley to communicate with Defendant regarding aforementioned erroneous activities.
14. On or around November, 2008, Defendant attorney advised Movant' attorney to direct Movant to contact Defendant representative Deo Sengh directly to discuss erroneous activities attributed to accounting issues internal to Defendant.
15. On December 3, 2008, Movant' attempted to retrieve payment statements, Adjustable Rate Interest information that was scheduled to be reset on November 14, 2008, current payoff statements and pay history information through the Defendant's website portal. The website portal located at http://www.taylorbean.com where the Defendant operates a public and private informational website. Defendant provides customers of their secured loan products login and password to view the account information specific to the customer and property secured. The Movant' access to the basic account information they required was intentionally blocked by the Defendant through the online portal(attached Taylor Bean restriction). Per the instructions from the website, Movant contacted the Defendant through the listed telephone number on the Defendant website and were told they were not allowed access but could not be told why access was restricted. This was the Movant' second, documented attempt to retrieve valid information from the Defendant. Defendant deceptively prevented the Movant' from accessing this information.
16. On December 9, 2008, Plaintiff called Defendant and spoke with Defendant representative, Deo Sengh, to discuss the next interest rate adjustment per the term of the Adjustable Rate Rider (attached). Mr. Sengh advised the Movant' that the rate had not been set as of yet and the new payment could not be determined. Mr. Sengh alleged that all statements and related information was being sent directly to

Plaintiff Bankruptcy attorney, Gina McMaster. Movant' requested that Adjustable Rate Interest be reset to the original 7.25% and were informed by Mr. Sengh that would be illegal in bankruptcy and could not be done. Movant asked Mr. Sengh if the mortgage had been sold by Taylor, Bean and Whitaker Mortgage Corporation to another company, leaving Defendant as the loan servicer. Mr. Sengh stated the aforementioned secured mortgage had been sold to Bayview Financial.

17. January 14, 2009, Movant notified court and related creditors of *Pro Se* status.
18. On or about February, 2009, Movant discovered Defendant had not been providing documentation alleged by Deo Sengh, Defendant representative to Plaintiff Bankruptcy attorney regarding Adjustable Rate increase or related payment history– violating mortgage agreement rules regarding written notification for adjustable rate interest per the Adjustable Mortage Rider (attached).
19. On August 25, 2009, Movant were informed by Korn Law Firm that Defendant had sold the mortgage, without notification to the Movant, to Bayview Financial. Date of sale was not provided. This is a violation of the Mortgage agreement (attached) and Truth in Lending Act. This indicates further proof of intentional harm being brought by the Defendant onto the Movant.
20. On November 19, 2009, Movants appeared in United States Bankruptcy Court of South Carolina, presided by the Honorable Judge Helen Burris, to review the complaint filed by the Movant in Bankruptcy Court regarding Violation of Automatic Stay by the Defendant as well as the facts supporting the complaints outlined in the Violation of Automatic Stay. It was noted by the Court that while the Court in South Carolina did not have jurisdiction in this Complaint due to the Defendant's Chapter 11 Bankruptcy filing, it would stay engaged through the Movants' Trustee as to any and all actions resulting from the aforementioned complaint. It was also recommended that the complaint be facilitated through the United States Bankruptcy Court of Middle Florida, where the Defendant has filed its Chapter 11 Bankruptcy.

AUTOMATIC STAY APPLIES TO THE DEFENDANT

21. Section 362 states action to collect a debt. Specifically, § 362(a)(6) protects Movant from creditors that are acting in any capacity to collect, assess or recover a claim against him that arose before the commencement of the bankruptcy proceedings.
22. Movant are enjoined by the automatic stay from creditor attempts to collect a debt, including having an accumulation of interest, fees and charges related to pre-petition arrearages in a demand for payment.
23. The filing and confirmation of bankruptcy effectuates automatic of all proceedings against debtor effective the date the petition is filed.

COUNT II: THE COLLECTION OF DEBT BY DEFENDANT VIOLATES AUTOMATIC STAY

24. Once a creditor receives notice of a Chapter 13 bankruptcy filing, creditor has an affirmative duty to undo its violations of automatic stay.
25. There can be no doubt that the defendant had knowledge of the Movant' confirmed bankruptcy case.
26. Defendant is listed as a creditor in Movant' bankruptcy case under Schedule D.
27. Defendant repeatedly violated the automatic stay when, with knowledge of debtor's Chapter 13 bankruptcy filing, continued to charge interest, fees and related penalties on the pre-petition arrearage amount after petition filing that accumulated to over $6,000.
28. Defendant violated the automatic stay by stating that the interest, fees and related penalties on pre-petition arrearage would be collected to satisfy the payoff of the aforementioned secured mortgage for the refinancing provided by Michigan Mutual.
29. Plaintiff made several good-faith attempts to have the overcharge of interest, fees and related penalties as well as accurate adjustment with schedule for the adjustable rate mortgage and corrected post-petition pay history, including the hiring of separate legal counsel.
30. Defendant's actions of applying interest, fees and penalties and further refusing to correct them are in direct violation of the automatic stay.

COUNT III: VIOLATION OF THE STAY WAS WILLFUL

31. Movant incorporate all previous allegations by reference is if restated herein.
32. Defendant has acted with blatant disregard to court rules and procedures.
33. Defendant was listed as a creditor on Movant' bankruptcy petition and been advised on their bankruptcy.

34. Based on Defendants actions of deliberately applying interest, fees and other penalties to the pre-petition arrearage, refusal to provide an accurate reporting of post-petition payment history, and refusal to properly adjust the adjustable rate mortgage according to the schedule and interest determined by the "Index"(attached in Adjustable Rate Rider, Section 4(B)), Defendant has willfully violated the automatic stay in place for the Plaintiff. This is a willful violation of 11 U .S .C. S 1322(b).
35. Defendant re-assigned servicing of Movants' mortgages to Bayview Lending Services, providing Bayview with false information regarding payment history (attached in Bayview – December 31, 2009 letter) and adjustable interest rate rider details (attached in Bayview – November 10, 2009 letter).
36. A willful violation of the automatic stay occurs when the creditor knew that the stay had been invoked and deliberately intended the action that violated the stay (*In re Hedetneimi* 297 B.R. 837 Bkrtcy. M.D. Fla. 2003).

COUNT IV: ACCOUNTING

37. Movant incorporate all previous allegations by reference as if restated herein.
38. The amount of money due from Movant to Defendant or vice versa are unknown to Movant and cannot be ascertained without an accounting of interest rate adjustments, receipts and disbursements of the financial transactions between the Movant and Defendant.
39. Movant are informed and reasonably believe that the Defendant is continuously misrepresenting post-petition pay history and adjustable rate interest index schedules based on inconsistencies between pre-petition arrearage amount represented by Defendant in Proof of Claim and subsequent communication, erroneous arrearage charges that include applied late fees, interest and other penalties, inaccurate post-petition pay history of the Movant to the Defendant and partial or restricted access to Defendant accounting statements due to Defendant's willful act of hindering or blocking access.
40. Movant have demanded an accounting of the aforementioned financial transactions from Defendant but Defendant has failed and refused, and continue to fail and refuse, to render and correct such accounting.
41. Movant received notice from Bayview Lending Services of a Transfer of Service Notice for servicing Movant aforementioned mortgages. By court order of the United States Bankruptcy Court of the Middle District of Florida, Defendant transferred servicing to Bayview Lending Servicing effective September 1, 2009. In the Transfer of Service Letters (attached), Bayview Lending Services could not identify Movant loan numbers in accuracy or similarity to the Movant loan numbers. By court order, Defendant was to provide the new loan servicer with this information, further proving Defendant's willful act of fraudulent servicing of Movant' mortgages.
42. Movant received notice from Bayview Lending Services on November 10, 2009, noting a new rate adjustment that identified the LIBOR rate as 3.25%. LIBOR on November 10, 2009 was .54063% (as documented by the Wall Street Journal). The significant discrepancy demonstrates Defendant has willfully acted fraudulently in the servicing of Movants' mortgages.

COUNT V: PREDATORY LENDING

43. Movant incorporate all previous allegations by reference as if restated herein.
44. Defendant took advantage of Movant' limited bargaining power in order to prevent Movant' from exiting the secured mortgage held by the Defendant with unfavorable terms, with a full payoff of secured mortgage in favor of a FHA secured mortgage with fixed interest rates and lower payments through Michigan Mutual.
45. Defendant willfully withheld post-petition payment history from Movant and Movant' Attorneys.
46. Defendant erroneously calculated Adjustable Interest rate without regard to terms of calculation detailed in the Adjustable Rate Rider.
47. Defendant required full payment of erroneous adjustable rate interest charges accumulating until the payoff date.
48. As a result of these predatory practices, Movant have suffered and will continue to suffer from damages caused by Defendant in the forms of financial loss in monthly payments that were incorrectly calculated, expenses for pursuing correction of this matter with the Defendant, financial loss due to the necessary relocation for continued income to account for erratic accounting practices of the Defendant in order to maintain payments on schedule with the Defendant, emotional damages for continued stress

and anxiety, expenses for physical toll caused by the Defendant from the aforementioned stress and anxiety and the cost and expense of pursing this motion.

COUNT VII: TRUTH IN LENDING VIOLATION

49. Movant incorporate all previous allegations by reference as if restated herein.
50. Defendants provided false interest rate, fee and monthly payment information in connection with the Adjustable Rate Interest detailed in the Adjustable Rate Rider.
51. Movant did not discover and could not discover Defendant's violations of Truth in Lending because the documentation was withheld from the Movant, if it existed at all, that would have corrected Defendant's errors or supported Defendant's statements.
52. Adjustable Rate information received by Movants from Bayview Loan Servicing provides evidence of the Defendants violations in Truth in Lending.
53. As a result of Defendant's violation of Truth in Lending Act, Movant have been damaged.

COUNT VIII: FRAUDULENT MISREPRESENTATION

54. Movant incorporate all previous allegations by reference as if restated herein.
55. By providing materially false statements of mortgage payoff, monthly payment amount and post-petition payment history, Defendant made material representations to Movant.
56. These material representations were false at the time the Defendant made them.
57. Defendant knew at the time that these statements were false.
58. Defendant made its material and false representations with the intention that the Movant would continue to pay the erroneous calculated charges or pay-off the mortgage with the invalid accumulation of post-petition late fees, interest and related penalties on the pre-petition arrearage.
59. Movant have suffered damages equal or of greater value to the secured mortgages, closing costs and payments.
60. Movant have suffered damages to their credit.

COUNT IX: MOVANT WERE INJURED BY DEFENDANTS CREDITOR MISCONDUCT

61. Movant incorporate all previous allegations by reference as if restated herein.
62. Defendant deliberately applied erroneous interest, fees and related penalties to pre-petition arrearage and then demanded payment of those interest, fees and penalties in order to satisfy the mortgage in a payoff.
63. Defendant deliberately withheld accurate reporting of post-petition payment history by Movant on secured mortgage held by Defendant to prevent the Movant from refinancing the secured mortgage with another company with favorable terms.
64. Defendant deliberately calculated the incorrect interest with no regard to stated schedules or Index detailed within the Adjustable Rate Rider.
65. Movant' filed for bankruptcy and believed they were relieved from the pressure from creditors seeking to collect their claims outside of a repayment plan confirmed by the court.
66. Movant' filed Motion to Incur Indebtedness with belief they would be able to stabilize the fluctuation of unknown payment amounts and schedules with an FHA secured mortgage of favorable terms and lower monthly payments.
67. Movant' have made every effort to maintain consistent payments to the Trustee and Defendant by maintaining income level through a job relocation, fully relocating the entire family causing disruption and stress on the Movant' and their young children, enduring long periods of separation, relying on medical treatment to manage the physical and emotional toll caused by the stress and anxiety from the actions of the Defendant, and hiring additional legal representation specifically to engage cooperatively with the Defendant.
68. However, Defendant has failed to abide by the automatic stay and has made every effort to collect a debt and circumvent court rules and procedures by adding additional interest, fees and related penalties to pre-petition arrearages provided in Defendant's Proof of Claim.

X. RESOLUTION HAS BEEN INTENTIONALLY HINDERED BY DEFENDANT

69. Movant incorporate all previous allegations by reference as if restated herein.

70. On or about March. 2008, Movant' Bankruptcy representatives with McMaster Law Firm of 8 Williams Street, Greenville, South Carolina 29601 made contact with Defendant's attorneys, Korn Law Firm of 1300 Pickens Street, Columbia, South Carolina 29201, in regard to the aforementioned overcharges, interest miscalculations and inaccurate pay history.
71. On or about April, 2008, Defendant provided conflicting pre-petition arrearage amounts as well as willful disregard of the pay history inaccuracies, incorrect interest and improper late fees by neither adjusting nor addressing the aforementioned issues.
72. On or about October, 2008, Movant' retained Scott Talley, P.A. of 959 John B White, Spartanburg, South Carolina 29301 who in turn made contact with Defendant's attorneys, Korn Law Firm of Korn Law Firm of 1300 Pickens Street, Columbia, South Carolina 29201 in regard to the aforementioned issues.
73. On or about November, 2008, Defendant replied with no adjustments or reasonable explanation for the erroneous charges, late fees, interest rates and pay history inaccuracy.
74. Movant, per Defendant instructions, made contact with Defendant on December 9, 2009, speaking with Defendant employee Deo Sengh in regard to recent Adjustable Rate Interest and subsequent payment adjustment. Mr. Sengh indicated no adjustment had been made, violating the Adjustable Rate Rider as well as that it would be "illegal" for him to speak with Movant regarding refinancing or modification as, per Mr. Sengh, it was illegal for Bankruptcy filers to refinance their mortgages.
75. The above noted costly, in time and expense, attempts by the Movant to resolve this issue proves the Movant made every good-faith attempt available to seek resolution through action and understanding from the Defendant.
76. On July 27, 2009, Defendant filed a Motion to Remove Automatic Stay in regard to enforce collection actions against the Movant that they were protected from through their confirmed Chapter 13 plan.
77. On August 10, 2009, Movant responded to Defendant Motion to Remove Automatic Stay with an Objection that noted the aforementioned issues and violations with the Defendant.
78. On August 24, 2009, Plaintiff filed a Motion of Violation of Automatic Stay and Creditor Misconduct with a Motion for an emergency hearing regarding the Movant' motion.
79. On August 23, 2009, Defendant filed for Chapter 11 Bankruptcy, in an effort to avoid consequences in the matters involving the Movant as well as other individuals and companies that have been affected in similar matter.
80. Defendant engaged Bayview Lending Services for the purpose of servicing Movants' mortgages. Based on official letters from Bayview Lending Services, Defendant has demonstrated repeatedly it has willfully acted fraudulently by misstating adjustable interest rates, payment history and providing inaccurate account information to the Movants and Bayview Lending Services.
81. The above noted responses and actions by the Defendant prove Defendants willful intent to defraud the Movant through deceptive practices, intentional violations of the secured mortgage and rider for the aforementioned property, Truth in Lending Act and Fair Debt Collections Practices Act..

WHEREFORE, Movant requests the Automatic Stay of Section 362 of the Bankruptcy Code be modified to permit Movant to enforce its rights to receive hearing and judgement from the United States Bankruptcy Court of South Carolina regarding its motion for Creditor Misconduct and Violation of Automatic Stay; that relief be granted thirty days from the filing of this action.

Dated this 25th day of January, 2010.

Scott Allan Schledwitz
5314 Lemon Twist Lane
Windermere, FL 34786
(407)347-8641
schledwitz@cfl.rr.com
roxanne.schledwitz@cfl.rr.com

CERTIFICATE OF SERVICE

I CERTIFY that a copy of Scott Allan Schledwitz Motion for Relief from Stay omcluding the attachments has been furnished either by electronic or first class mail on December 3, 2009, to: Taylor, Bean and Whitaker Mortgage Corp., Debtor, 315 N.E. 14th Street, Ocala, FL 34470; Amy Denton Harris, Edward J. Peterson, III, Richard C. Prosser, Russell M Blain, Debtor's Attorneys, 110 E Madison Street, Suite 200, Tampa, FL 33602-4700; Office of the U. S. Trustee, 135 W Central Blvd, Suite 620, Orlando, FL 32801; Bayview Lending Services, 4425 Ponce de Leon Avenue, Coral Gables, FL 33146; Rule 1007-2 List of Unsecured Creditors per the attached Mailing Matrix.

Scott Allan Schledwitz
5314 Lemon Twist Lane
Windermere, FL 34786
(407)347-8641
schledwitz@cfl.rr.com
roxanne.schledwitz@cfl.rr.com

IN THE UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz, Movant VS. Taylor, Bean and Whitaker Mortgage Corporation, Defendant	CASE NO: 3:09-bk-07047-JAF CHAPTER: 11 MOTION FOR EMERGENCY HEARING FOR RELIEF FROM AUTOMATIC STAY

Scott Allan Schledwitz and Roxanne Johnson Schledwitz, Plaintiffs, respectfully submit this Motion pursuant to Federal Bankruptcy Rule 9006 and Local Bankruptcy Rule 9013-1(d) for an emergency hearing on the following motions(collectively "Plaintiffs Motions"), filed by the Plaintiffs no later than Wednesday, January 27, 2010:

1. This Motion, that is Motion for Emergency Hearing, on Plaintiffs' Motions;
2. Motion for Violation of Automatic Stay and Creditor Misconduct;
3. Motion for Relief from Automatic Stay.

With respect to Plaintiffs Motions, Plaintiffs respectfully seek a hearing on September 25, 2009.

FACTS

4. The Plaintiffs filed a Chapter 13 Plan on February 7, 2007.
5. The aforementioned case was confirmed on August 29, 2007.
6. The Creditor filed a Chapter 11 Plan on August 24, 2009.
7. The aforementioned case has not been confirmed.

REQUEST FOR EMERGENCY HEARING

8. On November 25, 2005, Plaintiffs, executed a $160,000 adjustable rate mortgage with Taylor, Bean and Whitaker Mortgage Corporation secured by the aforementioned first mortgage on their principal residence located at 423 South Fairview Avenue Extension, Spartanburg, South Carolina, 29302. Recorded on November 30, 2005, instrument number MTG-2005-62325, Book 3565, Page 239.
9. On November 25, 2005, Plaintiffs, executed a $40,000 fixed rate mortgage with Taylor, Bean and Whitaker Mortgage Corporation secured by the aforementioned second mortgage on their principal residence located at 423 South Fairview Avenue Extension, Spartanburg, South Carolina, 29302. Recorded on November 30, 2005, instrument number MTG-2005-62326, Book 3565, Page 255.

bankruptcy filing would cause even greater damages to the Plaintiffs by allowing the Debtor the protection of bankruptcy from legal remedy sought by the Plaintiffs for the illegal and harmful actions perpetrated by the Debtor.

The Plaintiffs respectfully request the Court:
(a). Deny the transfer of the Plaintiffs secured mortgages from the Debtor to the new Servicer as it allows for the continuation of illegal and harmful actions conducted by the Debtor pre-petition against the Plaintiffs;
(b). Grant the Plaintiffs with Relief from the Automatic Stay, specific to the Plaintiffs secured Mortgages, provided to the Debtor as part of the Chapter 11 filing, so they may pursue legal remedy for the Debtors actions through the United States Bankruptcy Court of South Carolina as it applies to the Defendant's Violation of Automatic Stay, Filed on October 8, 2009 in the United States Bankruptcy Court of South Carolina;
(c) The Court ordering that notice of this Motion and the Expedited is sufficient notice under the circumstances.

Respectfully submitted,
Scott Allan Schledwitz
Roxanne Johnson Schledwitz
Plaintiffs

This 12th Day of January, 2010

Scott Allan Schledwitz
5314 Lemon Twist Lane
Windermere, FL 34786
(407)347-8641
Schledwitz@cfl.rr.com

10. The Plaintiffs filed for Chapter 13 Bankruptcy in the United States Bankruptcy Court South Carolina on February 7, 2007.
11. The Debtor filed as a Creditor of the aforementioned Chapter 13 Bankruptcy filing by the Plaintiff, providing a Proof of Claim for a Secured Creditor for arrearages on mortgage payments.
12. The Plaintiffs Chapter 13 Bankruptcy Plan was confirmed on August 29, 2007
13. On August 4, 2009, Creditor was issued a Cease and Desist order by the Federal Department of Housing and Urban Development for fraudulent activity.
14. On August 11, 2009, Creditor was issued a Cease and Desist order by the states of Florida, New Jersey, New Hampshire and Massachusetts from providing mortgages, refinancing mortgages or service mortgages in the respective states.
15. On August 17, 2009, Debtor's attorneys made the statement that bankruptcy was "imminent".
16. On August 24, 2009, Debtor filed for Chapter 11 Bankruptcy.
17. On August 31, 2009, United States Bankruptcy Court Middle Florida in Jacksonville, FL, granted a Motion filed by the United States Bank National Associated (as Trustee), Manufacturers and Traders Trust Corporation, and Bayview Loan Servicing to transfer Residential Loan Consumer Mortgage Portfolios previously serviced by Debtor (Doc. No. 44).
18. The Plaintiffs seek punitive and emotional Damages based on Creditor Misconduct and Truth in Lending Act violations *Ameriquest Mortgage Co . v. Jacalyn S. Nosek,* 2006 WL 3262629 (D . Mass . 2006) as detailed in the aforementioned Motion of Creditor Misconduct and Truth in Lending Act violations filed by the Plaintiffs with this Motion for an Emergency Hearing.
19. Based on the Plaintiffs current Automatic Stay provided through their Chapter 13 Confirmed Bankruptcy, which included the Debtor's Proof of Claim for arrearages accumulated from the Plaintiffs Mortgages secured by the Debtor, this matter is under the jurisdiction of the United States Bankruptcy Courts. The Debtor's Chapter 11 Bankruptcy filing is cause for the Plaintiffs to file the aforementioned Motions with the court presiding over Debtor's Chapter 11 Bankruptcy filing in the United States Bankruptcy Court of Middle Florida in Jacksonville, FL.
20. Plaintiffs believe aforementioned Motion to transfer Residential Loan Consumer Mortgage Portfolios would include the Mortgage Portfolio containing the secured Mortgages of the Plaintiffs being serviced previously by the Debtor.
21. The Plaintiffs believe that the aforementioned transfer to a new Servicer of their secured mortgages would cause irreparable harm to the Plaintiffs because the information being required of the Debtor to provide to the new Servicer is knowingly Fraudulent, based on the Facts provided in the Motion of Creditor Misconduct and Truth in Lending Violation filed with this Emergency Motion by the Plaintiff. This will prevent the Plaintiffs from effectively and swiftly pursuing legal action against Debtor after good-faith efforts of Plaintiffs to resolve and correct the willful violations committed by the Debtor previously have failed.
22. The Plaintiffs believe that an Emergency Hearing is necessary as Debtor has willfully committed actions that Violate Automatic Stay and Truth in Lending Act against the Plaintiffs, causing further, irreparable harm to the Plaintiffs. Debtor's

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz Debtor(s)	CHAPTER 13 BANKRUPTCY NO. 07-00666-hb

B27-01433

NOTICE OF MOTION FOR RELIEF FROM AUTOMATIC STAY (11 U.S.C. § 362)

TO: DEBTOR(S), TRUSTEE (if applicable), AND THOSE NAMED IN THE ATTACHED MOTION

PLEASE TAKE NOTICE THAT a hearing will be held on the attached motion on:

Date: August 27, 2009
Time: 11:00 a.m.
Location: Donald Stuart Russell Federal Courthouse 201 Magnolia Street Spartanburg, SC 29306-2355

Within fourteen (14) days after service of the attached Motion, the Notice of Motion, the movant's Certification of Facts, and a blank Certification of Facts form (applicable to service on *pro se* parties only), any party objecting to the relief sought shall:

1) File with the Court a written objection to the 11 U.S.C. § 362 Motion;
2) File with the Court a Certification of Facts;
3) Serve on the movant items 1 & 2 above at the address shown below; and
4) File a certificate of such service with the Court.

If you fail to comply with this procedure, you may be denied the opportunity to appear and be heard on this proceeding before the Court.

DATE OF SERVICE: July 27, 2009

MOVANT: Taylor, Bean & Whitaker Mortgage Corporation

ATTORNEY: /s/John B. Kelchner
/s/John S. Kay (ID #3936)
/s/Guyton Murrell (ID#6153)
/s/Alan M. Stewart (ID#7231)
/s/John B. Kelchner (ID#6987)

ATTORNEY'S ADDRESS: KORN LAW FIRM, P.A.
P.O. Box 11264
COLUMBIA, SC 29211-1264
(803) 252-5817
johnkay@kornlawfirm.com
gmurrell@kornlawfirm.com
astewart@kornlawfirm.com
kelchner@kornlawfirm.com

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz Debtor(s)	CHAPTER 13 BANKRUPTCY NO. 07-00666-hb

B27-01433

MOTION TO MODIFY STAY

Taylor, Bean & Whitaker Mortgage Corporation moves the Court pursuant to 11 U.S.C. § 362 (d)(1) and (d)(2) for modification of the automatic stay issued in this case and represents as follows:

1. The above-referenced Debtors filed a petition for relief under Chapter 13 of the U.S. Bankruptcy Code on February 7, 2007.

2. Gretchen D. Holland is the Trustee of the Debtors estate and may claim an interest in the property that is the subject of this action.

3. Taylor, Bean & Whitaker Mortgage Corporation is the holder of a secured claim against the Debtors evidenced by a note and mortgage, copies of which are attached hereto. The property covered by the mortgage is located at 423 South Fairview Avenue Extention, Spartanburg, SC 29302, County of Spartanburg and is more fully described in the mortgage.

4. The Debtors have willfully failed to make the regular mortgage payments outside the plan and are due for the February 1, 2009 payment and beyond, and have failed to abide by their Chapter 13 Plan. Taylor, Bean & Whitaker Mortgage Corporation has therefore not been provided adequate protection for its interest in the property and is suffering irreparable harm and injury.

5. The Debtors have equity in the subject property, and the property is not necessary for reorganization.

6. The claimant agrees to waive any claim that may arise under 11 U.S.C. Section 503(b) or Section 507(b) as a result of this Order. The claimant further agrees that any funds realized from the sale of the collateral, in excess of all liens, costs, and expenses, will be paid to the trustee.

7. The movant requests that the Court waive the stay provisions of Rule 4001 (a) (3) of The Federal Rules of Bankruptcy Procedure in this matter.

WHEREFORE, pursuant to 11 U.S.C. § 362 (d) (1) and (d) (2), Taylor, Bean & Whitaker Mortgage Corporation hereby moves for an Order modifying the automatic stay to permit actions in State Court against the subject property and requiring the Debtors to reimburse Taylor, Bean & Whitaker Mortgage Corporation for its attorneys' fees and costs associated with this motion.

/s/John B. Kelchner
/s/John S. Kay (ID #3936)
/s/Guyton Murrell (ID#6153)
/s/Alan M. Stewart (ID#7231)
/s/John B. Kelchner (ID#6987)
Attorneys for Taylor, Bean & Whitaker Mortgage Corporation
P.O. Box 11264
COLUMBIA, SC 29211-1264
(803) 252-5817
johnkay@kornlawfirm.com
gmurrell@kornlawfirm.com
astewart@kornlawfirm.com
kelchner@kornlawfirm.com

Columbia, South Carolina
July 27, 2009

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz Debtor(s)	CHAPTER 13 BANKRUPTCY NO. 07-00666-hb

B27-01433

CERTIFICATION OF FACTS

In the above-entitled proceeding, in which relief is sought by Taylor, Bean & Whitaker Mortgage Corporation from the automatic stay provided by 11 U.S.C. § 362, I do hereby certify to the best of my knowledge the following:

1. Nature of Movant's Interest:

   Secured

2. Brief Description of Security Interest, copy attached (if applicable):

   Note secured by mortgage on debtors' real property.
   (Copies attached to Motion.)

3. Description of Property Encumbered by Stay (Include serial number, lot and block number, etc.):

   423 South Fairview Avenue Extention, Spartanburg, SC 29302, County of Spartanburg
   (See copy of mortgage for legal description.)

4. Basis for Relief (property not necessary for reorganization, debtor has no equity, property not property of estate, etc.; include applicable subsection of 11 U.S.C. § 362):

   § 362 (d) (1) and (d) (2) lack of adequate protection

5. Prior Adjudication by Other Courts, copy attached (Decree of Foreclosure, Order for possession, Levy of execution, etc., if applicable):

   N/A

6. Valuation of Property, copy of Valuation attached (Appraisal, Blue Book, etc.):

   Fair Market Value: Approx. $210,000.00 per Debtor schedules

   Liens (Mortgages): Approx. $168,359.49
   $ 39,866.00

   Equity Before Exemption
   Debtor's Exemption (-) $5,000.00 / $10,000.00
   Net Equity $ 1,774.51

Source/Basis of Value: Debtor(s) Schedules

7. Amount of debtor's estimated equity (using figure from paragraph 6, supra): $1,774.51

8. Month and Year in Which First Direct Post-petition Payment Came Due to Movant (if applicable): March 1, 2007

9.

Date Received	Amount	Month/Year Applied
3/28/07	$1091.48	3/07
4/30/07	$1092.00	4/07
6/01/07	$1091.48	5/07
7/06/07	$1091.48	6/07
7/31/07	$1091.48	7/07
9/04/07	$1091.48	8/07
10/02/07	$1092.09	9/07
11/01/07	$1091.48	10/07
12/03/07	$1091.48	11/07
1/03/08	$1091.48	12/07
2/01/08	$1091.48	1/08
3/03/08	$1091.48	2/08
4/01/08	$1502.00	3/08
5/01/08	$1850.00	4/08
6/03/08	$1420.76	5/08
7/01/08	$1420.76	6/08
8/01/08	$1420.76	7/08
9/03/08	$1420.76	8/08
10/01/08	$1404.59	9/08
11/03/08	$1308.09	10/08
12/01/08	$1308.09	11/08
12/31/08	$1309.09	12/08
2/04/09	$1408.59	1/09

10. Month and Year for Which Post-petition Account of Debtor(s) is Due as of the Date of this Motion: February 1, 2009

Dated: July 27, 2009

/s/John B. Kelchner
/s/John S. Kay (ID #3936)
/s/Guyton Murrell (ID#6153)
/s/Alan M. Stewart (ID#7231)
/s/John B. Kelchner (ID#6987)
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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz Debtor(s)	CHAPTER 13 BANKRUPTCY NO. 07-00666-hb

B27-01433

AFFIDAVIT OF SERVICE

PERSONALLY appeared before me the undersigned who, being duly sworn, deposes and says that (s)he is the attorney for Taylor, Bean & Whitaker Mortgage Corporation and that on July 27, 2009 (s)he served a copy of the Notice of Motion, Motion to Modify Stay, Movant's Certification of Facts in the above-referenced case by either electronic mail in accordance with U.S. Bankruptcy Court, District of South Carolina, Operating Order 04-11 or depositing same in the United States Mail with sufficient postage affixed and addressed as follows, whichever means is appropriate:

Scott Allan Schledwitz
423 S Fairview Ave Extention
Spartanburg, SC 29302

Roxanne Johnson Schledwitz
423 S Fairview Ave Ext.
Spartanburg, SC 29302

Gretchen D. Holland
301 N. Main Street
Suite 1904
Greenville, SC 29601

/s/John B. Kelchner
/s/John S. Kay (ID #3936)
/s/Guyton Murrell (ID#6153)
/s/Alan M. Stewart (ID#7231)
/s/John B. Kelchner (ID#6987)
Attorneys for Taylor, Bean & Whitaker Mortgage Corporation
P.O. Box 11264
COLUMBIA, SC 29211-1264
(803) 252-5817
johnkay@kornlawfirm.com
gmurrell@kornlawfirm.com
astewart@kornlawfirm.com
kelchner@kornlawfirm.com

Sworn to before me this 27
day of July, 2009,

/s/Jodie Brull
/s/Jodie Brull
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 11/2/14

TRUE & CERTIFIED COPY

ADJUSTABLE RATE NOTE

(LIBOR Six-Month Index (As Published In *The Wall Street Journal*)—Rate Caps)

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

November 23, 2005	SPARTANBURG	South Carolina
[Date]	[City]	[State]

423 SOUTH FAIRVIEW AVE. EXTENTION
SPARTANBURG, SC 29302
[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $160,000.00 (this amount is called "Principal"), plus interest, to the order of Lender. Lender is Taylor, Bean & Whitaker Mortgage Corp.

I will make all payments under this Note in the form of cash, check or money order.

I understand that Lender may transfer this Note. Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.2500%. The interest rate I will pay may change in accordance with Section 4 of this Note.

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

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payments on the first day of each month beginning on January 01, 2006. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on December 01, 2035, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at Taylor, Bean & Whitaker Mortgage Corp., 1417 North Magnolia Ave, Ocala, FL 34475

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

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. $1,091.48. This amount may change.

(C) Monthly Payment Changes

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

4. **INTEREST RATE AND MONTHLY PAYMENT CHANGES**

(A) Change Dates

The interest rate I will pay may change on the first day of **December 2007** , and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs 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 **Six and One Quarter**

percentage points (**6.2500%**) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

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

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than **10.2500%** or less than **6.2500%**. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than **One**

percentage points (**1.0000%**) from the rate of interest I have been paying for the preceding **6** months. My interest rate will never be greater than **13.2500%**.

(E) Effective Date of Changes

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

(F) Notice of Changes

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

5. **BORROWER'S RIGHT TO PREPAY**

I have the right to make payments of Principal at any time before they are due. A payment of Principal only is known as a "Prepayment." When I make a Prepayment, I will tell 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 monthly payments due under this Note.

I may make a full Prepayment or partial Prepayments without paying any Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payments unless the Note Holder agrees in writing to those changes. My partial Prepayment may reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. However, any reduction due to my partial Prepayment may be offset by an interest rate increase.

6. **LOAN CHARGES**

If a law, which applies to this loan and which sets maximum loan charges, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan exceed the permitted limits, then: (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 me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

7. **BORROWER'S FAILURE TO PAY AS REQUIRED**

(A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of **Fifteen** calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be **5.0000%** of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

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

(C) Notice of Default

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

(D) No Waiver By Note Holder

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

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

If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. Those expenses include, for example, reasonable attorneys' fees.

8. **GIVING OF NOTICES**

Unless applicable law requires a different method, any notice that must 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 I give the Note Holder a notice of my different address.

Unless the Note Holder requires a different method, any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated 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**

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep 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 pay all of the amounts owed under this Note.

10. **WAIVERS**

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

11. **UNIFORM SECURED NOTE**

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses 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 immediate payment in full of all amounts I owe under this Note. Some of those conditions read as follows:

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

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

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender 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.

Borrower has executed and acknowledges receipt of pages 1 through 4 of this Note.

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

SCOTT A SCHLEDWITZ _____(Seal) -Borrower

_____(Seal) -Borrower

_____(Seal) -Borrower

_____(Seal) -Borrower

_____(Seal) -Borrower

_____(Seal) -Borrower

[Sign Original Only]

After Recording Return To:
DAVID G. WHITE, P.A.
205 MAGNOLIA STREET
SPARTANBURG , SC 29306

[Space Above This Line For Recording Data]

MORTGAGE

MIN: [redacted]

DEFINITIONS

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

(A) **"Security Instrument"** means this document, which is dated **November 23, 2005** , together with all Riders to this document.

(B) **"Borrower"** is **SCOTT A SCHLEDWITZ AND ROXANNE JOHNSON SCHLEDWITZ, HUSBAND AND WIFE**

Borrower is the mortgagor under this Security Instrument.

(C) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the mortgagee under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(D) "Lender" is **Taylor, Bean & Whitaker Mortgage Corp.**
Lender is a **a Florida Corporation** organized and existing under the laws of **FL** . Lender's address is **1417 North Magnolia Ave, Ocala, FL 34475**

(E) "Note" means the promissory note signed by Borrower and dated **November 23, 2005** . The Note states that Borrower owes Lender **One Hundred Sixty Thousand and no/100** Dollars (U.S. $ **160,000.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **December 01, 2035** .

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

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

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

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

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

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

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

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

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

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

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

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

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

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS the following described property located in the

County of **Spartanburg**
[Type of Recording Jurisdiction] [Name of Recording Jurisdiction]

See Attached Exhibit A.

which currently has the address of **423 SOUTH FAIRVIEW AVE. EXTENTION**
[Street]

SPARTANBURG [City], South Carolina **29302** [Zip Code] ("Property Address"):

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

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

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

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

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

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

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest

or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

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

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

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration

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

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

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

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

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

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

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

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

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

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

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

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

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

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

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

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

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

restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

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

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note

as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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

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

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

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

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

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. 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 foreclose this Security Instrument by judicial proceeding. 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, all of which shall be additional sums secured by this Security Instrument.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Homestead Waiver. Borrower waives all rights of homestead exemption in the Property to the extent allowed by Applicable Law.

25. Waiver of Appraisal Rights. The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may within 30 days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. TO THE EXTENT PERMITTED BY LAW, THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY. This waiver shall not apply so long as the Property is used as a dwelling place as defined in §12-37-250 of the South Carolina Code of Laws.

26. Future Advances. The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to 150% of the original principal amount of the Note plus interest thereon, attorneys' fees and court costs.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 12 of this Security Instrument and in any Rider executed by Borrower and recorded with it.

SCOTT A SCHLEDWITZ (Seal) -Borrower

ROXANNE JOHNSON SCHLEDWITZ (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

Signed, sealed and delivered in the presence of:

State of South Carolina
County of Spartanburg

I Whitney S. Bailey, Notary Public (name and title), do hereby certify that

Scott A. Schledwitz and Roxanne Johnson Schledwitz

, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal (where required by law) this the 23rd day of November, 2005.

Notary Public for South Carolina

My commission expires: 6-10-2012

EXHIBIT "A"

All that certain piece, parcel or lot of land, situate, lying and being in the State of South Carolina, County of Spartanburg, being shown and designated as Lot No. 25, containing 0.21 acres, more or less and fronting on S. Fairview Avenue Ext., as shown on survey prepared for Phyllis P. McElhaney, dated October 9, 1991 and recorded in Plat Book 114, Page 364, RMC Office for Spartanburg County, S.C. For a more complete and particular description, reference is hereby made to the above referred to plat and record thereof.

This being the same property conveyed to Scott A. Schledwitz and Roxanne Johnson Schledwitz by deed of C. Blease Graham, III, dated November 23, 2005 and to be recorded herewith in the RMC Office for Spartanburg County, S.C.

FILED
at___O'clock &___min.___M
AUG 10 2009
United States Bankruptcy Court
Columbia, South Carolina (41)

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz DEBTOR(S)	CASE NO: 07-00666-hb CHAPTER: 13 NOTICE OF CASE SPECIFIC ADDRESS PURSUANT TO MOTION FOR RELIEF FROM AUTOMATIC STAY11 U.S.C. § 362

The above-named debtor(s), responding in *Pro Se*, respectfully objects to the Motion for Relief from and Annulment of Automatic Stay filed on behalf of Taylor, Bean and Whitaker Mortgage Corporation and state(s) in support of said objection as follows:

1. The debtor(s) filed a Chapter 13 Plan on February 7, 2007, which provided for payment of an accumulated pre-petition mortgage arrearage to Taylor, Bean and Whitaker Mortgage Corporation during a 57-month Chapter 13 Plan.
2. Taylor, Bean and Whitaker Mortgage Corporation is the holder of a secured claim against the Debtors evidenced by the note and mortgage , copies of which are attached hereto. The property covered by the mortgage is located at 423 South Fairview Ave Extension, Spartanburg, South Carolina 29302, County of Spartanburg and is fully described in the mortgage.
3. The Adjustable Rate Mortgage held by Taylor, Bean and Whitaker Mortgage Corporation contains a variable interest rate as identified in the Mortgage of the Debtor's Real Property (attached to the Objection). The variable interest rate is adjusted every 6 months based on a 6 month LIBOR interest as the variable interest plus the base interest of 6.25%, as noted in the Adjustable Rate Note of the secured mortgage(attached in the Objection).
4. Taylor, Bean and Whitaker Mortgage Company willfully failed to use the stated 6 month LIBOR rate and applied alternative variable interest rates, violating the governing Truth in Lending agreement contained within the secured mortgage agreement (attached in the Objection).
5. Debtors made consistent effort to notify Taylor, Bean and Whitaker Mortgage Corporation directly and through Debtor(s) and Movant's attorneys, via telephone and email transmissions and were unsuccessful in obtaining corrected variable interest rates that determined the monthly mortgage payment.
6. Debtors made consistent effort to refinance both mortgages held by Taylor, Bean and Whitaker Mortgage Corporation but were unsuccessful due to Taylor, Bean and Whitaker Mortgage Corporation's providing pre-petition payment history instead of post-petition payment history as required for qualification for an FHA loan through First Preferred Mortgage Company (the lender) and approved by this court June 3, 2008 (attached to the Objection).
7. Taylor, Bean and Whitaker Mortgage Corporation's willful acts to provide erroneous and inaccurate information has prevented the Debtor from fully satisfying Taylor, Bean and Whitaker Mortgage Company's secured mortgages through a refinance as well as providing accurate variable interest information for monthly payments.
8. Debtors maintain that by Movants' failure to comply with the terms of notification and utilize the instrument to determine the adjustable interest rate, as stated by Taylor, Bean and Whitaker Mortgage Corporation in the Adjustable Rate Mortgage Note, the Movant has hindered the ability of the Debtors to reorganize.
9. Taylor, Bean and Whitaker Mortgage Corporation's willful acts to provide erroneous and inaccurate information has been costly for the Debtors, who have incurred Attorney and Costs associated with this motion and objection as well as previous attempts to settle this matter directly with the Movant.
10. Per Local Rules of the United States Bankruptcy Court For the District of South Carolina, Rule 4001-1(a)(2)(d), a Blank Certification of Facts would be provided in the service *Pro Se* parties. Movant did not provide the Blank Certification of Facts for the transmittal of the Objection, a violation of Local Rules regarding a 362 Motion.

11. The property is properly insured; and the property is necessary to an effective reorganization of the debtors.

WHEREFORE, the debtor(s) respectfully request that the court schedule a hearing in this matter and deny Taylor, Bean and Whitker Mortgage Corporation's motion for relief from and annulment of the automatic stay and grant the debtor(s) such other and further relief as the court deems just and appropriate.

Scott Allan Schledwitz
14844 Black Cherry Trail
Winter Garden, FL 34787
(407)347-8641
Schledwitz@cfl.rr.com
Roxanne.schledwitz@cfl.rr.com

Dated this 7th day of August, 2009

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz DEBTOR(S)	CASE NO: 07-00666-hb CHAPTER: 13

CERTIFICATION OF FACTS

In the above-entitles proceeding, in which the an Objection by the Debtors for the relief sought by Taylor, Bean and Whitaker Mortgage Corporation from the automatic stay provided by 11 U.S.C. § 362, I hereby certify to the best of my knowledge the following:

1. Nature of Debtors Interest
Property secured by mortgage.

2. Brief description of Security Interest, copy attached (if applicable):
Note secured by mortgage on debtors' real property. (Copies attached to Motion)

3. Description of Property Encumbered by Stay (Include serial number, lot and block number, etc.):
423 South Fairview Avenue Extension, Spartanburg, South Carolina 29302, County of Spartanburg (see copy of mortgage for legal description)

4. Basis for Objection

Creditor misconduct through willful violation of the Truth in Lending Act through misstating post petition pay history in an effort to prevent a refinance of the debtors' secured mortgage, improper ARM adjustments using incorrect interest rates, failure to provide notification via mail for adjustable rate mortgage adjustments to debtors or debtors' attorneys and improper adjustable rate mortgage adjustments were made with incorrect interest rates and not providing Good Faith adjustments within 60 (sixty) days once the errors in post petition pay history. Failure by Movant to provide the blank Certification of Facts for *Pro Se*. (Mortgage, pay history, adjustable rate mortgage interest rate pay off statement, 6 (six) Month LIBOR via Wall Street Journal attached, Motion filed by Movant).

Scott Allan Schledwitz
14844 Black Cherry Trail
Winter Garden, FL 34787
(407)347-8641
Schledwitz@cfl.rr.com
Roxanne.schledwitz@cfl.rr.com

Dated this 7th day of August, 2009

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz DEBTOR(S)	CASE NO: 07-00666-hb CHAPTER: 13

The mailing address for the above mentioned Debtors has changed effective August 10, 2009. The address to be changed and the new address for further noticing and communication are listed below.

Address to be changed (if applicable):
Name: Scott Allan Schledwitz and Roxanne Johnson Schledwitz
Address 1: 423 South Fairview Avenue Extension
City, State, Zip: Spartanburg, SC 29302

Address to be used for further noticing:
Name: Scott Allan Schledwitz and Roxanne Johnson Schledwitz
Address 1: 14844 Black Cherry Trail
City, State, Zip: Winter Garden, FL 34787

Scott Allan Schledwitz
14844 Black Cherry Trail
Winter Garden, FL 34787
(407)347-8641
Schledwitz@cfl.rr.com
Roxanne.schledwitz@cfl.rr.com

Dated this 7th day of August, 2009

THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz Debtor(s)	CHAPTER 13 BANKRUPTCY NO. 07-00666-hb

B27-01433

WITHDRAWAL OF MOTION SEEKING § 362 RELIEF

The undersigned, attorney for Taylor, Bean & Whitaker Mortgage Corporation, hereby withdraws the motion seeking 11 U.S.C. § 362(d) relief, which was filed on July 27, 2009 and scheduled for hearing on August 27, 2009. Subsequent to the filing of the Motion for Relief, the Movant notified the undersigned counsel that it is no longer servicing the subject loan and authorized the undersigned counsel to withdraw the Motion for Relief. All parties filing responses to the motion have been notified and consent to the withdrawal of the motion. No parties are expected to appear at the hearing.

/s/John B. Kelchner
/s/John S. Kay (#3936)
/s/John B. Kelchner (#6987)
Attorney for Taylor, Bean & Whitaker Mortgage Corporation
1300 PICKENS ST.
COLUMBIA, SC 29201
(803) 252-5817
johnkay@kornlawfirm.com

Sworn to before me this 26
day of August, 2009,

/s/Vanessa Thompson
/s/Vanessa Thompson
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 4/28/14

THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz Debtor(s)	CHAPTER 13 BANKRUPTCY NO. 07-00666-hb

B27-01433

AFFIDAVIT OF SERVICE

PERSONALLY appeared before me the undersigned who, being duly sworn, deposes and says that (s)he is the attorney for Taylor, Bean & Whitaker Mortgage Corporation and that on August 26, 2009 (s)he served a copy of the Withdrawal of Taylor, Bean & Whitaker Mortgage Corporation's motion seeking 11 U.S.C. § 362(d) relief in the above-referenced case by either electronic mail in accordance with U.S. Bankruptcy Court, District of South Carolina, Operating Order 04-11 or depositing same in the United States Mail with sufficient postage affixed and addressed as follows, whichever means is appropriate:

Scott Allan Schledwitz
14844 Black Cherry Trail
Winter Garden, FL 34787

Roxanne Johnson Schledwitz
14844 Black Cherry Trail
Winter Garden, FL 34787

Gretchen D. Holland
301 N. Main Street
Suite 1904
Greenville, SC 29601

/s/John B. Kelchner
/s/John S. Kay (#3936)
/s/John B. Kelchner (ID#6987)
Attorney for Taylor, Bean & Whitaker Mortgage Corporation
1300 PICKENS ST.
COLUMBIA, SC 29201
(803) 252-5817
johnkay@kornlawfirm.com

Sworn to before me this 26
day of August, 2009,

/s/Vanessa Thompson
/s/Vanessa Thompson
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 4/28/14

09 SEP 29 PM 6:29

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

IN RE: Scott Allan Schledwitz and Roxanne Johnson Schledwitz, Plaintiffs VS. Taylor, Bean and Whitaker Mortgage Corporation, Defendant DEBTOR(S)	CASE NO: 07-00666-hb CHAPTER: 13 MOTION FOR VIOLATION OF AUTOMATIC STAY AND CREDITOR MISCONDUCT

09 SEP 29 PM 4:20

Plaintiffs, Scott Allan Schledwitz and Roxanne Johnson Schledwitz, by *Pro Se*, herby move the court for an award of damages against Defendant, Taylor, Bean and Whitaker Mortgage Corporation, for a violation of automatic stay and alleges the following:

1. The Plaintiffs filed a Chapter 13 Plan on February 7, 2007.
2. The aforementioned case was confirmed on August 29, 2007.
3. The gravamen of this motion is that despite Plaintiffs' confirmed bankruptcy, Defendant has willfully violated the Automatic Stay by applying interest and late charges of pre-petition arrearage (attached Proof of Claim), adjustable rate interest was willfully calculated incorrectly and payment history post-petition was erroneously reported. When payoff statement was requested by Plaintiffs, Defendant made a demand of payment for the aforementioned erroneous interest, fees and penalties.

FACTS

1. On November 25, 2005, Plaintiffs, executed a $160,000 adjustable rate mortgage with Taylor, Bean and Whitaker Mortgage Corporation secured by the aforementioned first mortgage on their principal residence located at 423 South Fairview Avenue Extension, Spartanburg, South Carolina, 29302. Recorded on November 30, 2005, instrument number MTG-2005-62325, Book 3565, Page 239.
2. On November 25, 2005, Plaintiffs, executed a $40,000 fixed rate mortgage with Taylor, Bean and Whitaker Mortgage Corporation secured by the aforementioned second mortgage on their principal residence located at 423 South Fairview Avenue Extension, Spartanburg, South Carolina, 29302. Recorded on November 30, 2005, instrument number MTG-2005-62326, Book 3565, Page 255.
3. On February 29, 2008, Plaintiffs' were conditionally approved by Michigan Mutual (a.k.a First Premier Mortgage)for an FHA Mortgage for refinancing of their principal resident that was secured by the aforementioned mortgage with the Defendant. This approval was based on showing 12 months of on time payments made to the Trustee for the Chapter 13 Plan and 12 months of on time payments to the Defendant.
4. On May 7, 2008, the Plaintiffs' submitted a Motion to Incur Indebtedness that was approved by the court on June 12, 2008.
5. On or around March, 2008 Plaintiffs' received upon request to Defendant, Payoff Statements for aforementioned mortgage with pay history. The statements showed incorrect interest rate applied to the adjustable rate mortgage, an accumulation of interest and late charges on the pre-petition arrearage and a pay history that was incorrectly showing the post-petition pay history (attached Payoff Statement).
6. On or about March, 2008, Plaintiffs' attorney requested information from the Defendants' attorney regarding the interest and accumulated fees not covered in the plan that were on the Plaintiffs' Payoff Statement(attached Attorney Inquiry Email). Plaintiff also discovered Defendant was had updated Plaintiff mailing address to now reflect Defendant company location at 1417 North Magnolia Avenue, Ocala, Florida 34475(attached in payoff statement).
7. Due to the erroneous Payoff Statement, FHA terms mandated that the conditional approval would be retracted because of the stated post-petition pay history. This required Michigan Mutual to obtain conditional approval from another FHA lender willing to lock the rate while Defendant updated the

pay history and pay off statement to reflect the correct post petition pay history and a payoff that accounted for the remaining principal balance and pre-petition arrearage and an estimate of the daily interest rate based on actual payoff date, with no accumulation of interest, fees and other penalties on pre-petition arrearage.

8. On March 31, 2008, Michigan Mutual obtained a new conditional approval with a higher interest rate, based on the Trustee Pay History and awaiting the aforementioned post-petition pay history and adjusted payoff statement for the secured mortgage with the Defendant.
9. On April 30, 2008, Defendants' attorney replied with partial information regarding adjustable interest rate and a pre-petition balance that was different than the pre-petition Proof of Claim amount (attached Korn April 30 Email). Defendant offered no statement correcting post-petition pay history, adjustment to incorrect charges on pre-petition arrearage nor validation or adjustment of Adjustable Rate Interest for the monthly payment.
10. On May 31, 2008, conditional approval for FHA mortgage refinance with Michigan Mutual expired due to the refusal of revised pay statement reflecting corrected adjustable rate interest, reduced over charge for erroneous compilation of late fees and penalty interest and updated post-petition pay history by Defendant.
11. On June 14, 2008, Plaintiff, Scott Allan Schledwitz, had to accept a position with his employer in another state. The new position would guarantee continued income that would allow for the Plaintiffs to continue making earnest effort to maintain payment schedules for the Chapter 13 plan, living expenses and mortgage payments to the best of their ability. The new position added undue stress as it required a commute of 540 miles to Lake Mary, Florida with long term absences from the Plaintiff family for the next 56 weeks. Because of the inconsistent payment schedule with amounts and fraudulent actions of the Defendant, alternative employment options would not allow Scott Schledwitz to take employment at slightly lower income nor allow for a Mr. Schledwitz to obtain a second job for additional income to offset any reduction from taking other employment near the Plaintiffs' residence.
12. On or around August, 2008, Plaintiff Scott Allan Schledwitz, sought assistance from Dr. Christopher Caston seeking medical assistance due to stress and anxiety directly related to the Defendant's actions and the resulting course taking by the Plaintiffs' to continue making payments to the Defendant for the secured mortgage. Mr. Schledwitz was prescribed 500mg of Depakote mid-day to help with the added stress and anxiety. The related stress and anxiety has placed a physical toll on Mr. Schledwitz.
13. On or around October, 2008, Plaintiffs' retained attorney Scott Talley to communicate with Defendant regarding aforementioned erroneous activities.
14. On or around November, 2008, Defendant attorney advised Plaintiffs' attorney to direct Plaintiffs to contact Defendant representative Deo Sengh directly to discuss erroneous activities attributed to accounting issues internal to Defendant.
15. On December 3, 2008, Plaintiffs' attempted to retrieve payment statements, Adjustable Rate Interest information that was scheduled to be reset on November 14, 2008, current payoff statements and pay history information through the Defendant's website portal. The website portal located at http://www.taylorbean.com where the Defendant operates a public and private informational website. Defendant provides customers of their secured loan products login and password to view the account information specific to the customer and property secured. The Plaintiffs' access to the basic account information they required was intentionally blocked by the Defendant through the online portal(attached Taylor Bean restriction). Per the instructions from the website, Plaintiffs contacted the Defendant through the listed telephone number on the Defendant website and were told they were not allowed access but could not be told why access was restricted. This was the Plaintiffs' second, documented attempt to retrieve valid information from the Defendant. Defendant deceptively prevented the Plaintiffs' from accessing this information.
16. On December 9, 2008, Plaintiff called Defendant and spoke with Defendant representative, Deo Sengh, to discuss the next interest rate adjustment per the term of the Adjustable Rate Rider (attached). Mr. Sengh advised the Plaintiffs' that the rate had not been set as of yet and the new payment could not be determined. Mr. Sengh alleged that all statements and related information was being sent directly to Plaintiff Bankruptcy attorney, Gina McMaster. Plaintiffs' requested that Adjustable Rate Interest be reset to the original 7.25% and were informed by Mr. Sengh that would be illegal in bankruptcy and could not be done. Plaintiffs asked Mr. Sengh if the mortgage had been sold by Taylor, Bean and Whitaker Mortgage Corporation to another company, leaving Defendant as the loan servicer. Mr. Sengh stated the aforementioned secured mortgage had been sold to Bayview Financial.

17. January 14, 2009, Plaintiffs notified court and related creditors of *Pro Se* status.
18. On or about February, 2009, Plaintiffs discovered Defendant had not been providing documentation alleged by Deo Sengh, Defendant representative to Plaintiff Bankruptcy sttorney regarding Adjustable Rate increase or related payment history– violating mortgage agreement rules regarding written notification for adjustable rate interest per the Adjustable Mortage Rider (attached).
19. On August 25, 2009, Plaintiffs were informed by Korn Law Firm that Defendant had sold the mortgage, without notification to the Plaintiffs, to Bayview Financial. Date of sale was not provided. This is a violation of the Mortgage agreement(attached) and Truth in Lending Act. This indicates further proof of intentional harm being brought by the Defendant onto the Plaintiffs.

AUTOMATIC STAY APPLIES TO THE DEFENDANT

20. Section 362 states action to collect a debt. Specifically, § 362(a)(6) protects Plaintiffs from creditors that are acting in any capacity to collect, assess or recover a claim against him that arose before the commencement of the bankruptcy proceedings.
21. Plaintiffs are enjoined by the automatic stay from creditor attempts to collect a debt, including having an accumulation of interest, fees and charges related to pre-petition arrearages in a demand for payment.
22. The filing and confirmation of bankruptcy effectuates automatic of all proceedings against debtor effective the date the petition is filed.

COUNT II: THE COLLECTION OF DEBT BY DEFENDANT VIOLATES AUTOMATIC STAY

23. Once a creditor receives notice of a Chapter 13 bankruptcy filing, creditor has an affirmative duty to undo its violations of automatic stay.
24. There can be no doubt that the defendant had knowledge of the Plaintiffs' confirmed bankruptcy case.
25. Defendant is listed as a creditor in Plaintiffs' bankruptcy case under Schedule D.
26. Defendant repeatedly violated the automatic stay when, with knowledge of debtor's Chapter 13 bankruptcy filing, continued to charge interest, fees and related penalties on the pre-petition arrearage amount after petition filing that accumulated to over $6,000.
27. Defendant violated the automatic stay by stating that the interest, fees and related penalties on pre-petition arrearage would be collected to satisfy the payoff of the aforementioned secured mortgage for the refinancing provided by Michigan Mutual.
28. Plaintiff made several good-faith attempts to have the overcharge of interest, fees and related penalties as well as accurate adjustment with schedule for the adjustable rate mortgage and corrected post-petition pay history, including the hiring of separate legal counsel.
29. Defendant's actions of applying interest, fees and penalties and further refusing to correct them are in direct violation of the automatic stay.

COUNT III: VIOLATION OF THE STAY WAS WILLFUL

30. Plaintiffs incorporate all previous allegations by reference is if restated herein.
31. Defendant has acted with blatant disregard to court rules and procedures.
32. Defendant was listed as a creditor on Plaintiffs' bankruptcy petition and been advised on their bankruptcy.
33. Based on Defendants actions of deliberately applying interest, fees and other penalties to the pre-petition arrearage, refusal to provide an accurate reporting of post-petition payment history, and refusal to properly adjust the adjustable rate mortgage according to the schedule and interest determined by the "Index"(attached in Adjustable Rate Rider, Section 4(B)), Defendant has willfully violated the automatic stay in place for the Plaintiff. This is a willful violation of 11 U .S .C. S 1322(b).
34. A willful violation of the automatic stay occurs when the creditor knew that the stay had been invoked and deliberately intended the action that violated the stay (*In re Hedetneimi* 297 B.R. 837 Bkrtcy. M.D. Fla. 2003).

COUNT IV: FRAUDULENT ACCOUNTING

35. Plaintiffs incorporate all previous allegations by reference as if restated herein.

36. The amount of money due from Plaintiffs to Defendant or vice versa are unknown to Plaintiffs and cannot be ascertained without an accounting of interest rate adjustments, receipts and disbursements of the financial transactions between the Plaintiffs and Defendant.
37. Plaintiffs are informed and reasonably believe that the Defendant is continuously misrepresenting post-petition pay history and adjustable rate interest index schedules based on inconsistencies between pre-petition arrearage amount represented by Defendant in Proof of Claim and subsequent communication, erroneous arrearage charges that include applied late fees, interest and other penalties, inaccurate post-petition pay history of the Plaintiffs to the Defendant and partial or restricted access to Defendant accounting statements due to Defendant's willful act of hindering or blocking access.
38. Plaintiffs have demanded an accounting of the aforementioned financial transactions from Defendant but Defendant has failed and refused, and continue to fail and refuse, to render and correct such accounting.
39. Plaintiffs received notice from Bayview Lending Services of a Transfer of Service Notice for servicing Plaintiffs aforementioned mortgages. By court order of the United States Bankruptcy Court of the Middle District of Florida, Defendant transferred servicing to Bayview Lending Servicing effective September 1, 2009. In the Transfer of Service Letters(attached), Bayview Lending Services could not identify Plaintiffs loan numbers in accuracy or similarity to the Plaintiffs loan numbers. By court order, Defendant was to provide the new loan servicer with this information, further proving Defendant's willful act of fraudulent servicing of Plaintiffs' mortgages.

COUNT V: PREDATORY LENDING

40. Plaintiffs incorporate all previous allegations by reference as if restated herein.
41. Defendant took advantage of Plaintiffs' limited bargaining power in order to prevent Plaintiffs' from exiting the secured mortgage held by the Defendant with unfavorable terms, with a full payoff of secured mortgage in favor of a FHA secured mortgage with fixed interest rates and lower payments through Michigan Mutual.
42. Defendant willfully withheld post-petition payment history from Plaintiffs and Plaintiffs' Attorneys.
43. Defendant erroneously calculated Adjustable Interest rate without regard to terms of calculation detailed in the Adjustable Rate Rider.
44. Defendant required full payment of erroneous adjustable rate interest charges accumulating until the payoff date.
45. As a result of these predatory practices, Plaintiffs have suffered and will continue to suffer from damages caused by Defendant in the forms of financial loss in monthly payments that were incorrectly calculated, expenses for pursuing correction of this matter with the Defendant, financial loss due to the necessary relocation for continued income to account for erratic accounting practices of the Defendant in order to maintain payments on schedule with the Defendant, emotional damages for continued stress and anxiety, expenses for physical toll caused by the Defendant from the aforementioned stress and anxiety and the cost and expense of pursing this motion.

COUNT VII: TRUTH IN LENDING VIOLATION

46. Plaintiffs incorporate all previous allegations by reference as if restated herein.
47. Defendants provided false interest rate, fee and monthly payment information in connection with the Adjustable Rate Interest detailed in the Adjustable Rate Rider.
48. Plaintiffs did not discover and could not discover Defendant's violations of Truth in Lending because the documentation was withheld from the Plaintiffs, if it existed at all, that would have corrected Defendant's errors or supported Defendant's statements.
49. As a result of Defendant's violation of Truth in Lending Act, Plaintiffs have been damaged.

COUNT VIII: FRAUDULENT MISREPRESENTATION

50. Plaintiffs incorporate all previous allegations by reference as if restated herein.
51. By providing materially false statements of mortgage payoff, monthly payment amount and post-petition payment history, Defendant made material representations to Plaintiffs.
52. These material representations were false at the time the Defendant made them.
53. Defendant knew at the time that these statements were false.

54. Defendant made its material and false representations with the intention that the Plaintiffs would continue to pay the erroneous calculated charges or pay-off the mortgage with the invalid accumulation of post-petition late fees, interest and related penalties on the pre-petition arrearage.
55. Plaintiffs have suffered damages equal or of greater value to the secured mortgages, closing costs and payments.
56. Plaintiffs have suffered damages to their credit.

COUNT IX: PLAINTIFFS WERE INJURED BY DEFENDANTS CREDITOR MISCONDUCT

57. Plaintiffs incorporate all previous allegations by reference as if restated herein.
58. Defendant deliberately applied erroneous interest, fees and related penalties to pre-petition arrearage and then demanded payment of those interest, fees and penalties in order to satisfy the mortgage in a payoff.
59. Defendant deliberately withheld accurate reporting of post-petition payment history by Plaintiffs on secured mortgage held by Defendant to prevent the Plaintiffs from refinancing the secured mortgage with another company with favorable terms.
60. Defendant deliberately calculated the incorrect interest with no regard to stated schedules or Index detailed within the Adjustable Rate Rider.
61. Plaintiffs' file for bankruptcy and believed they were relieved from the pressure from creditors seeking to collect their claims outside of a repayment plan confirmed by the court.
62. Plaintiffs' filed Motion to Incur Indebtedness with belief they would be able to stabilize the fluctuation of unknown payment amounts and schedules with an FHA secured mortgage of favorable terms and lower monthly payments.
63. Plaintiffs have made every effort to maintain consistent payments to the Trustee and Defendant by maintaining income level through a job relocation, fully relocating the entire family causing disruption and stress on the Plaintiffs' and their young children, enduring long periods of separation, relying on medical treatment to manage the physical and emotional toll caused by the stress and anxiety from the actions of the Defendant, and hiring additional legal representation specifically to engage cooperatively with the Defendant.
64. However, Defendant has failed to abide by the automatic stay and has made every effort to collect a debt and circumvent court rules and procedures by adding additional interest, fees and related penalties to pre-petition arrearages provided in Defendant's Proof of Claim.

X. RESOLUTION HAS BEEN INTENTIONALLY HINDERED BY DEFENDANT

65. Plaintiffs incorporate all previous allegations by reference as if restated herein.
66. On or about March. 2008, Plaintiffs' Bankruptcy representatives with McMaster Law Firm of 8 Williams Street, Greenville, South Carolina 29601 made contact with Defendant's attorneys, Korn Law Firm of 1300 Pickens Street, Columbia, South Carolina 29201, in regard to the aforementioned overcharges, interest miscalculations and inaccurate pay history.
67. On or about April, 2008, Defendant provided conflicting pre-petition arrearage amounts as well as willful disregard of the pay history inaccuracies, incorrect interest and improper late fees by neither adjusting nor addressing the aforementioned issues.
68. On or about October, 2008, Plaintiffs' retained Scott Talley, P.A. of 959 John B White, Spartanburg, South Carolina 29301 who in turn made contact with Defendant's attorneys, Korn Law Firm of Korn Law Firm of 1300 Pickens Street, Columbia, South Carolina 29201 in regard to the aforementioned issues.
69. On or about November, 2008, Defendant replied with no adjustments or reasonable explanation for the erroneous charges, late fees, interest rates and pay history inaccuracy.
70. Plaintiffs, per Defendant instructions, made contact with Defendant on December 9, 2009, speaking with Defendant employee Deo Sengh in regard to recent Adjustable Rate Interest and subsequent payment adjustment. Mr. Sengh indicated no adjustment had been made, violating the Adjustable Rate Rider as well as that it would be "illegal" for him to speak with Plaintiffs regarding refinancing or modification as, per Mr. Sengh, it was illegal for Bankruptcy filers to refinance their mortgages.
71. The above noted costly, in time and expense, attempts by the Plaintiffs to resolve this issue proves the Plaintiffs made every good-faith attempt available to seek resolution through action and understanding from the Defendant.

72. On July 27, 2009, Defendant filed a Motion to Remove Automatic Stay in regard to enforce collection actions against the Plaintiffs that they were protected from through their confirmed Chapter 13 plan.
73. On August 10, 2009, Plaintiffs responded to Defendant Motion to Remove Automatic Stay with an Objection that noted the aforementioned issues and violations with the Defendant.
74. On August 24, 2009, Plaintiff filed a Motion of Violation of Automatic Stay and Creditor Misconduct with a Motion for an emergency hearing regarding the Plaintiffs' motion.
75. On August 23, 2009, Defendant filed for Chapter 11 Bankruptcy, in an effort to avoid consequences in the matters involving the Plaintiffs as well as other individuals and companies that have been affected in similar matter.
76. The above noted responses and actions by the Defendant prove Defendants willful intent to defraud the Plaintiffs through deceptive practices, intentional violations of the secured mortgage and rider for the aforementioned property, Truth in Lending Act and Fair Debt Collections Practices Act..

DAMAGES

WHEREFORE, Section 362(k)(1) provides that the court shall award an individual his costs and attorneys fees, in addition to actual damages in which the Court should use its own equitable powers under Section 105(a) to redress the Section 1322(b) violation *Ameriquest Mortgage Co . v. Jacalyn S. Nosek*, 2006 WL 3262629 (D . Mass . 2006) and *Bessette v . Avco Financial Services, Inc .*, 230 F .3d 439, 444 (1st Cir . 2000).

a) Plaintiffs' out-of-pocket expenses related to the Motion.
b) Judicial Reformation for removal of Defendant from their first and second lien position on the Plaintiffs' principal residence property for any and all secured mortgages.
c) Emotional distress damages under Section 105(a) for Defendant's violation of Section 1322(b) of the Bankruptcy Code. The Plaintiffs have suffered interruption, annoyance, continuing anxiety, physical ailment and irreparable harm as they proceed through the aforementioned matter. *Ameriquest Mortgage Co . v. Jacalyn S. Nosek*, 2006 WL 3262629 (D . Mass . 2006)
d) Punitive damages under Section 105(a) for Defendant's violation of Section 1322(b) of the Bankruptcy Code. The Plaintiffs have lost precious time from their personal and professional life pursuing this matter. *Ameriquest Mortgage Co . v. Jacalyn S. Nosek*, 2006 WL 3262629 (D . Mass . 2006)
e) Acceptance of Plaintiff as a Secured Creditor of the Defendant's Chapter 11 filing.

Since actions taken in violation of the automatic stay are void, the court is urged to find Taylor, Bean and Whitaker Mortgage Corporation in violation of the automatic stay as well as Truth in Lending Act and damages should be awarded to the Plaintiffs.

Dated this 14th day of September, 2009.

Scott Allan Schledwitz
14844 Black Cherry Trail
Winter Garden, FL 34787
(407)347-8641
schledwitz@cfl.rr.com
roxanne.schledwitz@cfl.rr.com

Form 146LOC (Revised 03/11/2005)

United States Bankruptcy Court – District of South Carolina
J. Bratton Davis United States
Bankruptcy Courthouse
1100 Laurel Street
Columbia, SC 29201-2423

Case Number: 07-00666-hb

Adversary/Complaint Number: 09-80164-hb

Name of Debtor(s): Scott Allan Schledwitz and Roxanne Johnson Schledwitz

Scott Allan Schledwitz
Roxanne Johnson Schledwitz

Plaintiffs(s)

v.

Taylor, Bean and Whitaker Mortgage Corporation

Defendants(s)

ALL DOCUMENTS REGARDING THIS MATTER MUST BE IDENTIFIED BY BOTH ADVERSARY AND CASE NUMBERS

Filed By The Court
10/2/09
Tammi M. Hellwig
Clerk of Court
US Bankruptcy Court

SUMMONS

TO THE ABOVE NAMED DEFENDANTS(S):

YOU ARE SUMMONED and required to file a motion or answer to the complaint which is attached to this summons with the Clerk of the Bankruptcy Court within 30 days after the date of issuance of this summons, except that the United States and its offices and agencies shall file a motion or answer to the complaint within 35 days.

United States Bankruptcy Court
J. Bratton Davis United States Bankruptcy Courthouse
1100 Laurel Street
Columbia, SC 29201-2423

At the same time, you must also serve a copy of the motion upon the plaintiff's attorney.

Scott Allan Schledwitz
14844 Black Cherry Trail
Winter Garden, FL 34787

If you make a motion, your time to answer is governed by Fed. R. Bankr. P. 7012.

IF YOU FAIL TO RESPOND TO THIS SUMMONS, YOUR FAILURE WILL BE DEEMED TO BE YOUR CONSENT TO ENTRY OF A JUDGMENT BY THE BANKRUPTCY COURT AND JUDGMENT BY DEFAULT MAY BE TAKEN AGAINST YOU FOR THE RELIEF DEMANDED IN THE COMPLAINT.

Tammi M. Hellwig
Clerk of Court
United States Bankruptcy Court
By: K Weathers, Deputy Clerk
1100 Laurel Street
Columbia, SC 29201-2423

Date of Issuance: 10/2/09

Document: 5

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF SOUTH CAROLINA

In re:

SCOTT ALLAN SCHLEDWITZ and
ROXANNE JOHNSON SCHLEDWITZ

Debtors

Case No. 07-666-hb

SCOTT ALLAN SCHLEDWITZ and
ROXANNE JOHNSON SCHLEDWITZ

Plaintiffs

vs

Adv. No. 09-80164-hb

TAYLOR, BEAN AND WHITAKER
MORTGAGE CORPORATION

Defendant

NOTICE OF CASE UNDER CHAPTER 11 OF UNITED STATES BANKRUPTCY CODE AND NOTICE OF AUTOMATIC STAY

The Defendant, TAYLOR, BEAN & WHITAKER MORTGAGE CORP., as Debtor under the United States Bankruptcy Code (Title 11 of the United States Code) respectfully gives notice that, on August 24, 2009, it filed its voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code (11 U.S.C. §1101 *et seq.*) in the United States Bankruptcy Court for the Middle District of Florida, Jacksonville Division, as Case No. 3:09-bk-107047-JAF.

Section 362(a) of the Bankruptcy Code provides as follows:

[A] petition filed under section 301, 302, or 303 of this title [11] ... operates as a stay, applicable to all entities, of—

> (1) the commencement or continuation, including the issuance or employment of process, of a judicial, administrative, or other proceeding against the debtor that was or could have been commenced before the commencement of the case under this title, or to recover a claim against the debtor that arose before the commencement of the case under this title;
>
> (2) the enforcement, against the debtor or against property of the estate, of a judgment obtained before the commencement of the case under this title;
>
> (3) any act to obtain possession of property of the estate or property from the estate or to exercise control over property of the estate;
>
> . . .
>
> (6) any act to collect, assess, or recover a claim against the debtor that arose before the commencement of the case under this title....

The Debtor respectfully requests that this Court and all parties to this action take note of the filing of the bankruptcy petition by TAYLOR, BEAN & WHITAKER MORTGAGE CORP and of the applicability of the automatic stay.

Russell M. Blain (FBN 236314)
rblain@srbp.com
Edward J. Peterson, III (FBN 014612)
epeterson@srbp.com
Amy Denton Harris (FBN 0634506)
aharris@srbp.com
Stichter, Riedel, Blain & Prosser, P.A.
110 East Madison Street, Suite 200
Tampa, Florida 33602
Telephone: (813) 229-0144
Facsimile: (813) 229-1811
Attorneys for Debtor

EXHIBIT IDENTIFICATION TAG

Exhibit No. 1

Debtor Taylor, Bean & Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schleduitz and Roxanne Johnson Schleduitz

Deft.(s) Taylor, Bean, and Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

Nature of Proceeding _____

_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊕

After Recording Return To:
DAVID G. WHITE, P.A.
205 MAGNOLIA STREET
SPARTANBURG , SC 29306

MTG-2005-62325
Recorded 16 Pages on 11/30/2005 11:20:49 AM
Recording Fee: $22.00 Documentary Stamps: $0.00
Office of Register of Deeds, Spartanburg, S.C.
Stephen Ford, Register

[Space Above

MORTGAGE

MIN: 100029500009451083

DEFINITIONS

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

(A) **"Security Instrument"** means this document, which is dated **November 23, 2005** , together with all Riders to this document.

(B) **"Borrower"** is **SCOTT A SCHLEDWITZ AND ROXANNE JOHNSON SCHLEDWITZ, HUSBAND AND WIFE**

Borrower is the mortgagor under this Security Instrument.

(C) **"MERS"** is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the mortgagee under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(D) **"Lender"** is **Taylor, Bean & Whitaker Mortgage Corp.**
Lender is a **a Florida Corporation** organized and existing under the laws of **FL** . Lender's address is **1417 North Magnolia Ave, Ocala, FL 34475**

(E) **"Note"** means the promissory note signed by Borrower and dated **November 23, 2005** . The Note states that Borrower owes Lender **One Hundred Sixty Thousand and no/100** Dollars (U.S. $ **160,000.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **December 01, 2035** .

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

024098945108

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

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

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

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

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

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

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

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

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

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

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

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

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS the following described property located in the **County** [Type of Recording Jurisdiction] of **Spartanburg** [Name of Recording Jurisdiction] :

See Attached Exhibit A.

which currently has the address of **423 SOUTH FAIRVIEW AVE. EXTENTION** [Street]

SPARTANBURG [City], South Carolina **29302** [Zip Code] ("Property Address"):

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

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

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

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

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

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

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest

or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

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

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

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

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

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

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

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration

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

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

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

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

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

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

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

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

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

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

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

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

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

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

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

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

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

restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

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

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to Section 22 of this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note

as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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

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

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

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

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

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

22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. 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 foreclose this Security Instrument by judicial proceeding. 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, all of which shall be additional sums secured by this Security Instrument.

23. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

24. Homestead Waiver. Borrower waives all rights of homestead exemption in the Property to the extent allowed by Applicable Law.

25. Waiver of Appraisal Rights. The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may within 30 days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. TO THE EXTENT PERMITTED BY LAW, THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY. This waiver shall not apply so long as the Property is used as a dwelling place as defined in §12-37-250 of the South Carolina Code of Laws.

26. Future Advances. The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to 150% of the original principal amount of the Note plus interest thereon, attorneys' fees and court costs.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 12 of this Security Instrument and in any Rider executed by Borrower and recorded with it.

SCOTT A SCHLEDWITZ (Seal) -Borrower

ROXANNE JOHNSON SCHLEDWITZ (Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

(Seal) -Borrower

Signed, sealed and delivered in the presence of:

Vanessa M. Messer

State of South Carolina
County of Spartanburg

I William S. Bray, Notary Public (name and title), do hereby certify that

Scott A. Schledwitz and Roxanne Johnson Schledwitz, personally appeared

before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal (where required by law) this the 23rd day of November, 2005.

William S. Bray
Notary Public for South Carolina

My commission expires: 6-10-2012

EXHIBIT "A"

All that certain piece, parcel or lot of land, situate, lying and being in the State of South Carolina, County of Spartanburg, being shown and designated as Lot No. 25, containing 0.21 acres, more or less and fronting on S. Fairview Avenue Ext., as shown on survey prepared for Phyllis P. McElhaney, dated October 9, 1991 and recorded in Plat Book 114, Page 364, RMC Office for Spartanburg County, S.C. For a more complete and particular description, reference is hereby made to the above referred to plat and record thereof.

This being the same property conveyed to Scott A. Schledwitz and Roxanne Johnson Schledwitz by deed of C. Blease Graham, III, dated November 23, 2005 and to be recorded herewith in the RMC Office for Spartanburg County, S.C.

ADJUSTABLE RATE RIDER

(LIBOR Six-Month Index (As Published In *The Wall Street Journal*)—Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this **23rd** day of **November 2005**, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned ("Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to **Taylor, Bean & Whitaker Mortgage Corp.**

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

423 SOUTH FAIRVIEW AVE. EXTENTION
SPARTANBURG, SC 29302

[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT BORROWER'S 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. INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of **7.2500%**. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of **December 2007**, and on that day every sixth month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an Index. The "Index" is the average of interbank offered rates for six month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in *The Wall Street Journal*. The most recent Index figure available as of the first business day of the month immediately preceding the month in which the Change Date occurs 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 **Six and One Quarter** percentage points (**6.2500%**) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date.

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

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than **10.2500%** or less than **6.2500%**. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than **One** percentage points (**1.0000%**) from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than **13.2500%**.

(E) Effective Date of Changes

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

(F) Notice of Changes

The Note Holder will deliver or mail to me a notice of any changes in my interest rate and the amount of my monthly payment before the effective date of any change. The notice will include information required by law to be given me to 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

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

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

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

GREATLAND ■
To Order Call: 1-800-530-9393 ☐ Fax: 616-791-1131

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 3 of this Adjustable Rate Rider.

SCOTT A SCHLEDWITZ _____ (Seal) -Borrower

ROXANNE JOHNSON SCHLEDWITZ _____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

GREATLAND ■
To Order Call: 1-800-530-9393 ☐ Fax: 616-791-1131

EXHIBIT IDENTIFICATION TAG

Exhibit No. 2

Debtor Taylor, Bean & Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schleidwitz and Roxanne Johnson Schleidwitz

Deft.(s) Taylor, Bean and Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

Nature of Proceeding _____

_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊕

After Recording Return To:
DAVID G. WHITE, P.A.
205 MAGNOLIA STREET
SPARTANBURG , SC 29306

MTG-2005-62326
Recorded 13 Pages on 11/30/2005 11:21:19 AM
Recording Fee: $19.00 Documentary Stamps: $0.00
Office of Register of Deeds, Spartanburg, S.C.
Stephen Ford, Register

[Space Above This Line For Recording Data]

MORTGAGE
(Secondary Lien)

MIN: 100029500009894332

DEFINITIONS

Words used in multiple sections of this document are defined below and other words are defined in Sections 3, 10, 12, 17, 19, and 20. Certain rules regarding the usage of words used in this document are also provided in Section 15.

(A) **"Security Instrument"** means this document, which is dated **November 23, 2005** , together with all Riders to this document.

(B) **"Borrower"** is **SCOTT A SCHLEDWITZ AND ROXANNE JOHNSON SCHLEDWITZ, HUSBAND AND WIFE**

Borrower is the mortgagor under this Security Instrument.

(C) "MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender's successors and assigns. **MERS is the beneficiary under this Security Instrument.** MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, tel. (888) 679-MERS.

(D) **"Lender"** is **Taylor, Bean & Whitaker Mortgage Corp.**
Lender is a **a Florida Corporation** organized and existing under the laws of **FL** . Lender's address is **1417 North Magnolia Ave, Ocala, FL 34475**

(E) **"Note"** means the promissory note signed by Borrower and dated **November 23, 2005** . The Note states that Borrower owes Lender **Forty Thousand and no/100** Dollars (U.S. **$40,000.00**) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than **December 01, 2020** .

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

024494989433

(G) **"Loan"** means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, if allowed under Applicable Law, and all sums due under this Security Instrument, together with and including accrued, capitalized or deferred interest, if any, provided in the Note.

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

☐ Adjustable Rate Rider	☐ Condominium Rider	☐ Second Home Rider
☐ Balloon Rider	☐ Planned Unit Development Rider	☐ Biweekly Payment Rider
☐ Home Improvement Rider	☐ Revocable Trust Rider	
☐ Other(s) [specify]		

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

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

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

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

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

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

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

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

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

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to MERS (solely as nominee for Lender and Lender's successors and assigns) and to the successors and assigns of MERS, the following described property located in the **County** [Type of Recording Jurisdiction] of **Spartanburg** [Name of Recording Jurisdiction]:

See Attached Exhibit A.

which currently has the address of **423 SOUTH FAIRVIEW AVE. EXT.** [Street]

SPARTANBURG [City], South Carolina **29302** [Zip Code] ("Property Address"):

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

BORROWER COVENANTS that Borrower is lawfully 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 and Other Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and if allowable under Applicable Law, any prepayment charges and late charges due under the Note. 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.

2. Application of Payments or Proceeds. 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 14 or in such manner or location as required under Applicable Law. Except as otherwise described in this Section 2, and

as permitted under Applicable Law, 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. To the extent permitted by Applicable Law, voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

3. Funds for Escrow Items. Subject to Applicable Law, Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums. 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 8. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 8 and pay such amount and Borrower shall then be obligated under Section 8 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 14 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 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. Borrower shall not be obligated to make such payments of Funds to Lender to the extent that Borrower makes such payments to the holder of a prior mortgage or deed of trust if such holder is an institutional lender. If under Section 21 the Property is sold or the Property is otherwise acquired by Lender, Lender shall apply no later than

immediately prior to the sale of the Property or its acquisition by Lender, any Funds held by Lender at the time of application as a credit against the sums secured by this Security Instrument.

4. Charges; Liens. Borrower shall perform all of Borrower's obligations under any mortgage, deed of trust, or other security agreement with a lien which has priority over this Security Instrument. Borrower shall pay when due, all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

Borrower shall promptly discharge any lien other than a lien disclosed to Lender in Borrower's application or in any title report Lender obtained which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement satisfactory to Lender subordinating the lien to this Security Instrument.

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 if allowed under Applicable Law.

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 be added to the unpaid balance of the loan and interest shall accrue at the Note rate, from the time it was added to the unpaid balance until it is paid in full.

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

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

If Borrower abandons the Property, Lender may file, negotiate and settle any available insurance claim and related matters. If Borrower does not respond within 30 days to a notice from Lender that the insurance carrier has offered to settle a claim, then Lender may negotiate and settle the claim. The 30-day period will begin when the notice is given. In either event, or if Lender acquires the Property under Section 21 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. **Preservation, Maintenance and Protection of the Property; Inspections.** Borrower shall not destroy, damage or impair the Property, allow the Property to deteriorate or commit waste on the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to avoid further deterioration or damage. If insurance or condemnation proceeds are paid in connection with damage to, or the taking of, the Property, Borrower shall be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs and restoration in a single payment or in a series of progress payments as the work is completed. If the insurance or condemnation proceeds are not sufficient to repair or restore the Property, Borrower is not relieved of Borrower's obligation for the completion of such repair or restoration.

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

7. **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.

8. **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 has or 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 or may attain 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 8, 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 8.

Any amounts disbursed by Lender under this Section 8 shall become additional debt of Borrower secured by this Security Instrument if allowed under Applicable Law. 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.

9. **Mortgage Insurance.** 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.

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.

10. **Assignment of Miscellaneous Proceeds; Forfeiture.** The Miscellaneous Proceeds of any award or claim for damages, direct or consequential, in connection with any condemnation or other taking of the Property, or part thereof, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, subject to the terms of any mortgage, deed of trust or other security agreement with a lien which has priority over this Security Instrument.

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.

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

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 18, 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.

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

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

Subject to the provisions of Section 17, 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 19) and benefit the successors and assigns of Lender.

13. 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, as allowed under Applicable Law. 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.

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

15. 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.

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

17. Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 17, "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 14 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.

18. 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 Section 21 of 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, as allowed under Applicable Law; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 17.

19. 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, if required under Applicable Law, Borrower will be given written notice of the change which will state the name and address of the new Loan Servicer, the address to which payments should be made and any other information RESPA requires in connection with a notice of transfer of servicing. If the Note is sold and thereafter the Loan is serviced by a Loan Servicer other than the purchaser of the Note, the mortgage loan servicing obligations to Borrower will remain with the Loan Servicer or be transferred to a successor Loan Servicer and are not assumed by the Note purchaser unless otherwise provided by the Note purchaser.,

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 14) 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 21 and the notice of acceleration given to Borrower pursuant to Section 17 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 19.

20. Hazardous Substances. As used in this Section 20: (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:

21. 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 17 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, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. 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 foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies

provided in this Section 21, including, but not limited to, reasonable attorneys' fees and costs of title evidence, all of which shall be additional sums secured by this Security Instrument.

22. Release. Upon payment of all sums secured by this Security Instrument, this Security Instrument shall become null and void. Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

23. Homestead Waiver. Borrower waives all rights of homestead exemption in the Property to the extent allowed by Applicable Law.

24. Future Advances. The lien of this Security Instrument shall secure the existing indebtedness under the Note and any future advances made under this Security Instrument up to one hundred fifty percent (150%) of the original principal amount of the Note plus interest thereon, attorneys' fees and court costs.

25. Waiver of Appraisal Rights. The laws of South Carolina provide that in any real estate foreclosure proceeding a defendant against whom a personal judgment is taken or asked may within 30 days after the sale of the mortgaged property apply to the court for an order of appraisal. The statutory appraisal value as approved by the court would be substituted for the high bid and may decrease the amount of any deficiency owing in connection with the transaction. TO THE EXTENT PERMITTED BY LAW, THE UNDERSIGNED HEREBY WAIVES AND RELINQUISHES THE STATUTORY APPRAISAL RIGHTS WHICH MEANS THE HIGH BID AT THE JUDICIAL FORECLOSURE SALE WILL BE APPLIED TO THE DEBT REGARDLESS OF ANY APPRAISED VALUE OF THE MORTGAGED PROPERTY. This waiver shall not apply so long as the Property is used as a dwelling place as defined in § 12-37-250 of the South Carolina Code of Laws.

REQUEST FOR NOTICE OF DEFAULT AND FORECLOSURE UNDER SUPERIOR MORTGAGES OR DEEDS OF TRUST

Borrower and Lender request the holder of any mortgage, deed of trust or other encumbrance with a lien which has priority over this Mortgage to give notice to Lender, at Lender's address set forth on page one of this Mortgage, of any default under the superior encumbrance and of any sale or other foreclosure action.

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in pages 1 through 11 of this Security Instrument and in any Rider executed by Borrower and recorded with it.

Scott A Schledwitz (Seal) -Borrower
SCOTT A SCHLEDWITZ

Roxanne Johnson Schledwitz (Seal) -Borrower
ROXANNE JOHNSON SCHLEDWITZ

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

_____ (Seal) -Borrower

Signed, sealed and delivered in the presence of:

_____ Teresa M. Meeder

State of South Carolina
County of Spartanburg

I _____, Notary Public (name and title), do hereby certify that

Scott A. Schledwitz and Roxanne Johnson Schledwitz, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal (where required by law) this the 23rd day of November, 2005.

_____
Notary Public for South Carolina

My commission expires: 6-10-2012

EXHIBIT "A"

All that certain piece, parcel or lot of land, situate, lying and being in the State of South Carolina, County of Spartanburg, being shown and designated as Lot No. 25, containing 0.21 acres, more or less and fronting on S. Fairview Avenue Ext., as shown on survey prepared for Phyllis P. McElhaney, dated October 9, 1991 and recorded in Plat Book 114, Page 364, RMC Office for Spartanburg County, S.C. For a more complete and particular description, reference is hereby made to the above referred to plat and record thereof.

This being the same property conveyed to Scott A. Schledwitz and Roxanne Johnson Schledwitz by deed of C. Blease Graham, III, dated November 23, 2005 and to be recorded herewith in the RMC Office for Spartanburg County, S.C.

This Mortgage is junior and second in priority to that Mortgage given by Scott A. Schledwitz and Roxanne Johnson Schledwitz to Taylor, Bean & Whitaker Mortgage Corp. dated November 23, 2005 and recorded in REM 3565, Page 239, RMC Office for Spartanburg County, S.C.

Scott A. Schledwitz

Roxanne Johnson Schledwitz

Loan Number 989433

BALLOON RIDER

THIS BALLOON RIDER is made **11/23/2005** and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Deed to Secure Debt [the "Security Instrument"] of the same date given by the undersigned [the "Borrower"] to **Taylor, Bean & Whitaker Mortg**the "Lender"] and covering the property located at: **423 SOUTH FAIRVIEW AVE. EXT., SPARTANBURG, SC**

THE TERM OF THE LOAN IS FIFTEEN YEARS. AS A RESULT, YOU WILL BE REQUIRED TO REPAY THE ENTIRE PRINCIPAL BALANCE AND ANY ACCRUED INTEREST THEN OWING Fifteen Years FROM THE DATE ON WHICH THE LOAN IS MADE.

THE LENDER HAS NO OBLIGATION TO REFINANCE THIS LOAN AT THE END OF ITS TERM. THEREFORE, YOU MAY BE REQUIRED TO REPAY THE LOAN OUT OF ASSETS YOU OWN OR YOU MAY HAVE TO FIND ANOTHER LENDER WILLING TO REFINANCE THE LOAN.

ASSUMING THIS LENDER OR ANOTHER LENDER REFINANCES THIS LOAN AT MATURITY, YOU WILL PROBABLY BE CHARGED INTEREST AT MARKET RATES PREVAILING AT THAT TIME AND SUCH RATES MAY BE HIGHER THATN THE INTEREST RATE PAID ON THIS LOAN. YOU MAY ALSO HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW MORTGAGE LOAN.

LOAN REFINANCING

Borrower acknowledges that the entire principal balance of the Loan will not be fully repaid by the regular monthly payments due under the Note and that at maturity, a final payment, significantly larger than the regular monthly payments, must be made.

The Lender may consider an application to refinance the unpaid principal of the Loan at anytime prior to maturity, but such an application will be treated like any other new loan application.

The Borrower may have the option to refinance the Loan at maturity under terms then offered by the Lender if the Lender is still originating mortgage loans and if the following provisions are fully met and satisfied:

(i) Borrower must make written application to Lender to refinance the Loan no later than ninety (90) days prior to maturity. The application must be on the form then approved for use by the Lender and completed in all respects. The Borrower must execute such other documents as Lender shall require to process and underwrite the loan application including, but not by way of limitation, requests for release of credit and employment information and deposit verification.

(ii) Borrower shall pay Lender's loan application fee then in effect for the loan program applied for, as well as Lender's cost for credit reports, appraisals and other costs and fees then in effect. Such fees shall be paid at time of application.

(iii) At the time of application, Borrower must have fulfilled all promises made by Borrower under the Note and must continue to fulfill such promises through the time of closing to refinance the Loan.

(iv) Borrower shall be entitled to refinance only the principal balance of the Loan which is outstanding at maturity. No new or additional funds will be advanced.

(v) Borrower's credit, financial status, employment history and value of the security must all satisfy Lender's requirements from the time of application through closing of the refinance. The opinion of the Lender shall be conclusive and binding.

(vi) Nothing herein shall be either construed or interpreted to create an obligation of Lender to provide a new loan if the Borrower does not fully satisfy the aforementioned requirements.

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

[SEAL] _____
SCOTT A SCHLEDWITZ

[SEAL] _____
ROXANNE JOHNSON SCHLEDWITZ

[SEAL] _____

[SEAL] _____

EXHIBIT IDENTIFICATION TAG

Exhibit No. 3

Debtor Taylor, Bean, and Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schleedwitz and Roxanne Johnson Schleedwitz

Deft.(s) Taylor, Bean, & Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

Nature of Proceeding _____

_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊕

Taylor, Bean & Whitaker Mortgage Corp.
1417 North Magnolia Ave
Ocala, FL 34475-9078
(888)225-2164

Date: January 21, 2009
Loan Number: 945108
Investor: 01 500 009

Property Address:
423 SOUTH FAIRVIEW AVE. EXTENTION
SPARTANBURG SC 29302

SCOTT A SCHLEDWITZ
C/O TBW BANKRUPTCY DEPT
1417 NORTH MAGNOLIA AVE
OCALA FL 34475

Borrower:
~~Scott A Schledwitz~~
C/O Tbw Bankruptcy Dept
1417 NORTH MAGNOLIA AVE
OCALA FL 34475

Loan Type:	Conventional	Current Interest Rate:	9.25000
Interest Calculation Method:	Fannie Mae Loan	Daily Interest Rate:	.00025342
Estimated Payoff Date:	02/15/09	Daily Interest Amount:	39.50
Due Date Next Payment:	11/01/08		
Unapplied Balance:	889.89	T&I Balance:	-2,327.34
Subsidy Balance:	.00	Delinquent Late Charges:	423.85
		Returned Check Balance:	.00
Calculated Late Charges From Due Date to Payoff Date:	46.50	Miscellaneous Fee Balance:	.00

~~Amounts for Payoff~~

	Principal Balance:	155,866.90
plus	Interest Due:	5,358.89
~~minus~~	~~Unapplied Balance:~~	~~889.89~~
minus	T&I Balance:	-2,327.34
minus	Subsidy Balance:	.00
~~plus~~	~~Delinquent Late Charges Due:~~	~~423.85~~
plus	Calculated Late Charges:	46.50
plus	Returned Check Charges Due:	.00
plus	Total FCL/Bank Fees Due:	169.00
plus	Miscellaneous Fees Due:	.00
minus	Loss Draft Balance:	.00
	***** SUB TOTAL *****	**163,302.59**

Additional Items

***** TOTAL AMOUNT DUE ***** **163,302.59**

DISCLAIMER: Figures MUST be verified within 24 hours of payoff. The total amount necessary to pay off the loan is subject to final verification from the noteholder. We reserve the right to adjust or refuse any funds that are not sufficient to pay the loan in full. Funds MUST be certified and overnighted to 'Attention: Payoffs' at the above address. T&I Balance can not be used. Disbursements or dishonored payments may affect final payoff. Please provide seller's forwarding address.

Taylor, Bean & Whitaker Mortgage Corp.
1417 North Magnolia Ave
Ocala, FL 34475-9078
(888)225-2164

Date: January 21, 2009
Loan Number: 989433
Investor: 01 500 009

Property Address:
423 SOUTH FAIRVIEW AVE. EXT.
SPARTANBURG SC 29302

SCOTT A SCHLEDWITZ
C/O TBW BANKRUPTCY DEPT
1417 NORTH MAGNOLIA AVE
OCALA FL 34475

Borrower:
Scott A Schledwitz
C/O Tbw Bankruptcy Dept
1417 NORTH MAGNOLIA AVE
OCALA FL 34475

Loan Type:	Conventional	Current Interest Rate:	11.95000
Interest Calculation Method:	Fannie Mae Loan	Daily Interest Rate:	.00032740
Estimated Payoff Date:	02/15/09	Daily Interest Amount:	12.94
Due Date Next Payment:	10/01/08		
Unapplied Balance:	303.91	T&I Balance:	.00
Subsidy Balance:	.00	Delinquent Late Charges:	396.43
		Returned Check Balance:	.00
Calculated Late Charges From Due Date to Payoff Date:	62.00	Miscellaneous Fee Balance:	.00

Amounts for Payoff

	Principal Balance:	39,529.82
plus	Interest Due:	2,149.44
minus	Unapplied Balance:	303.91
minus	T&I Balance:	.00
minus	Subsidy Balance:	.00
plus	Delinquent Late Charges Due:	396.43
plus	Calculated Late Charges:	62.00
plus	Returned Check Charges Due:	.00
plus	Total FCL/Bank Fees Due:	159.50
plus	Miscellaneous Fees Due:	.00
minus	Loss Draft Balance:	.00
	***** SUB TOTAL *****	**41,993.28**

Additional Items

***** TOTAL AMOUNT DUE ***** **41,993.28**

DISCLAIMER: Figures MUST be verified within 24 hours of payoff. The total amount necessary to pay off the loan is subject to final verification from the noteholder. We reserve the right to adjust or refuse any funds that are not sufficient to pay the loan in full. Funds MUST be certified and overnighted to 'Attention: Payoffs' at the above address. T&I Balance can not be used. Disbursements or dishonored payments may affect final payoff. Please provide seller's forwarding address.

EXHIBIT IDENTIFICATION TAG

Exhibit No. 4

Debtor Taylor, Bean and Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schlesinger and Roxanne Johnson Schlesinger

Deft.(s) Taylor, Bean and Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

Nature of Proceeding _____

_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊛

Taylor, Bean & Whitaker Mortgage Corp.
1417 North Magnolia Ave
Ocala, FL 34475-9078
(888)225-2164

Property Address:
423 SOUTH FAIRVIEW AVE. EXTENTION
SPARTANBURG SC 29302

Starting Balances	
Principal:	158,451.44
Tax & Insurance:	.00
Unapplied:	.00
Current Balances	
Principal:	155,866.90
Tax & Insurance:	-2,327.34
Unapplied:	889.89
Subsidy:	.00
Late Charge:	439.35
Returned Check Charge:	.00
Miscellaneous Fees:	.00
Loss Draft:	.00

SCOTT A SCHLEDWITZ
C/O TBW BANKRUPTCY DEPT
1417 NORTH MAGNOLIA AVE
OCALA FL 34475

Loan Activity Report

January 22, 2009

Loan # 945108

Tran Code	Due Date /Date Paid	Amount Paid	Interest Paid	Principal/ Curtailment	T&I Paid	Misc Ins	Late Chrg/ Ret Chk Chrg	Subsidy Amount	Unapplied Amount	Misc Fee /Loss Draft	Principal Bal /Tax&Ins Bal
FCD	01/01/07	-150.00	.00	.00	.00	.00	.00	.00	.00	.00	158,451.44
	03/14/07			.00			.00			.00	.00
REG	01/01/07	1,091.48	957.31	134.17	.00	.00	.00	.00	.00	.00	158,317.27
	03/28/07			.00			.00			.00	.00
REG	02/01/07	1,092.00	956.50	134.98	.00	.00	.52	.00	.00	.00	158,182.29
	04/30/07			.00			.00			.00	.00
REG	03/01/07	1,091.48	955.68	135.80	.00	.00	.00	.00	.00	.00	158,046.49
	06/01/07			.00			.00			.00	.00
REG	04/01/07	1,091.48	954.86	136.62	.00	.00	.00	.00	.00	.00	157,909.87
	07/06/07			.00			.00			.00	.00
REG	05/01/07	1,091.48	954.04	137.44	.00	.00	.00	.00	.00	.00	157,772.43
	07/31/07			.00			.00			.00	.00
REG	06/01/07	1,091.48	953.21	138.27	.00	.00	.00	.00	.00	.00	157,634.16
	09/04/07			.00			.00			.00	.00
ADJ	07/01/07	134.71	.00	.00	.00	.00	.00	.00	134.71	.00	157,634.16
	09/14/07			.00			.00			.00	.00
REG	07/01/07	1,092.09	952.37	139.11	.00	.00	.00	.00	.61	.00	157,495.05
	10/02/07			.00			.00			.00	.00
ADJ	08/01/07	36.71	.00	.00	.00	.00	.00	.00	36.71	.00	157,495.05
	10/19/07			.00			.00			.00	.00
REG	08/01/07	1,091.48	951.53	139.95	.00	.00	.00	.00	.00	.00	157,355.10
	11/01/07			.00			.00			.00	.00
ADJ	09/01/07	32.31	.00	.00	.00	.00	.00	.00	32.31	.00	157,355.10
	11/08/07			.00			.00			.00	.00
REG	09/01/07	1,091.48	950.69	140.79	.00	.00	.00	.00	.00	.00	157,214.31
	12/03/07			.00			.00			.00	.00
ADJ	10/01/07	26.75	.00	.00	.00	.00	.00	.00	26.75	.00	157,214.31
	12/19/07			.00			.00			.00	.00

Loan # 945108

Tran Code	Due Date /Date Paid	Amount Paid	Interest Paid	Principal/ Curtailment	T&I Paid	Misc Ins	Late Chrg/ Ret Chk Chrg	Subsidy Amount	Unapplied Amount	Misc Fee /Loss Draft	Principal Bal /Tax&Ins Bal
REG	10/01/07	1,091.48	949.84	141.64	.00	.00	.00	.00	.00	.00	157,072.67
	01/03/08			.00			.00			.00	.00
ADJ	11/01/07	23.46	.00	.00	.00	.00	.00	.00	23.46	.00	157,072.67
	01/09/08			.00			.00			.00	.00
REG	11/01/07	1,091.48	948.98	142.50	.00	.00	.00	.00	.00	.00	156,930.17
	02/01/08			.00			.00			.00	.00
ADJ	12/01/07	36.14	.00	.00	.00	.00	.00	.00	36.14	.00	156,930.17
	02/21/08			.00			.00			.00	.00
REG	12/01/07	1,091.48	948.12	143.36	.00	.00	.00	.00	.00	.00	156,786.81
	03/03/08			.00			.00			.00	.00
ADJ	01/01/08	40.49	.00	.00	.00	.00	.00	.00	40.49	.00	156,786.81
	03/10/08			.00			.00			.00	.00
REG	01/01/08	1,502.00	1,339.22	81.54	.00	.00	.00	.00	81.24	.00	156,705.27
	04/01/08			.00			.00			.00	.00
ADJ	02/01/08	41.02	.00	.00	.00	.00	.00	.00	41.02	.00	156,705.27
	04/04/08			.00			.00			.00	.00
REG	02/01/08	1,850.00	1,338.52	82.24	.00	.00	.00	.00	429.24	.00	156,623.03
	05/01/08			.00			.00			.00	.00
ADJ	03/01/08	41.27	.00	.00	.00	.00	.00	.00	41.27	.00	156,623.03
	05/06/08			.00			.00			.00	.00
REG	03/01/08	1,420.76	1,337.82	82.94	.00	.00	.00	.00	.00	.00	156,540.09
	06/03/08			.00			.00			.00	.00
REG	04/01/08	1,420.76	1,337.11	83.65	.00	.00	.00	.00	.00	.00	156,456.44
	07/01/08			.00			.00			.00	.00
REGR	04/01/08	-1,420.76	-1,337.11	-83.65	.00	.00	.00	.00	.00	.00	156,540.09
	07/23/08			.00			.00			.00	.00
REGR	03/01/08	-1,420.76	-1,337.82	-82.94	.00	.00	.00	.00	.00	.00	156,623.03
	07/23/08			.00			.00			.00	.00
REGR	02/01/08	-1,850.00	-1,338.52	-82.24	.00	.00	.00	.00	-429.24	.00	156,705.27
	07/23/08			.00			.00			.00	.00
REG	02/01/08	1,420.76	1,338.52	82.24	.00	.00	.00	.00	.00	.00	156,623.03
	07/23/08			.00			.00			.00	.00
REG	03/01/08	1,420.76	1,337.82	82.94	.00	.00	.00	.00	.00	.00	156,540.09
	07/23/08			.00			.00			.00	.00
REG	04/01/08	1,420.76	1,337.11	83.65	.00	.00	.00	.00	.00	.00	156,456.44
	07/23/08			.00			.00			.00	.00
REG	05/01/08	1,420.76	1,336.40	84.36	.00	.00	.00	.00	.00	.00	156,372.08
	08/01/08			.00			.00			.00	.00
REG	06/01/08	1,420.76	1,335.68	85.08	.00	.00	.00	.00	.00	.00	156,287.00
	09/03/08			.00			.00			.00	.00
REG	07/01/08	1,404.59	1,204.71	103.82	.00	.00	15.50	.00	80.56	.00	156,183.18
	10/01/08			.00			.00			.00	.00

Loan # 945108

Tran Code	Due Date /Date Paid	Amount Paid	Interest Paid	Principal/ Curtailment	T&I Paid	Misc Ins	Late Chrg/ Ret Chk Chrg	Subsidy Amount	Unapplied Amount	Misc Fee /Loss Draft	Principal Bal /Tax&Ins Bal
DIS	08/01/08	-2,327.46	.00	.00	-2,327.46	.00	.00	.00	.00	.00	156,183.18
	10/24/08			.00			.00			.00	-2,327.46
REG	08/01/08	1,308.09	1,203.91	104.62	.00	.00	.00	.00	-.44	.00	156,078.56
	11/03/08			.00			.00			.00	-2,327.46
REG	09/01/08	1,308.09	1,203.11	105.42	-.44	.00	.00	.00	.00	.00	155,973.14
	12/01/08			.00			.00			.00	-2,327.90
ADJ	10/01/08	244.73	.00	.00	.00	.00	.00	.00	244.73	.00	155,973.14
	12/09/08			.00			.00			.00	-2,327.90
REG	10/01/08	1,309.09	1,202.29	106.24	.56	.00	.00	.00	.00	.00	155,866.90
	12/31/08			.00			.00			.00	-2,327.34
ADJ	11/01/08	70.33	.00	.00	.00	.00	.00	.00	70.33	.00	155,866.90
	01/15/09			.00			.00			.00	-2,327.34
Totals:		25,285.01	24,271.90	2,584.54	-2,327.34	0.00	16.02	0.00	889.89	0.00	
				.00			0.00			0.00	

Taylor, Bean & Whitaker Mortgage Corp.
1417 North Magnolia Ave
Ocala, FL 34475-9078
(888)225-2164

Property Address:
423 SOUTH FAIRVIEW AVE. EXT.
SPARTANBURG SC 29302

Starting Balances

Principal:	39,853.21
Tax & Insurance:	.00
Unapplied:	.00

Current Balances

Principal:	39,529.82
Tax & Insurance:	.00
Unapplied:	303.91
Subsidy:	.00
Late Charge:	411.93
Returned Check Charge:	.00
Miscellaneous Fees:	.00
Loss Draft:	.00

SCOTT A SCHLEDWITZ
C/O TBW BANKRUPTCY DEPT
1417 NORTH MAGNOLIA AVE
OCALA FL 34475

Loan Activity Report

January 22, 2009

Loan # 989433

Tran Code	Due Date /Date Paid	Amount Paid	Interest Paid	Principal/ Curtailment	T&I Paid	Misc Ins	Late Chrg/ Ret Chk Chrg	Subsidy Amount	Unapplied Amount	Misc Fee /Loss Draft	Principal Bal /Tax&Ins Bal
FCD	01/01/07	-150.00	.00	.00	.00	.00	.00	.00	.00	.00	39,853.21
	03/14/07			.00			.00			.00	.00
REG	01/01/07	409.91	396.87	13.04	.00	.00	.00	.00	.00	.00	39,840.17
	03/28/07			.00			.00			.00	.00
REG	02/01/07	410.00	396.74	13.17	.00	.00	.09	.00	.00	.00	39,827.00
	04/30/07			.00			.00			.00	.00
REG	03/01/07	410.52	396.61	13.30	.00	.00	.61	.00	.00	.00	39,813.70
	06/01/07			.00			.00			.00	.00
REG	04/01/07	410.52	396.48	13.43	.00	.00	.00	.00	.61	.00	39,800.27
	07/06/07			.00			.00			.00	.00
REG	05/01/07	410.52	396.34	13.57	.00	.00	.00	.00	.61	.00	39,786.70
	07/31/07			.00			.00			.00	.00
REG	06/01/07	410.52	396.21	13.70	.00	.00	.00	.00	.61	.00	39,773.00
	09/04/07			.00			.00			.00	.00
ADJ	07/01/07	55.86	.00	.00	.00	.00	.00	.00	55.86	.00	39,773.00
	09/14/07			.00			.00			.00	.00
REG	07/01/07	409.91	396.07	13.84	.00	.00	.00	.00	.00	.00	39,759.16
	10/02/07			.00			.00			.00	.00
ADJ	08/01/07	15.22	.00	.00	.00	.00	.00	.00	15.22	.00	39,759.16
	10/19/07			.00			.00			.00	.00
REG	08/01/07	410.52	395.93	13.98	.00	.00	.00	.00	.61	.00	39,745.18
	11/01/07			.00			.00			.00	.00
ADJ	09/01/07	13.40	.00	.00	.00	.00	.00	.00	13.40	.00	39,745.18
	11/08/07			.00			.00			.00	.00
REG	09/01/07	410.52	395.80	14.11	.00	.00	.00	.00	.61	.00	39,731.07
	12/03/07			.00			.00			.00	.00
ADJ	10/01/07	11.09	.00	.00	.00	.00	.00	.00	11.09	.00	39,731.07
	12/19/07			.00			.00			.00	.00

Loan Activity Report

January 22, 2009

Loan # 989433

Tran Code	Due Date /Date Paid	Amount Paid	Interest Paid	Principal/ Curtailment	T&I Paid	Misc Ins	Late Chrg/ Ret Chk Chrg	Subsidy Amount	Unapplied Amount	Misc Fee /Loss Draft	Principal Bal /Tax&Ins Bal
REG	10/01/07	410.52	395.66	14.25	.00	.00	.00	.00	.61	.00	39,716.82
	01/03/08			.00			.00			.00	.00
ADJ	11/01/07	9.61	.00	.00	.00	.00	.00	.00	9.61	.00	39,716.82
	01/09/08			.00			.00			.00	.00
REG	11/01/07	410.52	395.51	14.40	.00	.00	.00	.00	.61	.00	39,702.42
	02/01/08			.00			.00			.00	.00
ADJ	12/01/07	14.98	.00	.00	.00	.00	.00	.00	14.98	.00	39,702.42
	02/21/08			.00			.00			.00	.00
REG	12/01/07	410.52	395.37	14.54	.00	.00	.00	.00	.61	.00	39,687.88
	03/03/08			.00			.00			.00	.00
ADJ	01/01/08	16.79	.00	.00	.00	.00	.00	.00	16.79	.00	39,687.88
	03/10/08			.00			.00			.00	.00
ADJ	01/01/08	17.01	.00	.00	.00	.00	.00	.00	17.01	.00	39,687.88
	04/04/08			.00			.00			.00	.00
ADJ	01/01/08	17.11	.00	.00	.00	.00	.00	.00	17.11	.00	39,687.88
	05/06/08			.00			.00			.00	.00
REG	01/01/08	409.24	395.23	14.68	.00	.00	.00	.00	-.67	.00	39,673.20
	06/03/08			.00			.00			.00	.00
REG	02/01/08	409.24	395.08	14.83	.00	.00	.00	.00	-.67	.00	39,658.37
	07/01/08			.00			.00			.00	.00
REG	03/01/08	429.24	394.93	14.98	.00	.00	.00	.00	.00	.00	39,624.06
	07/23/08			19.33			.00			.00	.00
REG	04/01/08	409.24	394.59	15.32	.00	.00	.00	.00	-.67	.00	39,608.74
	08/01/08			.00			.00			.00	.00
REG	05/01/08	409.24	394.44	15.47	.00	.00	.00	.00	-.67	.00	39,593.27
	09/03/08			.00			.00			.00	.00
REG	06/01/08	425.41	394.28	15.63	.00	.00	15.50	.00	.00	.00	39,577.64
	10/01/08			.00			.00			.00	.00
REG	07/01/08	409.91	394.13	15.78	.00	.00	.00	.00	.00	.00	39,561.86
	11/03/08			.00			.00			.00	.00
REG	08/01/08	409.91	393.97	15.94	.00	.00	.00	.00	.00	.00	39,545.92
	12/01/08			.00			.00			.00	.00
ADJ	09/01/08	101.48	.00	.00	.00	.00	.00	.00	101.48	.00	39,545.92
	12/09/08			.00			.00			.00	.00
REG	09/01/08	409.91	393.81	16.10	.00	.00	.00	.00	.00	.00	39,529.82
	12/31/08			.00			.00			.00	.00
ADJ	10/01/08	29.16	.00	.00	.00	.00	.00	.00	29.16	.00	39,529.82
	01/15/09			.00			.00			.00	.00
Totals:		8,797.55	8,304.05	304.06	0.00	0.00	16.20	0.00	303.91	0.00	
				19.33			0.00			0.00	

EXHIBIT IDENTIFICATION TAG

Exhibit No. 5

Debtor Taylor, Bean and Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schleidwitz and Roxanne Johnson Schleidwitz

Deft.(s) Taylor, Bean and Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

Nature of Proceeding _____

_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊛

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Historical Mortgage Index Data + Historical Mortgage Rate Data + Home

Mortgage Market Survey + Search Mortgage Rates + Interest Rate Trends

Mortgage (ARM) Indexes

CMT + CMT FAQ + T-Bill + T-Bill FAQ + MTA + MTA FAQ + CODI + COFI + COFI FAQ + COSI + W-COSI + LIBOR + LIBOR FAQ + CD + Prime Rate + RNY + FHFB Contract Rate

Current Values + Release Dates + Comparison Chart + Which Index Is Better? + Mortgage Rate Trend Survey

Historical Data + COFI History + COSI History + CODI History + MTA History + Prime Rate History + Daily WSJ LIBOR Histories + Mortgage-X LIBOR History

Monthly CMT History + Daily CMT Histories + FHFB Contract Rate History + Federal COFI History + National Monthly Median COFI History + FNMA LIBOR History

1-, 3-, 9-Yr Avg + 2-, 6-, 12-Yr Avg + 5-, 10-, 15-Year Averages + Prime Rate Forecast + MTA Rate Forecast + COFI Forecast + COSI Forecast + CODI Forecast

Variability Table + Changes of Direction + W-COSI or CODI? + 6-Month Trends + Lagging Indexes + Find the Best Mortgage!

WSJ LIBOR: Historical Data: 2007

The average of the London Interbank Offered Rates (LIBOR) for 1-month, 3-month, 6-month and 1-year U.S. dollar denominated deposits, as published in The Wall Street Journal (WSJ).

1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

Date	1 Month	3 Month	6 Month	12 Month
1/2/2007	5.32188	5.36000	5.37000	5.32938
1/3/2007	5.32063	5.36000	5.37000	5.34000
1/4/2007	5.32000	5.36000	5.36688	5.31313
1/5/2007	5.32000	5.36000	5.36000	5.28938
1/8/2007	5.32000	5.36000	5.34938	5.24938
1/9/2007	5.32000	5.36000	5.37000	5.30500
1/10/2007	5.32000	5.36000	5.37563	5.33000
1/11/2007	5.32000	5.36000	5.37188	5.32375
1/12/2007	5.32000	5.36000	5.37688	5.34000
1/16/2007	5.32000	5.36025	5.38500	5.38250
1/17/2007	5.32000	5.36000	5.38688	5.37938
1/18/2007	5.32000	5.36000	5.38688	5.37063
1/19/2007	5.32000	5.36000	5.39063	5.40438
1/22/2007	5.32000	5.36000	5.39000	5.38688
1/23/2007	5.32000	5.36000	5.39438	5.40688
1/24/2007	5.32000	5.36000	5.39063	5.40250
1/25/2007	5.32000	5.36000	5.39875	5.42000
1/26/2007	5.32000	5.36000	5.39875	5.41688
1/29/2007	5.32000	5.36000	5.40000	5.43938
1/30/2007	5.32000	5.36000	5.40000	5.43000
1/31/2007	5.32000	5.36000	5.40063	5.44000
2/1/2007	5.32000	5.36000	5.40000	5.43000
2/2/2007	5.32000	5.36000	5.40000	5.41000
2/5/2007	5.32000	5.36000	5.40125	5.43125

Date	1 Month	3 Month	6 Month	12 Month
5/2/2007	5.32000	5.35500	5.35000	5.26000
5/3/2007	5.32000	5.35500	5.36000	5.29438
5/4/2007	5.32000	5.35563	5.35813	5.28875
5/7/2007	5.32000	5.35656	5.36813	5.32000
5/8/2007	5.32000	5.35656	5.36813	5.32000
5/9/2007	5.32000	5.35688	5.36000	5.30000
5/10/2007	5.32000	5.35813	5.36000	5.30000
5/11/2007	5.32000	5.36000	5.37000	5.33000
5/14/2007	5.32000	5.36000	5.35875	5.29188
5/15/2007	5.32000	5.36000	5.36500	5.32000
5/16/2007	5.32000	5.36000	5.36688	5.32375
5/17/2007	5.32000	5.36000	5.36000	5.31000
5/18/2007	5.32000	5.36000	5.36094	5.31725
5/21/2007	5.32000	5.36000	5.37000	5.34031
5/22/2007	5.32000	5.36000	5.37563	5.36688
5/23/2007	5.32000	5.36000	5.37469	5.35688
5/24/2007	5.32000	5.36000	5.38000	5.37875
5/25/2007	5.32000	5.36000	5.38000	5.37000
5/29/2007	5.32000	5.36000	5.38000	5.37100
5/30/2007	5.32000	5.36000	5.38438	5.39000
5/31/2007	5.32000	5.36000	5.38475	5.39000
6/1/2007	5.32000	5.36000	5.38475	5.39000
6/4/2007	5.32000	5.36000	5.39000	5.42063
6/5/2007	5.32000	5.36000	5.39344	5.44000

Date	1 Month	3 Month	6 Month	12 Month
8/30/2007	5.56500	5.54125	5.42750	5.18000
8/31/2007	5.66500	5.58000	5.46250	5.20750
9/4/2007	5.76500	5.66875	5.54875	5.26000
9/5/2007	5.79750	5.69813	5.56375	5.25250
9/6/2007	5.81875	5.72000	5.59500	5.28250
9/7/2007	5.82000	5.72375	5.56250	5.22813
9/10/2007	5.82375	5.72500	5.57250	5.22625
9/11/2007	5.80625	5.70375	5.47875	5.06938
9/12/2007	5.80313	5.70313	5.48875	5.08250
9/13/2007	5.80000	5.70313	5.51875	5.12375
9/14/2007	5.75250	5.69438	5.50938	5.13000
9/17/2007	5.61375	5.64625	5.45750	5.12375
9/18/2007	5.50250	5.59750	5.42000	5.11375
9/19/2007	5.49625	5.58750	5.42000	5.11250
9/20/2007	5.14875	5.23750	5.11000	4.87750
9/21/2007	5.13625	5.21000	5.06938	4.84625
9/24/2007	5.13125	5.20250	5.09500	4.90375
9/25/2007	5.12875	5.20000	5.10625	4.91063
9/26/2007	5.12875	5.20000	5.14125	4.92750
9/27/2007	5.12875	5.19813	5.14250	4.93000
9/28/2007	5.12750	5.23063	5.14438	4.93500
10/1/2007	5.12375	5.22875	5.13250	4.90125
10/2/2007	5.12063	5.23000	5.14625	4.93500
10/3/2007	5.12625	5.24000	5.16250	4.97563

2/6/2007	5.32000	5.36000	5.40000	5.40875
2/7/2007	5.32000	5.36000	5.40000	5.40688
2/8/2007	5.32000	5.36000	5.40000	5.40188
2/9/2007	5.32000	5.36000	5.39813	5.39813
2/12/2007	5.32000	5.36000	5.39750	5.39625
2/13/2007	5.32000	5.36000	5.40000	5.41750
2/14/2007	5.32000	5.36000	5.40000	5.42375
2/15/2007	5.32000	5.36000	5.40000	5.42438
2/16/2007	5.32000	5.36000	5.39000	5.38813
2/20/2007	5.32000	5.36000	5.38813	5.36750
2/21/2007	5.32000	5.36000	5.38750	5.36688
2/22/2007	5.32000	5.36000	5.38000	5.35438
2/23/2007	5.32000	5.36000	5.38813	5.37156
2/26/2007	5.32000	5.36000	5.39000	5.38875
2/27/2007	5.32000	5.36000	5.37875	5.34813
2/28/2007	5.32000	5.36000	5.37188	5.33063
3/1/2007	5.32000	5.34813	5.33000	5.23813
3/2/2007	5.32000	5.34750	5.32813	5.23250
3/5/2007	5.32000	5.34625	5.31938	5.21250
3/6/2007	5.31913	5.33000	5.25913	5.12000
3/7/2007	5.32000	5.34000	5.29750	5.18125
3/8/2007	5.32000	5.34000	5.29000	5.16625
3/9/2007	5.32000	5.34000	5.28750	5.15250
3/12/2007	5.32000	5.34000	5.29688	5.16750
3/13/2007	5.32000	5.35500	5.34250	5.26725
3/14/2007	5.32000	5.35488	5.33000	5.22000
3/15/2007	5.32000	5.35000	5.29625	5.14188
3/16/2007	5.32000	5.35000	5.31438	5.19000
3/19/2007	5.32000	5.35000	5.32063	5.20313
3/20/2007	5.32000	5.35000	5.33500	5.23313
3/21/2007	5.32000	5.35000	5.34000	5.24438
3/22/2007	5.32000	5.35000	5.34000	5.23500
3/23/2007	5.32000	5.34631	5.31375	5.18313
3/26/2007	5.32000	5.34788	5.32000	5.20529
3/27/2007	5.32000	5.35000	5.32875	5.22938
3/28/2007	5.32000	5.35000	5.32969	5.21188
3/29/2007	5.32000	5.35000	5.32375	5.20563
3/30/2007	5.32000	5.34938	5.32000	5.20000
4/2/2007	5.32000	5.35000	5.32969	5.22000
4/3/2007	5.32000	5.35000	5.32906	5.21938
4/4/2007	5.32000	5.35000	5.33000	5.22875
4/5/2007	5.32000	5.35000	5.33563	5.23656
4/6/2007	5.32000	5.35000	5.33219	5.22875
4/9/2007	5.32000	5.35000	5.33219	5.22875
4/10/2007	5.32000	5.35000	5.33219	5.22875
4/11/2007	5.32000	5.35500	5.36438	5.31813
4/12/2007	5.32000	5.35500	5.36250	5.30625
4/13/2007	5.32000	5.35563	5.37000	5.31813
4/16/2007	5.32000	5.35688	5.37000	5.32875
4/17/2007	5.32000	5.35875	5.37406	5.35250
4/18/2007	5.32000	5.35988	5.37156	5.33688
4/19/2007	5.32000	5.35813	5.36063	5.28875
4/20/2007	5.32000	5.35500	5.34938	5.25063
4/23/2007	5.32000	5.35500	5.35438	5.27438
4/24/2007	5.32000	5.35500	5.35938	5.28000
4/25/2007	5.32000	5.35500	5.35313	5.26000
4/26/2007	5.32000	5.35500	5.34688	5.24188
4/27/2007	5.32000	5.35500	5.35500	5.27000
4/30/2007				

6/6/2007	5.32000	5.36000	5.39188	5.44506
6/7/2007	5.32000	5.36000	5.39594	5.45625
6/8/2007	5.32000	5.36000	5.39250	5.44813
6/11/2007	5.32000	5.36000	5.40188	5.48000
6/12/2007	5.32000	5.36000	5.39781	5.46600
6/13/2007	5.32000	5.36000	5.40000	5.46819
6/14/2007	5.32000	5.36000	5.40906	5.50594
6/15/2007	5.32000	5.36000	5.40500	5.49000
6/18/2007	5.32000	5.36000	5.40813	5.50656
6/19/2007	5.32000	5.36000	5.40000	5.47413
6/20/2007	5.32000	5.36000	5.39813	5.46500
6/21/2007	5.32000	5.36000	5.39313	5.43875
6/22/2007	5.32000	5.36000	5.39344	5.45313
6/25/2007	5.32000	5.36000	5.39000	5.44938
6/26/2007	5.32000	5.36000	5.37625	5.40000
6/27/2007	5.32000	5.36000	5.37500	5.38750
6/28/2007	5.32000	5.36000	5.37500	5.38000
6/29/2007	5.32000	5.36000	5.38000	5.40375
7/2/2007	5.32000	5.36000	5.38625	5.42563
7/3/2007	5.32000	5.36000	5.38000	5.38938
7/5/2007	5.32000	5.36000	5.38063	5.40500
7/6/2007	5.32000	5.36000	5.38625	5.41750
7/9/2007	5.32000	5.36000	5.39063	5.44813
7/10/2007	5.32000	5.36000	5.39625	5.45938
7/11/2007	5.32000	5.36000	5.39469	5.44500
7/12/2007	5.32000	5.36000	5.38000	5.39563
7/13/2007	5.32000	5.36000	5.38600	5.41625
7/16/2007	5.32000	5.36000	5.38750	5.43125
7/17/2007	5.32000	5.36000	5.38656	5.42031
7/18/2007	5.32000	5.36000	5.38688	5.41188
7/19/2007	5.32000	5.36000	5.38250	5.41125
7/20/2007	5.32000	5.36000	5.38438	5.40531
7/23/2007	5.32000	5.36000	5.38113	5.40000
7/24/2007	5.32000	5.36000	5.37000	5.36500
7/25/2007	5.32000	5.36000	5.37406	5.37875
7/26/2007	5.32000	5.36000	5.37031	5.36000
7/27/2007	5.32000	5.36000	5.36938	5.35313
7/30/2007	5.32000	5.35750	5.32688	5.25688
7/31/2007	5.32000	5.35625	5.31250	5.22313
8/1/2007	5.32000	5.35866	5.32688	5.24500
8/2/2007	5.32750	5.35953	5.30063	5.18688
8/3/2007	5.33000	5.36000	5.31813	5.23000
8/6/2007	5.33000	5.36000	5.31438	5.21688
8/7/2007	5.33000	5.35625	5.25688	5.11625
8/8/2007	5.33000	5.36000	5.28000	5.15750
8/9/2007	5.35000	5.38000	5.33875	5.23750
8/10/2007	5.54125	5.50000	5.38875	5.25875
8/13/2007	5.61875	5.57500	5.40125	5.23125
8/14/2007	5.61125	5.55750	5.40000	5.23625
8/15/2007	5.58875	5.53000	5.39875	5.24250
8/16/2007	5.56938	5.52000	5.39125	5.20875
8/17/2007	5.53750	5.51000	5.37875	5.16188
8/20/2007	5.51000	5.50000	5.35500	5.07375
8/21/2007	5.50125	5.49500	5.34750	5.07750
8/22/2007	5.50000	5.49438	5.32875	5.04500
8/23/2007	5.50000	5.49875	5.37313	5.10375
8/24/2007	5.50500	5.50500	5.43125	5.21875
8/27/2007	5.50250	5.50563	5.41125	5.20000

10/4/2007	5.12500	5.24375	5.16625	4.95438
10/5/2007	5.12500	5.24375	5.17813	4.99500
10/9/2007	5.12000	5.25313	5.21750	5.07250
10/10/2007	5.11625	5.24875	5.21250	5.06125
10/11/2007	5.11000	5.24750	5.22125	5.08875
10/12/2007	5.09125	5.24250	5.20500	5.06875
10/15/2007	5.06000	5.22375	5.13750	4.99500
10/16/2007	5.04500	5.21438	5.14625	5.04000
10/17/2007	5.03500	5.20875	5.13375	5.01531
10/18/2007	5.02125	5.19875	5.10625	4.96375
10/19/2007	4.99750	5.18000	5.07875	4.89875
10/22/2007	4.95000	5.15125	5.00563	4.81500
10/23/2007	4.89250	5.09250	4.92500	4.71063
10/24/2007	4.87250	5.08375	4.93875	4.75500
10/25/2007	4.85625	5.06500	4.90000	4.68625
10/26/2007	4.81875	5.01063	4.83563	4.61750
10/29/2007	4.79250	4.98375	4.83188	4.62688
10/30/2007	4.75250	4.96000	4.83125	4.63250
10/31/2007	4.71625	4.91125	4.81813	4.64125
11/1/2007	4.70625	4.89375	4.80625	4.63750
11/2/2007	4.68750	4.87750	4.84625	4.74563
11/5/2007	4.67750	4.86500	4.79375	4.62063
11/6/2007	4.66750	4.87500	4.81063	4.60313
11/7/2007	4.66688	4.89750	4.85250	4.65813
11/8/2007	4.66500	4.89625	4.83875	4.63500
11/9/2007	4.66000	4.88688	4.80313	4.58375
11/12/2007	4.65938	4.87938	4.76250	4.51063
11/13/2007	4.65313	4.87000	4.74375	4.46688
11/14/2007	4.65188	4.86875	4.73750	4.46000
11/15/2007	4.65813	4.87750	4.77500	4.53000
11/16/2007	4.68625	4.90500	4.79125	4.51375
11/19/2007	4.74000	4.94875	4.80875	4.46625
11/20/2007	4.76750	4.98188	4.84500	4.50250
11/21/2007	4.78000	5.00000	4.85625	4.51000
11/23/2007	4.78875	5.03000	4.85500	4.44875
11/26/2007	4.79313	5.04000	4.85625	4.44000
11/27/2007	4.80000	5.05313	4.80375	4.48063
11/28/2007	4.80875	5.06188	4.86250	4.39875
11/29/2007	4.82188	5.08125	4.90625	4.48813
11/30/2007	5.22500	5.12375	4.91250	4.48875
12/3/2007	5.23625	5.13125	4.91000	4.45750
12/4/2007	5.24563	5.14063	4.89563	4.43388
12/5/2007	5.25188	5.15000	4.90875	4.42313
12/6/2007	5.25000	5.15063	4.90375	4.43250
12/7/2007	5.24250	5.14625	4.90125	4.44375
12/10/2007	5.23750	5.14063	4.93188	4.48875
12/11/2007	5.23188	5.13250	4.96750	4.55250
12/12/2007	5.20375	5.11125	4.95625	4.54875
12/13/2007	5.10250	5.05750	4.92875	4.50188
12/14/2007	5.02750	4.99063	4.82875	4.43875
12/17/2007	4.99625	4.96625	4.84875	4.49125
12/18/2007	4.96500	4.94125	4.84875	4.51875
12/19/2007	4.94875	4.92625	4.82500	4.47188
12/20/2007	4.93188	4.91000	4.77750	4.41750
12/21/2007	4.89625	4.88375	4.74500	4.34750
12/24/2007	4.86500	4.85750	4.72750	4.31750
12/26/2007	4.85500	4.84250	4.71750	4.34375
12/27/2007	4.85500	4.84250	4.71750	4.34375

	5.32000	5.35625	5.36000	5.29563	8/28/2007	5.50250	5.50563	5.41125	5.20000	12/28/2007	4.84500	4.83000	4.71750	4.34125
5/1/2007	5.32000	5.35500	5.36000	5.29500	8/29/2007	5.50750	5.51000	5.42750	5.21250	12/31/2007	4.63125	4.72875	4.64875	4.29500

LIBOR: Frequently Asked Questions

Mortgage-X compiles historical values for the indexes which are widely used on adjustable rate mortgages (ARMs): **Historical Data**

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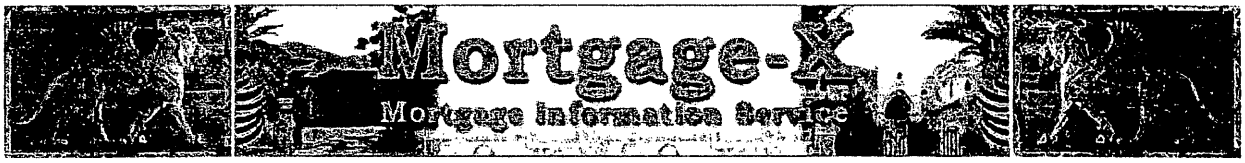

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Current Values + Release Dates + Comparison Chart + Which Index Is Better? + Mortgage Rate Trend Survey

Historical Data + COFI History + COSI History + CODI History + MTA History + Prime Rate History + Daily WSJ LIBOR Histories + Mortgage-X LIBOR History

Monthly CMT History + Daily CMT Histories + FHFB Contract Rate History + Federal COFI History + National Monthly Median COFI History + FNMA LIBOR History

1-, 3-, 9-Yr Avg + 2-, 6-, 12-Yr Avg + 5-, 10-, 15-Year Averages + Prime Rate Forecast + MTA Rate Forecast + COFI Forecast + COSI Forecast + CODI Forecast

Variability Table + Changes of Direction + W-COSI or CODI? + 6-Month Trends + Lagging Indexes + Find the Best Mortgage!

WSJ LIBOR: Historical Data: 2008

The average of the London Interbank Offered Rates (LIBOR) for 1-month, 3-month, 6-month and 1-year U.S. dollar denominated deposits, as published in The Wall Street Journal (WSJ).

1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

Date	1 Month	3 Month	6 Month	12 Month	Date	1 Month	3 Month	6 Month	12 Month	Date	1 Month	3 Month	6 Month	12 Month
1/2/2008	4.60000	4.70250	4.59625	4.22375	5/5/2008	2.69750	2.77000	2.87375	2.99375	9/3/2008	2.48563	2.81313	3.11938	3.21438
1/3/2008	4.57000	4.68063	4.56625	4.18750	5/6/2008	2.69750	2.77000	2.87375	2.99375	9/4/2008	2.48750	2.81375	3.10875	3.17875
1/4/2008	4.54000	4.64625	4.47375	4.04188	5/7/2008	2.67375	2.75750	2.87625	3.01500	9/5/2008	2.48688	2.81500	3.11313	3.18125
1/7/2008	4.51500	4.62000	4.46750	4.05250	5/8/2008	2.62125	2.73438	2.84875	2.99813	9/8/2008	2.48688	2.81438	3.10250	3.12938
1/8/2008	4.44125	4.54313	4.36375	3.94250	5/9/2008	2.59000	2.71563	2.82000	2.94375	9/9/2008	2.48813	2.81688	3.12250	3.23875
1/9/2008	4.41125	4.50500	4.32875	3.92875	5/12/2008	2.55000	2.68500	2.78000	2.87250	9/10/2008	2.48875	2.81813	3.09688	3.16625
1/10/2008	4.37063	4.44250	4.26250	3.86438	5/13/2008	2.52938	2.67813	2.80438	2.92188	9/11/2008	2.48688	2.81875	3.08750	3.14375
1/11/2008	4.31938	4.37688	4.19375	3.81250	5/14/2008	2.51438	2.67563	2.82750	2.96250	9/12/2008	2.48750	2.81875	3.08438	3.13063
1/14/2008	4.23625	4.25750	4.08125	3.71500	5/15/2008	2.50500	2.72000	2.93875	3.16813	9/15/2008	2.48813	2.81875	3.08938	3.12750
1/15/2008	4.08125	4.05500	3.85375	3.49625	5/16/2008	2.49750	2.71875	2.94125	3.17625	9/16/2008	2.49688	2.81625	3.00125	2.98750
1/16/2008	4.02250	3.99750	3.82750	3.47375	5/19/2008	2.47875	2.69500	2.88625	3.08125	9/17/2008	2.74750	2.87625	3.01625	2.95250
1/17/2008	3.98938	3.95125	3.79375	3.42375	5/20/2008	2.45125	2.67750	2.84500	3.02625	9/18/2008	3.03000	3.06250	3.25250	3.22500
1/18/2008	3.95875	3.92625	3.81125	3.48000	5/21/2008	2.43000	2.65750	2.80063	2.97625	9/19/2008	3.18750	3.20375	3.38500	3.35125
1/22/2008	3.90250	3.84750	3.67438	3.26813	5/22/2008	2.40438	2.63813	2.78375	2.95125	9/22/2008	3.19000	3.21000	3.45750	3.45875
1/23/2008	3.77375	3.71750	3.49000	3.08375	5/23/2008	2.39250	2.63813	2.80875	2.99750	9/23/2008	3.17625	3.19750	3.42875	3.51250
1/24/2008	3.37625	3.33125	3.16375	2.80625	5/27/2008	2.38250	2.64563	2.84875	3.06688	9/24/2008	3.20688	3.21125	3.46500	3.53688
1/25/2008	3.28500	3.24375	3.15000	2.86250	5/28/2008	2.37875	2.64438	2.84938	3.06750	9/25/2008	3.42875	3.47625	3.70125	3.75750
1/28/2008	3.31250	3.30625	3.30000	3.12625	5/29/2008	2.38125	2.64938	2.85875	3.08625	9/26/2008	3.70875	3.76875	3.97500	3.98250
1/29/2008	3.28125	3.25125	3.18375	2.95625	5/30/2008	2.45938	2.68188	2.92750	3.20500	9/29/2008	3.70375	3.76188	3.87625	3.89125
1/30/2008	3.27125	3.24375	3.18188	2.96625	6/2/2008	2.45750	2.68063	2.91063	3.16375	9/30/2008	3.72000	3.88250	3.83375	3.83500
1/31/2008	3.26375	3.23938	3.18625	2.98000	6/3/2008	2.45563	2.67625	2.89688	3.13875	10/1/2008	3.92625	4.05250	3.98125	3.96250
2/1/2008	3.14375	3.11188	3.04125	2.84938	6/4/2008	2.45125	2.67313	2.88375	3.09625	10/2/2008	4.00250	4.15000	4.03750	4.03500
2/4/2008	3.14125	3.09500	3.01625	2.81875	6/5/2008	2.45000	2.67188	2.89125	3.09750	10/3/2008	4.04500	4.20750	4.05250	4.02250
2/5/2008	3.18125	3.14500	3.09750	2.89625	6/6/2008	2.44813	2.67688	2.91875	3.13000	10/6/2008	4.11000	4.33375	4.13125	4.05750

2/6/2008	3.21813	3.16188	3.11125	2.89313
2/7/2008	3.19250	3.12750	3.00250	2.73375
2/8/2008	3.16500	3.09625	2.97750	2.73000
2/11/2008	3.15375	3.08813	2.99125	2.77625
2/12/2008	3.13875	3.07000	2.96250	2.73375
2/13/2008	3.12750	3.06750	2.95875	2.73250
2/14/2008	3.12125	3.06500	2.95438	2.72750
2/15/2008	3.11625	3.06500	2.96125	2.74875
2/19/2008	3.11375	3.07000	2.98000	2.77125
2/20/2008	3.11063	3.07000	2.98000	2.78063
2/21/2008	3.11750	3.07813	3.01938	2.87500
2/22/2008	3.13500	3.09250	3.07063	2.95500
2/25/2008	3.12000	3.08000	2.99938	2.82063
2/26/2008	3.12375	3.08938	3.05625	2.90875
2/27/2008	3.12500	3.09000	3.05750	2.92500
2/28/2008	3.12188	3.08500	3.01688	2.82875
2/29/2008	3.11938	3.07563	2.96875	2.77500
3/3/2008	3.11063	3.05750	2.93125	2.70875
3/4/2008	3.08625	3.01438	2.86250	2.62563
3/5/2008	3.08000	3.00813	2.87688	2.65813
3/6/2008	3.07500	3.00000	2.89250	2.66750
3/7/2008	3.05813	2.99000	2.89250	2.68625
3/10/2008	3.00000	2.93875	2.78438	2.57500
3/11/2008	2.93500	2.90125	2.78125	2.58875
3/12/2008	2.89000	2.86750	2.74000	2.57000
3/13/2008	2.86125	2.85000	2.78750	2.64688
3/14/2008	2.81750	2.80000	2.69938	2.51688
3/17/2008	2.77500	2.76375	2.67125	2.51250
3/18/2008	2.55875	2.57875	2.36625	2.17813
3/19/2008	2.53563	2.54188	2.38250	2.21000
3/20/2008	2.59875	2.59875	2.49750	2.33875
3/21/2008	2.60625	2.60625	2.53938	2.39250
3/24/2008	2.60625	2.60625	2.53938	2.39250
3/25/2008	2.60625	2.60625	2.53938	2.39250
3/26/2008	2.65375	2.65500	2.63375	2.54875
3/27/2008	2.67750	2.67125	2.63188	2.52750
3/28/2008	2.70375	2.69625	2.63000	2.50563
3/31/2008	2.70875	2.69750	2.63250	2.51750
4/1/2008	2.70300	2.68813	2.61438	2.48625
4/2/2008	2.70000	2.68375	2.61625	2.47000
4/3/2008	2.71000	2.70000	2.67000	2.56125
4/4/2008	2.74125	2.72750	2.72000	2.65375
4/7/2008	2.73875	2.72750	2.72000	2.66375
4/8/2008	2.72438	2.71000	2.68000	2.59313
4/9/2008	2.72156	2.71000	2.68000	2.60188
4/10/2008	2.72688	2.71563	2.69875	2.61813
4/11/2008	2.71750	2.71000	2.68375	2.57375
4/14/2008	2.71594	2.71313	2.71125	2.63688
4/15/2008	2.71313	2.70875	2.68688	2.57375
4/16/2008	2.71625	2.71594	2.71688	2.63000
4/17/2008	2.73219	2.73375	2.75875	2.73750
4/18/2008	2.80000	2.81750	2.88188	2.91125
4/21/2008	2.87375	2.90750	3.01875	3.06750
4/22/2008	2.89750	2.92000	3.02125	3.06000
4/23/2008	2.89500	2.92000	3.03750	3.09313
4/24/2008	2.89500	2.92000	3.04625	3.11125
4/25/2008	2.88625	2.90688	3.02813	3.07750
4/28/2008	2.88125	2.91250	3.08000	3.23500
4/29/2008				
6/9/2008	2.44938	2.69563	2.96938	3.21063
6/10/2008	2.44813	2.69125	2.95750	3.18750
6/11/2008	2.47500	2.78625	3.17000	3.54188
6/12/2008	2.47688	2.78813	3.15375	3.52000
6/13/2008	2.47125	2.77625	3.13313	3.50313
6/16/2008	2.48188	2.81375	3.25500	3.68125
6/17/2008	2.48125	2.81250	3.24063	3.66375
6/18/2008	2.48250	2.80875	3.21500	3.59375
6/19/2008	2.48188	2.80250	3.19375	3.57750
6/20/2008	2.48125	2.80125	3.18188	3.55125
6/23/2008	2.48125	2.80188	3.18000	3.54500
6/24/2008	2.48250	2.80438	3.18000	3.53563
6/25/2008	2.48188	2.80938	3.18563	3.55625
6/26/2008	2.48250	2.80813	3.17125	3.50750
6/27/2008	2.48250	2.80063	3.13375	3.44125
6/30/2008	2.47063	2.79125	3.15375	3.37938
7/1/2008	2.46250	2.78313	3.10875	3.31063
7/2/2008	2.46125	2.78750	3.12250	3.32375
7/3/2008	2.46250	2.79125	3.13375	3.34500
7/4/2008	2.46000	2.79125	3.13000	3.32500
7/7/2008	2.46125	2.78938	3.11313	3.29375
7/8/2008	2.46125	2.79125	3.11563	3.29500
7/9/2008	2.45875	2.79000	3.09750	3.22250
7/10/2008	2.45875	2.79188	3.11313	3.24875
7/11/2008	2.45625	2.78813	3.09375	3.20500
7/14/2008	2.45750	2.79063	3.12125	3.25625
7/15/2008	2.46000	2.79063	3.12250	3.27500
7/16/2008	2.45813	2.78938	3.09250	3.19938
7/17/2008	2.45625	2.78500	3.07125	3.15063
7/18/2008	2.45813	2.78625	3.08438	3.21188
7/21/2008	2.45938	2.79063	3.10000	3.25688
7/22/2008	2.46063	2.79938	3.14813	3.35625
7/23/2008	2.46188	2.79625	3.13938	3.33813
7/24/2008	2.46125	2.80000	3.17125	3.41250
7/25/2008	2.46000	2.79500	3.15688	3.38063
7/28/2008	2.45750	2.79313	3.11188	3.27188
7/29/2008	2.46250	2.79625	3.13500	3.31375
7/30/2008	2.46313	2.79875	3.11625	3.28063
7/31/2008	2.46375	2.80063	3.12500	3.28750
8/1/2008	2.46125	2.79125	3.08375	3.25250
8/4/2008	2.46000	2.79438	3.07500	3.22250
8/5/2008	2.46125	2.79813	3.09063	3.24188
8/6/2008	2.46250	2.80188	3.11375	3.28125
8/7/2008	2.46188	2.80250	3.10125	3.26688
8/8/2008	2.46313	2.80250	3.10250	3.27625
8/11/2008	2.46063	2.80375	3.09125	3.23063
8/12/2008	2.46375	2.80375	3.09375	3.24063
8/13/2008	2.46375	2.80438	3.10313	3.27063
8/14/2008	2.46688	2.80438	3.09500	3.21813
8/15/2008	2.46563	2.80688	3.10375	3.23313
8/18/2008	2.46563	2.80875	3.11813	3.25500
8/19/2008	2.47063	2.81000	3.13625	3.26313
8/20/2008	2.47125	2.81125	3.13375	3.24375
8/21/2008	2.47188	2.81188	3.12375	3.23438
8/22/2008	2.47188	2.81063	3.10250	3.17188
8/25/2008	2.47188	2.81000	3.11375	3.21250
8/26/2008	2.47188	2.81000	3.11375	3.21250
8/27/2008	2.47000	2.80938	3.11625	3.22000
10/7/2008	4.09250	4.28875	4.05250	3.95250
10/8/2008	4.14000	4.32000	4.01625	3.90000
10/9/2008	4.29375	4.52375	4.10750	3.99375
10/10/2008	4.51250	4.75000	4.37500	4.23375
10/13/2008	4.58750	4.81875	4.39375	4.16875
10/14/2008	4.56000	4.75250	4.37625	4.13125
10/15/2008	4.46875	4.63500	4.25500	4.06000
10/16/2008	4.35875	4.55000	4.22125	4.03375
10/17/2008	4.27750	4.50250	4.17875	3.97875
10/20/2008	4.18125	4.41875	4.13000	3.97250
10/21/2008	3.75125	4.05875	3.82875	3.71250
10/22/2008	3.52750	3.83375	3.70000	3.60188
10/23/2008	3.27500	3.54125	3.48250	3.42375
10/24/2008	3.25875	3.53500	3.53000	3.50250
10/27/2008	3.24000	3.51625	3.52750	3.50875
10/28/2008	3.21875	3.50750	3.51250	3.49750
10/29/2008	3.17125	3.46500	3.48000	3.49000
10/30/2008	3.11750	3.42000	3.42750	3.42125
10/31/2008	2.85000	3.19250	3.26500	3.28188
11/3/2008	2.58125	3.02625	3.12125	3.17375
11/4/2008	2.35750	2.85875	3.08500	3.20750
11/5/2008	2.17750	2.70625	2.96875	3.10500
11/6/2008	1.95625	2.50625	2.82375	2.96875
11/7/2008	1.76750	2.38750	2.69875	2.84125
11/10/2008	1.62250	2.29000	2.63875	2.80000
11/11/2008	1.53875	2.23500	2.62125	2.79250
11/12/2008	1.47750	2.17500	2.54500	2.70750
11/13/2008	1.40875	2.13250	2.52500	2.68250
11/14/2008	1.42250	2.14875	2.59500	2.75125
11/17/2008	1.47750	2.23625	2.71375	2.90500
11/18/2008	1.47375	2.23875	2.71375	2.88000
11/19/2008	1.45250	2.21750	2.63125	2.79500
11/20/2008	1.41375	2.17250	2.58375	2.75500
11/21/2008	1.39875	2.15313	2.54375	2.70500
11/24/2008	1.39500	2.15750	2.56875	2.73625
11/25/2008	1.41125	2.16875	2.57500	2.75875
11/26/2008	1.43625	2.19625	2.62125	2.84000
11/27/2008	1.43125	2.18125	2.54375	2.71750
11/28/2008	1.90000	2.20250	2.56750	2.74750
12/1/2008	1.90125	2.21688	2.59125	2.76625
12/2/2008	1.91125	2.22000	2.60625	2.77375
12/3/2008	1.89875	2.21000	2.56875	2.71250
12/4/2008	1.89000	2.20125	2.55625	2.70375
12/5/2008	1.87625	2.19250	2.52000	2.64875
12/8/2008	1.86750	2.18563	2.55125	2.69250
12/9/2008	1.82500	2.18938	2.60063	2.79500
12/10/2008	1.63500	2.16375	2.52500	2.71000
12/11/2008	1.43875	2.09875	2.43750	2.62250
12/12/2008	1.19500	1.99625	2.32250	2.52875
12/15/2008	1.04000	1.92125	2.22000	2.41875
12/16/2008	0.96125	1.87125	2.21625	2.43000
12/17/2008	0.88375	1.84750	2.16750	2.36750
12/18/2008	0.58125	1.57750	1.89125	2.09875
12/19/2008	0.50750	1.52500	1.86375	2.09875
12/22/2008	0.47375	1.49750	1.84500	2.09250
12/23/2008	0.46125	1.46625	1.82625	2.07625
12/24/2008	0.47125	1.46625	1.85000	2.10625
12/26/2008	0.47125	1.46750	1.83000	2.09125

	2.86250	2.89938	3.04188	3.17875	8/28/2008	2.46875	2.81000	3.11750	3.23063	12/29/2008	0.47125	1.46750	1.83000	2.09125
4/30/2008	2.82750	2.87281	2.98625	3.10750	8/29/2008	2.48625	2.81000	3.11500	3.20688	12/30/2008	0.46125	1.45875	1.81125	2.07750
5/1/2008	2.80250	2.85000	2.96500	3.07875	9/1/2008	2.48563	2.81063	3.11750	3.20688	12/31/2008	0.44750	1.43500	1.77500	2.02500
5/2/2008	2.72375	2.78438	2.88250	2.98375	9/2/2008	2.48563	2.81000	3.11250	3.19500					

LIBOR: Frequently Asked Questions

Mortgage-X compiles historical values for the indexes which are widely used on adjustable rate mortgages (ARMs): **Historical Data**

Mortgage Professionals Offering LIBOR-indexed Loans: If you are looking for a LIBOR-indexed ARM and need more information or advice, we invite you to take advantage of our database of the most competitive lenders available. Just complete a short loan request form and the best lenders in your local area will contact you with their rates and fees.

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Historical Mortgage Index Data + Historical Mortgage Rate Data + Home

Mortgage Market Survey + Search Mortgage Rates + Interest Rate Trends

Mortgage (ARM) Indexes

CMT + CMT FAQ + T-Bill + T-Bill FAQ + MTA + MTA FAQ + CODI + COFI + COFI FAQ + COSI + W-COSI + LIBOR + LIBOR FAQ + CD + Prime Rate + RNY + FHFB Contract Rate

Current Values + Release Dates + Comparison Chart + Which Index Is Better? + Mortgage Rate Trend Survey

Historical Data + COFI History + COSI History + CODI History + MTA History + Prime Rate History + Daily WSJ LIBOR Histories + Mortgage-X LIBOR History

Monthly CMT History + Daily CMT Histories + FHFB Contract Rate History + Federal COFI History + National Monthly Median COFI History + FNMA LIBOR History

1-, 3-, 9-Yr Avg + 2-, 6-, 12-Yr Avg + 5-, 10-, 15-Year Averages + Prime Rate Forecast + MTA Rate Forecast + COFI Forecast + COSI Forecast + CODI Forecast

Variability Table + Changes of Direction + W-COSI or CODI? + 6-Month Trends + Lagging Indexes + Find the Best Mortgage!

WSJ LIBOR: Historical Data: 2009

The average of the London Interbank Offered Rates (LIBOR) for 1-month, 3-month, 6-month and 1-year U.S. dollar denominated deposits, as published in The Wall Street Journal (WSJ).

1986 1987 1988 1989 1990 1991 1992 1993 1994 1995 1996 1997 1998 1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

Rates are published with a 1-week rolling delay. ???

Date	1 Month	3 Month	6 Month	12 Month	Date	1 Month	3 Month	6 Month	12 Month	Date	1 Month	3 Month	6 Month	12 Month
1/2/2009	0.43625	1.42500	1.75000	2.00375	3/13/2009	0.55625	1.32000	1.90375	2.23000	5/22/2009	0.30875	0.66125	1.17000	1.48625
1/5/2009	0.43000	1.41250	1.75250	2.02375	3/16/2009	0.55563	1.31563	1.90188	2.22688	5/26/2009	0.31313	0.66000	1.20125	1.53125
1/6/2009	0.42875	1.42125	1.79375	2.09250	3/17/2009	0.55563	1.30875	1.88750	2.20500	5/27/2009	0.31625	0.66375	1.21750	1.55250
1/7/2009	0.42063	1.41125	1.77000	2.04625	3/18/2009	0.55625	1.29938	1.88375	2.20188	5/28/2009	0.31875	0.67375	1.27000	1.62875
1/8/2009	0.40625	1.39750	1.75000	1.99500	3/19/2009	0.54500	1.28750	1.86375	2.18000	5/29/2009	0.32000	0.66750	1.26000	1.62000
1/9/2009	0.38625	1.35375	1.68625	1.92500	3/20/2009	0.52313	1.22688	1.74125	2.00625	6/1/2009	0.31625	0.65625	1.24000	1.60000
1/12/2009	0.36625	1.26000	1.60000	1.85500	3/23/2009	0.52188	1.22281	1.75125	2.01375	6/2/2009	0.32000	0.65000	1.23375	1.59375
1/13/2009	0.34250	1.16000	1.50625	1.76500	3/24/2009	0.52188	1.22219	1.75625	2.02000	6/3/2009	0.32000	0.64625	1.23375	1.60750
1/14/2009	0.33313	1.09438	1.46500	1.73750	3/25/2009	0.52094	1.22625	1.77375	2.03250	6/4/2009	0.31875	0.63688	1.20750	1.58375
1/15/2009	0.32875	1.08250	1.47125	1.74625	3/26/2009	0.52000	1.22750	1.77500	2.02875	6/5/2009	0.31750	0.62938	1.18000	1.54750
1/16/2009	0.33375	1.08563	1.50125	1.77125	3/27/2009	0.52250	1.23188	1.79438	2.05250	6/8/2009	0.32063	0.63250	1.20375	1.59750
1/19/2009	0.35938	1.14250	1.58875	1.89000	3/30/2009	0.51813	1.22000	1.76250	2.01000	6/9/2009	0.32313	0.65000	1.28250	1.85375
1/20/2009	0.35500	1.13250	1.55625	1.85125	3/31/2009	0.50875	1.20750	1.74500	1.98375	6/10/2009	0.32125	0.64750	1.26625	1.83500
1/21/2009	0.35250	1.12250	1.54500	1.83000	4/1/2009	0.50063	1.19188	1.73563	1.97188	6/11/2009	0.32063	0.63875	1.22875	1.79250
1/22/2009	0.35625	1.12500	1.55875	1.84000	4/2/2009	0.49500	1.17688	1.71625	1.95125	6/12/2009	0.31938	0.62938	1.21750	1.79000
1/23/2009	0.38938	1.15938	1.61750	1.92125	4/3/2009	0.48938	1.16594	1.71563	1.95500	6/15/2009	0.31813	0.62438	1.18375	1.73250
1/26/2009	0.40125	1.16938	1.62750	1.91500	4/6/2009	0.47813	1.16094	1.71250	1.96438	6/16/2009	0.31875	0.61438	1.16875	1.69875
1/27/2009	0.40875	1.18375	1.67250	1.96625	4/7/2009	0.47563	1.15688	1.71563	1.99250	6/17/2009	0.31813	0.61313	1.16375	1.69625
1/28/2009	0.41125	1.18438	1.67750	1.97063	4/8/2009	0.46938	1.14938	1.70313	1.97875	6/18/2009	0.31313	0.61000	1.15750	1.69375
1/29/2009	0.40938	1.17438	1.63063	1.91125	4/9/2009	0.46000	1.13875	1.68719	1.96250	6/19/2009	0.31500	0.60875	1.16125	1.68875
1/30/2009	0.41250	1.17000	1.63375	1.92250	4/10/2009	0.45125	1.13125	1.67625	1.95125	6/22/2009	0.31688	0.61188	1.18250	1.74000

2/2/2009	0.41938	1.18438	1.66000	1.97500
2/3/2009	0.43750	1.22500	1.76000	2.07000
2/4/2009	0.44500	1.23375	1.77625	2.08375
2/5/2009	0.44500	1.23563	1.77375	2.08875
2/6/2009	0.44750	1.24125	1.77375	2.08875
2/9/2009	0.44875	1.24125	1.74750	2.03625
2/10/2009	0.44688	1.22813	1.70438	2.00000
2/11/2009	0.44688	1.22188	1.68625	1.98688
2/12/2009	0.45250	1.23125	1.72500	2.02313
2/13/2009	0.45500	1.23438	1.72375	2.01875
2/16/2009	0.46125	1.23750	1.73500	2.03438
2/17/2009	0.46500	1.24563	1.76438	2.08938
2/18/2009	0.46625	1.24563	1.76563	2.08500
2/19/2009	0.47000	1.25125	1.78000	2.09500
2/20/2009	0.47313	1.25063	1.78938	2.10125
2/23/2009	0.47250	1.24875	1.76188	2.07500
2/24/2009	0.47375	1.24875	1.75125	2.06125
2/25/2009	0.47688	1.25000	1.74750	2.04125
2/26/2009	0.47875	1.25625	1.77250	2.07375
2/27/2009	0.49688	1.26125	1.79750	2.11500
3/2/2009	0.49625	1.26438	1.80313	2.11938
3/3/2009	0.49750	1.26625	1.80375	2.11063
3/4/2009	0.50750	1.27125	1.81000	2.10875
3/5/2009	0.51813	1.27663	1.81688	2.11500
3/6/2009	0.53313	1.28375	1.83250	2.13625
3/9/2009	0.54625	1.29250	1.85375	2.15375
3/10/2009	0.56438	1.31250	1.91625	2.23625
3/11/2009	0.56438	1.33125	1.96188	2.29750
3/12/2009	0.55688	1.32594	1.92938	2.25813
4/13/2009	0.45125	1.13125	1.67625	1.95125
4/14/2009	0.45125	1.13125	1.67625	1.95125
4/15/2009	0.45250	1.12188	1.66000	1.92938
4/16/2009	0.44813	1.11250	1.64688	1.91250
4/17/2009	0.44688	1.10688	1.64063	1.90625
4/20/2009	0.44750	1.10188	1.63625	1.91500
4/21/2009	0.44250	1.10063	1.65000	1.94500
4/22/2009	0.44125	1.10000	1.65063	1.94938
4/23/2009	0.44000	1.09938	1.65750	1.96750
4/24/2009	0.43750	1.09188	1.63938	1.95000
4/27/2009	0.43500	1.07250	1.62125	1.93063
4/28/2009	0.43250	1.05375	1.59000	1.89875
4/29/2009	0.42750	1.03938	1.57500	1.87750
4/30/2009	0.41813	1.02750	1.57875	1.88750
5/1/2009	0.41125	1.01625	1.56500	1.87688
5/4/2009	0.41438	1.00688	1.54938	1.86438
5/5/2009	0.41438	1.00688	1.54938	1.86438
5/6/2009	0.40125	0.98625	1.54000	1.85888
5/7/2009	0.39500	0.97375	1.50625	1.82000
5/8/2009	0.38188	0.95625	1.49375	1.80750
5/11/2009	0.36750	0.93750	1.46250	1.78125
5/12/2009	0.35375	0.92000	1.43875	1.75750
5/13/2009	0.34875	0.90563	1.43000	1.74750
5/14/2009	0.34438	0.88313	1.41250	1.73250
5/15/2009	0.33500	0.85438	1.37875	1.68625
5/18/2009	0.32813	0.82563	1.35625	1.65625
5/19/2009	0.31625	0.78500	1.31250	1.61125
5/20/2009	0.30938	0.75250	1.28000	1.58250
5/21/2009	0.30813	0.71625	1.24125	1.54875
6/23/2009	0.31500	0.61000	1.16125	1.69750
6/24/2009	0.31375	0.60750	1.14875	1.67750
6/25/2009	0.31125	0.60438	1.13125	1.64000
6/26/2009	0.30750	0.60125	1.11375	1.64500
6/29/2009	0.31000	0.59750	1.09500	1.59125
6/30/2009	0.30875	0.59688	1.11750	1.59750
7/1/2009	0.30875	0.59500	1.11125	1.60625
7/2/2009	0.30625	0.58750	1.09125	1.59000
7/6/2009	0.30125	0.55875	1.05125	1.53125
7/7/2009	0.30188	0.54813	1.03125	1.51375
7/8/2009	0.30188	0.53750	1.02250	1.51125
7/9/2009	0.30000	0.52500	1.00500	1.49375
7/10/2009	0.29625	0.51000	0.98563	1.47500
7/13/2009	0.29250	0.50500	0.96750	1.45625
7/14/2009	0.28813	0.50938	0.96500	1.46125
7/15/2009	0.28750	0.51313	0.98375	1.49375
7/16/2009	0.28750	0.51375	0.98750	1.50750
7/17/2009	0.28875	0.51000	0.98500	1.50875
7/20/2009	0.28625	0.50375	0.97125	1.49125
7/21/2009	0.28625	0.50500	0.96750	1.50125
7/22/2009	0.28500	0.50313	0.96125	1.49000
7/23/2009	0.28500	0.50188	0.95063	1.47875
7/24/2009	0.28500	0.50375	0.94563	1.47313
7/27/2009	0.28500	0.50188	0.95063	1.48938
7/28/2009	0.28750	0.49625	0.94750	1.49250
7/29/2009	0.28500	0.49125	0.93625	1.47875
7/30/2009	0.28500	0.48750	0.93250	1.48500
7/31/2009	0.28063	0.48313	0.93000	1.50250

LIBOR: Frequently Asked Questions

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EXHIBIT IDENTIFICATION TAG

Exhibit No. 6

Debtor Taylor Bean and Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schlosser and Roxanne Johnson Schlosser

Deft.(s) Taylor Bean and Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

Nature of Proceeding _____

_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊕

Date: December 31, 2009
Loan No: 0000344079

BAYVIEW LOAN SERVICING, LLC

IMPORTANT NOTICE

SCOTT SCHLEDWITZ
423 SOUTH FAIRVIEW AVE. EXT.
SPARTANBURG, SC 29302

Property Address:
423 SOUTH FAIRVIEW AVE. EXT.
SPARTANBURG, SC 29302

Dear Borrower,

The records of Bayview Loan Servicing, LLC show that the above-referenced loan is in default. We have not received the 12/1/2008 and succeeding installments. This is a formal demand for payment of the total amount past due, which is $5,701.51 as of the date of this letter. If payment by cashier's or certified check is not received prior to the next installment due date, another installment will become due. Our acceptance of any funds less than the full amount necessary to reinstate the loan shall not constitute a waiver of our rights and/or remedies under the documents or applicable law.

If we do not receive payment or hear from you disputing the validity of the debt or any portion thereof within thirty (30) days, we will assume the debt to be valid. If you notify our office in writing within such thirty day period that the debt or any portion thereof is disputed, we will obtain verification of the debt and send it to you. Also, if you so request in writing, within such thirty day period, we will provide you with the name and address of the original creditor if it is different from that of the current creditor.

Unless we receive full payment of all past due amounts or you dispute the validity of the debt or any portion thereof within 30 days, we will accelerate the maturity of the loan, declare the entire obligation due and payable without further demand, and begin foreclosure proceedings. This could result in the loss of your property.

You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations, and property visitations will take place, the costs of which you will be responsible for.

You have the right to bring a court action to assert the nonexistence of a default or any other defense to acceleration and sale of the property and you may have other rights under state law. After the loan is accelerated, it may be reinstated if, at least 5 days before the scheduled sale of the property:

1. All past due installments, late charges, advances and any other items secured by the loan documents are paid as if the loan was not accelerated, all reasonable attorney's fees, any Trustee's fees and costs incurred in enforcing the remedies under the loan documents are paid, and all breaches of any covenants or agreements made under the loan documents are cured; and,

2. You take any other action reasonably required by us to assure that the lien and any interest in the property, and your obligation to pay the sums secured by the loan documents, continue unimpaired and in full force and effect.

If your loan has already been accelerated and foreclosure begun, this notice is null and void.

HUD approved counseling is available on FHA Guaranteed loans by calling 1-800-569-4287.

Please contact our Collection Unit at 4425 Ponce de Leon Blvd. 5th Floor, Coral Gables, FL 33146, or call us toll free at the phone number listed below.

This is an attempt to collect a debt. Any information obtained will be used for that purpose.

Eric Berry (877) 488-2664 Ext: 5152

BAYVIEW
LOAN SERVICING, LLC

MIAMI, FL 33233-1409
P O BOX 331409

DELINQUENT NOTICE

SCOTT SCHLEDWITZ
423 SOUTH FAIRVIEW AVE. EXT.
SPARTANBURG, SC 29302

Loan Number	Payment(s) Past Due Since	Total Amount Past Due
0000344079	December 01, 2008	$5,701.51

YOUR MORTGAGE PAYMENT DUE AS SHOWN ABOVE REMAINS UNPAID. A LATE CHARGE HAS BEEN ASSESSED TO YOUR ACCOUNT. THIS MAY BE AVOIDED IN THE FUTURE BY MAKING YOUR PAYMENTS ON OR BEFORE THE DUE DATE .

YOUR REMITTANCE OF THE TOTAL AMOUNT NOW DUE IS REQUESTED TO REINSTATE YOUR ACCOUNT. PLEASE DISREGARD THIS NOTICE IF PAYMENT HAS BEEN MADE.

IF YOU HAVE ANY QUESTIONS PLEASE CALL 1-800-457-5105

THIS IS AN ATTEMPT TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

BAYVIEW
LOAN SERVICING, LLC

9/10/2009

SCOTT SCHLEDWITZ
423 SOUTH FAIRVIEW AVE. EXTENTION
SPARTANBURG, SC 29302

Loan Number: 0000344080

Subject: Account Adjustment

Dear Borrower:

A late charge was assessed to your account in September 2009. An adjustment has been made to your account to remove this charge. The adjustment will appear on your next billing statement.

We apologize for any inconvenience this may have caused you.

If you have any questions, please contact our Customer Service Department by using our toll-free telephone number at (800) 457-5105 between 8:00 AM – 7:00 PM Eastern Time.

Sincerely,

Marilyn Coro

Marilyn Coro
Customer Service

BAYVIEW
LOAN SERVICING, LLC

9/1/2009

TRANSFER OF SERVICE NOTICE

SCOTT SCHLEDWITZ
423 SOUTH FAIRVIEW AVE. EXT.
SPARTANBURG, SC 29302

Loan No: 0000344079
Prop Addr: 423 SOUTH FAIRVIEW AVE. EXT.
SPARTANBURG, SC 29302

Dear Bayview Borrower(s):

Bayview Loan Servicing, LLC would like to take this opportunity to say "welcome". We are pleased to inform you that we have acquired the servicing of your loan from Taylor, Bean & Whitaker effective 9/1/2009. This transfer of servicing does not affect the terms or conditions of your loan documents, other than the terms directly related to the servicing of your loan. Taylor, Bean & Whitaker will provide us with a copy of your loan records.

It is our goal to make this transfer as seamless as possible for you. Below you will find a summary of the changes that will occur.

A few items of Importance regarding this transfer:

- Your prior servicer, Taylor, Bean & Whitaker will stop accepting your mortgage payments after 9/1/2009.
- **Bayview Loan Servicing, LLC will start accepting your mortgage payment on 9/1/2009. As of that date ALL payments and correspondence should be addressed to Bayview Loan Servicing, LLC.**
- If you have already mailed your payment to Taylor, Bean & Whitaker and they receive it after the transfer date; it will be forwarded to Bayview for processing.
- If you have your loan payment automatically debited from a bank account, you need to contact Bayview Loan Servicing, LLC, Customer Service to determine if this service is still available.
- This transfer does not affect the status of any pending Bankruptcy, or Foreclosure proceedings.

How to Contact Us

Should you have questions, here are the applicable mailing addresses, toll-free numbers, and hours of operation.

CONTACT YOUR PRIOR SERVICER, Taylor, Bean & Whitaker, ON OR BEFORE 9/1/2009:

SEND CORRESPONDENCE TO:
Taylor, Bean & Whitaker
1417 N Magnolia Ave
Ocala, FL 34475

CUSTOMER SERVICE:
TOLL FREE NUMBERS & HOURS
1-888-225-2164
9:00 am to 8:00 pm (ET)
Monday – Friday

CONTACT YOUR NEW SERVICER, BAYVIEW LOAN SERVICING, LLC, ON OR AFTER 9/1/2009:

SEND PAYMENT TO:
Bayview Loan Servicing, LLC.
P.O. Box 3042
Milwaukee, WI 53201-3042

CUSTOMER SERVICE:
TOLL FREE NUMBER & HOURS
1-800-457-5105
8:00 a.m. – 7:00 p.m., (ET)
Monday – Friday

Please indicate the new Bayview Loan Servicing, LLC loan number on your check and on any future correspondence. That number can be found at the top of this letter.

For easy access to your account, please visit our website at **www.bayviewloanservicing.com**, effective 9/1/2009

Please be advised of the following:

- Billing statements are mailed on a monthly basis, approximately two weeks prior to the payment due date.
- Should you not receive a billing statement prior to the due date, please mail your payment without the coupon to the address above (be sure to write the new loan number on the check).
- For your convenience, we also offer Automatic Pay, Pay by Phone, and other fee-based payment options.
- If property taxes or insurance premiums have been paid out of an escrow/impound account, please forward copies of any future tax or insurance bills to our attention for processing. We will analyze your account at least annually, and will advise you of the amounts needed to meet your tax and insurance obligations, as they may change from time to time.
- If you are presentlyon a government allotment plan for making the monthly loan payment, you will need to make arrangements to have the payee changed to Bayview Loan Servicing, LLC, and have the payment forwarded to our offices.
- Bayview does not offer Accidental Death, Life, Disability or other optional insurance. If you currently have these coverages and wish to maintain the insurance, you must make arrangements directly with the insurance carriers to make future premium payments.
- For year end reporting purposes, questions regarding interest paid to the prior servicer must be directed to their attention. Bayview Loan Servicing, LLC will respond to any inquiries regarding activities occurring from the transfer date forward.
- **CREDIT REPORTING-We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.**

Bayview Loan Servicing is here to assist you with your loan servicing needs.

Sincerely,
Marilyn Coro

Marilyn Coro
Vice-President

IMPORTANT INFORMATION ABOUT YOUR CONSUMER RIGHTS

You should be aware of the following information, which is set out in more detail in Section 6 of the Real Estate Settlement Procedure Act (RESPA) (12U.S.C. 2605):

During the 60 day period following the effective date of the transfer of the loan servicing, a loan payment received by your previous servicer before its due date may not be treated by Bayview Loan Servicing, LLC as late, and a late fee may not be imposed on you.

This section gives you certain consumer rights. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, they must provide you with a written acknowledgement within 20 Business Days of receipt of your request. A "qualified written request" is written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and your reasons for the request. Send your "qualified written requests" to:

Bayview Loan Servicing, LLC
ATTN: Customer Service
5th Floor Mail Room
4425 Ponce De Leon Blvd
Coral Gables, FL 33146

Not later than 60 business days after receiving your request, Bayview Loan Servicing, LLC must make any appropriate corrections to your account, and must provide you with a written clarification regarding any dispute. During this 60 business day period, Bayview Loan Servicing, LLCmay not provide information to a consumer reporting agency concerning any overdue payment related to such period or qualified written request. However, this does not prevent the servicer from initiating foreclosure if proper grounds exist under the mortgage documents. A business day is a day on which the offices of Bayview Loan Servicing, LLC are open to the public for carrying on substantially all of its business functions.

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that Section. You should seek legal advice if you believe your rights have been violated.

Important Information About Your Financial Privacy

As our customer you provide us with important information about yourself. We believe it is our responsibility to safeguard your personal and financial information. We have developed the following privacy policy to ensure you the confidentiality you deserve. You have our promise that we will adhere to these guidelines. It is our pledge to serve you.

This notice describes the privacy practices of Bayview Financial Holdings, L.P., and all its affiliates, including:

Bayview Financial, L.P.
Bayview Loan Servicing, LLC
Bayview Lending Group Holdings, LLC
Bayview Lending Group, LLC
Bayview Asset Management, LLC
Bayview Financial Small Business Funding, LLC
Silver Hill Financial, LLC
Bayview Financial Exchange Services, LLC
BFTG Property Management, LLC
IB Property Holdings, LLC
InterBay Funding, LLC

Notice of Your Financial Privacy Rights

"We," "our" and "us," when used in this notice, means one of the Bayview family of companies including those listed above.

When we use the words "you" and "your" we mean the following types of customers:

- All of our consumer customers who have a continuing relationship with us, such as:
  Someone with a mortgage loan with us.
  Someone whose mortgage loan we serve.

- All persons (individuals) who do not have a continuing relationship with us but who may use a financial product or service we provide in isolated transactions. This includes, for example:
  Someone who applies for a loan that does not get completed.

We will tell you the sources for nonpublic personal information we collect on our customers. We will tell what measures we take to secure that information.

First we define some terms in connection with this privacy notice.
Nonpublic personal information means personally identifiable financial information about you. Nonpublic personal information does not include information that is available from public sources, such as telephone directories or government records.

An **affiliate** means a company that we own or control, a company that owns or controls us, or a company that is owned controlled by the same company that owns or controls us. Ownership does not mean complete ownership, but means owning enough to have control.

A **nonaffiliated third** includes a company that is not an affiliate of ours.

Information We Collect to Conduct Our Business

We collect nonpublic personal information about you from the following sources:

- Information we receive from you on applications or other forms;
- Information about your transactions with us, our affiliates or others; and
- Information we receive from a consumer reporting agency.

Information Shared among Bayview affiliates

We may share all the information we collect within our family of companies. For example, we may share:

- Identification information (such as name and address).
- Transaction and experience information (such as payment history).
- Credit eligibility information (such as income and credit reports); and
- Other information.

You may tell us not to share credit eligibility information among Bayview affiliates. Your choice will not affect the sharing of identification and information permitted by law.

To request that we not share your credit eligibility information among Bayview affiliates, check the box below and mail this form

Bayview Financial Holdings, L.P.
Attention: Legal Department
Fifth Floor
Coral Gables, Fl 33146

[ ] I do not want you sharing my credit eligibility information among Bayview affiliates.

Nonpublic Personal Information We May Share with Nonaffiliated Third Parties

We do not disclose any nonpublic personal information about you to any nonaffiliated third party, except as permitted by law.

Your Choice to Limit Marketing

You may limit the Bayview companies from marketing products or services to you based on your personal information that they receive from another Bayview company. This information includes your income, your account history with us, and your credit history. Your choice to limit these marketing offers will apply until you tell us, in writing, to change your choice. You do not need to opt out of receiving marketing offers from the Bayview family of companies each year, although you will receive an annual privacy notice from us. The election to prevent our affiliates from marketing to you based on information received from another Bayview company does not apply if you have an existing relationship with the affiliate.

To limit marketing offers:
Check the box below and mail this form to:
Bayview Financial Holdings, L.P.
Attention: Legal Department
4425 Ponce de Leon Boulevard
Fifth Floor
Coral Gables, Florida 33146

[ ] Do not allow any company in the Bayview family of companies to use my personal information to market

The Confidentiality, Security and Integrity of your Nonpublic Personal Information.

We restrict access to nonpublic personal information about you to those employees who need to know that information to provide products or services to you. We maintain physical, electronic, and procedural safeguards that comply with federal standards to guard your nonpublic personal information.

Nonpublic Personal Information and Former Customers

We do not disclose nonpublic personal information about former customers, except as permitted by law.

Special Notice for Vermont and North Dakota Residents

We do not share your non-public personal information with affiliates or with non-affiliated companies except as allowed by law.

Special Notice for California Residents

In order to comply with law, the following applies if your account has a mailing address.
Restrict Nonpublic Personal Information Shared with Nonaffiliated Third Parties

Even if you do not make the privacy choice set out above, we will not share information that we have about you with non-affiliated third parties, unless otherwise permitted by law.

Restrict Nonpublic Personal Information Shared with Bayview Family

We will not share information about you within our family of companies unless we first provide you with further privacy choices or unless otherwise permitted by law.

Updates and Additional Information

This notice replaces any previous notices from Bayview about the privacy, security and protection of information. For additional information regarding our Internet privacy practices, go to our website. We may amend this privacy notice at any time. We will inform you of changes as required by law.

IMPORTANT INFORMATION ABOUT CREDIT REPORTING

We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

Effective Date October 1, 2008

BAYVIEW
LOAN SERVICING, LLC

9/1/2009

TRANSFER OF SERVICE NOTICE

SCOTT SCHLEDWITZ
423 SOUTH FAIRVIEW AVE. EXTENTION
SPARTANBURG, SC 29302

Loan No: 0000344080
Prop Addr: 423 SOUTH FAIRVIEW AVE. EXTENTION SPARTANBURG, SC 29302

Dear Bayview Borrower(s):

Bayview Loan Servicing, LLC would like to take this opportunity to say "welcome". We are pleased to inform you that we have acquired the servicing of your loan from Taylor, Bean & Whitaker effective 9/1/2009. This transfer of servicing does not affect the terms or conditions of your loan documents, other than the terms directly related to the servicing of your loan. Taylor, Bean & Whitaker will provide us with a copy of your loan records.

It is our goal to make this transfer as seamless as possible for you. Below you will find a summary of the changes that will occur.

A few items of Importance regarding this transfer:

- Your prior servicer, Taylor, Bean & Whitaker will stop accepting your mortgage payments after 9/1/2009.
- **Bayview Loan Servicing, LLC will start accepting your mortgage payment on 9/1/2009. As of that date ALL payments and correspondence should be addressed to Bayview Loan Servicing, LLC.**
- If you have already mailed your payment to Taylor, Bean & Whitaker and they receive it after the transfer date; it will be forwarded to Bayview for processing.
- If you have your loan payment automatically debited from a bank account, you need to contact Bayview Loan Servicing, LLC, Customer Service to determine if this service is still available.
- This transfer does not affect the status of any pending Bankruptcy, or Foreclosure proceedings.

How to Contact Us

Should you have questions, here are the applicable mailing addresses, toll-free numbers, and hours of operation.

CONTACT YOUR PRIOR SERVICER, Taylor, Bean & Whitaker, ON OR BEFORE 9/1/2009:

SEND CORRESPONDENCE TO:
Taylor, Bean & Whitaker
1417 N Magnolia Ave
Ocala, FL 34475

CUSTOMER SERVICE:
TOLL FREE NUMBERS & HOURS
1-888-225-2164
9:00 am to 8:00 pm (ET)
Monday – Friday

CONTACT YOUR NEW SERVICER, BAYVIEW LOAN SERVICING, LLC, ON OR AFTER 9/1/2009:

SEND PAYMENT TO:
Bayview Loan Servicing, LLC.
P.O. Box 3042
Milwaukee, WI 53201-3042

CUSTOMER SERVICE:
TOLL FREE NUMBER & HOURS
1-800-457-5105
8:00 a.m. – 7:00 p.m., (ET)
Monday – Friday

Please indicate the new Bayview Loan Servicing, LLC loan number on your check and on any future correspondence. That number can be found at the top of this letter.

For easy access to your account, please visit our website at **www.bayviewloanservicing.com**, effective 9/1/2009

Please be advised of the following:

- Billing statements are mailed on a monthly basis, approximately two weeks prior to the payment due date.
- Should you not receive a billing statement prior to the due date, please mail your payment without the coupon to the address above (be sure to write the new loan number on the check).
- For your convenience, we also offer Automatic Pay, Pay by Phone, and other fee-based payment options.
- If property taxes or insurance premiums have been paid out of an escrow/impound account, please forward copies of any future tax or insurance bills to our attention for processing. We will analyze your account at least annually, and will advise you of the amounts needed to meet your tax and insurance obligations, as they may change from time to time.
- If you are presentlyon a government allotment plan for making the monthly loan payment, you will need to make arrangements to have the payee changed to Bayview Loan Servicing, LLC, and have the payment forwarded to our offices.
- Bayview does not offer Accidental Death, Life, Disability or other optional insurance. If you currently have these coverages and wish to maintain the insurance, you must make arrangements directly with the insurance carriers to make future premium payments.
- For year end reporting purposes, questions regarding interest paid to the prior servicer must be directed to their attention. Bayview Loan Servicing, LLC will respond to any inquiries regarding activities occurring from the transfer date forward.
- **CREDIT REPORTING-We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.**

Bayview Loan Servicing is here to assist you with your loan servicing needs.

Sincerely,
Marilyn Coro

Marilyn Coro
Vice-President

IMPORTANT INFORMATION ABOUT YOUR CONSUMER RIGHTS

You should be aware of the following information, which is set out in more detail in Section 6 of the Real Estate Settlement Procedure Act (RESPA) (12U.S.C. 2605):

During the 60 day period following the effective date of the transfer of the loan servicing, a loan payment received by your previous servicer before its due date may not be treated by Bayview Loan Servicing, LLC as late, and a late fee may not be imposed on you.

This section gives you certain consumer rights. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, they must provide you with a written acknowledgement within 20 Business Days of receipt of your request. A "qualified written request" is written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and your reasons for the request. Send your "qualified written requests" to:

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Coral Gables, Fl 33146

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Coral Gables, Florida 33146

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Effective Date October 1, 2008

EXHIBIT IDENTIFICATION TAG

Exhibit No. 7

Debtor Taylor, Bean, and Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schleiswitz and Roxanne Johnson Schleiswitz

Deft.(s) Taylor, Bean and Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

Nature of Proceeding _____

_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊕

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

IN RE:

Scott Allen Schledwitz and
Roxanne Johnson Schledwitz.

Debtor(s)

CASE NO: 07-00666
CHAPTER 13

NOTICE OF MOTION/
APPLICATION AND
OPPORTUNITY FOR HEARING

TAKE NOTICE that the Debtor(s) filed a Motion to Incur Indebtedness. A copy of the Motion and proposed Order are enclosed with this notice.

TAKE FURTHER NOTICE that any response, return and/or objection to this application, must be filed with the Clerk of the Bankruptcy Court no later than fifteen (15) days from service of this notice. Said response must be simultaneously served on all parties in interest.

TAKE FURTHER NOTICE that no hearing will be held on this motion unless a response, [illegible] filed and served, in which case, the Court will conduct a hearing on June 12, 2008 at [illegible] in the United States Bankruptcy Court, 201 Magnolia Street, Spartanburg, South Carolina. No further notice of this hearing will be given.

Gina R. McMaster
Attorney for Debtor(s)
8 Williams Street
Greenville, South Carolina 29601
(864) 232-1550
District Court #6714

Dated: 5/7/08
FILE OBJECTIONS with:
United States Bankruptcy Court
1100 Laurel Street
Columbia, SC 29201

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

IN RE:

Scott Allen Schledwitz and
Roxanne Johnson Schledwitz.

Debtor(s)

CASE NO: 07-00666
CHAPTER 13

TO: All Creditors and Parties in Interest

MOTION TO INCUR INDEBTEDNESS

The Debtors, by and through their attorney, Gina R. McMaster, hereby move to be allowed to incur indebtedness upon the terms and conditions set forth below, and in support of said motion allege:

1. The Debtors' Chapter 13 Plan was confirmed by Order of this Court dated August 29, 2007. Based on information obtained from the Chapter 13 Trustee's Office, the balance owed on the Debtors' Chapter 13 Plan is approximately $62,126.00.

2. The Debtors have reached a tentative agreement to refinance Debtors' residence located at 423 S. Fairview Ext., Spartanburg, S.C. with First Preferred Mortgage. Debtors are refinancing the home for $217,413.00. The Debtors will pay 7.0% interest for 360 months and their monthly mortgage payments are estimated to be $1,710.70 including property taxes and hazard insurance.

3. The Debtors request approval from this Court to obtain a loan from First Preferred Mortgage in the amount of $217,413.00. Debtors move for approval to use the funds to pay off their the 1st mortgage on Debtors' residence with Taylor, Bean and Whitaker in the amount of $161,604.16 and the 2nd mortgage held by Taylor, Bean and Whitaker in the amount of $42,404.43 which includes any pre petition arrearage on both accounts that are still owed through Debtors' Chapter 13 plan; closing costs of $5,202.00, pre paid reserves in the amount of $1,764.68, Discount fees of $2,174.13 and FHA UPMIP/VA funding fees in the amount of $3,213.00.

WHEREFORE, the Debtors pray that this Motion be granted and the Debtors be allowed to incur indebtedness according to the terms set forth above.

Gina R. McMaster
The McMaster Law Firm, L.L.C.
Attorney for Debtor
8 Williams Street
Greenville, SC 29601
(864)232-1550
District Court #6714

Dated: 5/7/08

Page 1 of 1

s Live Hotmail Print Message
ndows Live"
ess for Trustee letter
Scott_Schledwitz@ibj.com
on 6/30/08 4:58 PM
masterlawfirm@hotmail.com
send it to:
bdilla
ferred Mortgage
Civic Center Drive, STE 390
field, MI 48076
ks,
Schledwitz
: Schledwitz
316-4199

Pages

Attention William Or Brain ....

This is a request to start the process of asking the courts for permission to refinance. I have included in this fax the E-signed Documents for the loan , You will see the application , Good faith estimate and Borrower authorization . Please review and feel free to contact the borrower for his constent.

Borrower is currently in a 1st and 2nd mtg that are adjusting , this in turn will shoot up his rate and pmts . We are putting the borrower in a loan that is a 30yr fixed , FHA loan with NO Prepay penalties. Per the current lender the mtg rate on the current loan is set to increase to 10% , this will take the borrower pmt up to 1382.17 for just the 1st mtg , add in the 2nd mtg and the taxes and insurance , you are looking at a combine pmt of 1967.00 , the new loan has a pmt of 1595.00 this will be a monthly savings of 372.00 over 4400.00 a year. ....

All fees are rolled into the loan we will be setting up an escrow acct , once we receive the mortgage pay offs will adjust the loan amt accordingly . FHA will allow up to go as high as 97.75 % loan to value if needed .

Please let me know if you would like us to get the pay off's from the 1st and 2nd mtg's and adjust the paperwork to reflect the increase loan amt to cover any arrearages BEFORE you go in front of the judge. I will gladly do that .

Kelly Abdilla
Phone number 248-281-7925
Fax number 248-786-5347

02/29/2008

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

IN RE:

Scott Allen Schledwitz and
Roxanne Johnson Schledwitz,

Debtor(s)

CASE NO: 07-00666
CHAPTER 13

ORDER AUTHORIZING DEBTORS TO INCUR INDEBTEDNESS

Before the Court is the Debtors' Motion to Incur Indebtedness. It appears no Objection has been filed with the Court.

IT IS THEREFORE ORDERED, that the Debtors are authorized to obtain a loan from First Preferred Mortgage in the amount of $217,413.00. Debtors are authorized to use the funds to pay off their the 1st mortgage on Debtors' residence with Taylor, Bean and Whitake in the amount of $161,604.16 and the 2nd mortgage held by Taylor, Bean and Whitake in the amount of $42,404.43 which includes any pre petition arrearage on both accounts that are still owed through Debtors' Chapter 13 plan; closing costs of $5,202.00, pre paid reserves in the amount of $1,764.68, Discount fees of $2,174.13 and FHA UPMIP/VA funding fees in the amount of $3,213.00.

IT IS FURTHER ORDERED that the closing attorney shall pay all valid and enforceable liens. The closing attorney shall also forward directly to the Chapter 13 Trustee sufficient funds to satisfy the Debtors' obligations under the Chapter 13 Plan.

Label Matrix for local noticing
0420-7
Case 07-00666-hb
District of South Carolina
Spartanburg
Wed May 9 13:31:31 EDT 2007

Amex
P O Box 297871
Fort Lauderdal FL 33329-7871

CBNC
PO Box 49
Columbus GA 31902-0049

Capital One Bank
PO Box 85520
Richmond VA 23285-5520

Cbna
Po Box 43
Columbus OH 43216-0043

Citifinancial
Po Box 499
Hanover MD 21076-0499

Consumer Debt Services
1696 N Turkey Foot Lake Road
Akron OH 44312-5936

First Premier Bank
601 S Minnesota Ave
Sioux Falls SD 57104-4868

GEMB
PO BOX 130424
Roseville MN 55113-0004

Greenville Radiology
1215 W Faris Road
Greenville SC 29605-4662

ACT Security Services Inc
14300 East Appalition Avenue
Attention Bankruptcy Specialist
Aurora CO 80012-2540

Alane A. Becket
Becket and Lee LLP
PO Box 3001
16 General Warren Blvd
Malvern, PA 19355-1245

Capital 1 Bk
11013 W Broad St
Glen Allen VA 23060-5937

Covenant Health
PO Box 1747
Gastonia NC 28053-1747

Cb/collection Agency
1660 E Turkeyfoot Lake R
Akron OH 44312-5136

Citifinancial Inc
C/o C. T. Corp
PO Box 2848
Greenville SC 29602-2848

Dillards
PO Box 1330
Olathe KS 66063-1330

First Premier Bank
PO Box 5147
Sioux Falls SD 57117

GEMB
PO Box 78369
Phoenix AZ 85062-8369

HSBC Bank Nevada NA / HSBC Card Services III
by eCAST Settlement Corporation
as its agent
POB 35480
Newark NJ 07193-5480

American Express Centurion Bank
c/o Becket and Lee LLP
POB 3001
Malvern PA 19355-0701

Bullsmith Regional Bankruptcy Cent
301 W Bay Street
Room 29271
Jacksonville FL 32202-5104

Capital One Bank
C/O Tsys Debt Mgmt
PO Box 5155
Norcross , GA 30091-5155

Cb Associate
Pob 1953
Spartanburg SC 29304-1953

Citifinancial
791 East Main Street
Spartanburg SC 29302-1203

George J. Conte
Post Office Box 10587
Greenville, SC 29603-0587

First Citizens Bank &
Po Box 29
Columbia SC 29202-0029

Franklin Collection
P.O Box 3910 316 S Church
Tupelo MS 38803-3910

Gem/dillards
Po Box 981403
El Paso TX 79998-1403

Gretchen D. Holland
301 N. Main Street
Suite 1904
Greenville, SC 29601-2184

ATTENTION BRAIN ..... URGENT !!!!!

Submitted to you as of 03/31/2007

I have called and left message for you , Regarding the changes that had to be made to the Schledwitz refinance.

Due to recent industry wide changes to underwriting guidelines , I had no choice but to change the deal for mr. schledwitz , Due to the borrower's credit scores being under the 580 mark.

I have re disclosed to the borrower and he is aware of all changes , I have had the borrower resign the application , Good faith estimate and the federal truth and lending statements.

I'm sending them over now. ... please make sure that when you go to the courts for permission to refinance , you have the correct information in regards to the deal we are doing.

Thanks !!

Kelly Abdilla
734-837-3621

Sent 3/23/2008
8 pages

ATTENTION BRIAN .....

I sending this over to for your review and per your request

See the new updated application and Good Faith Estimate ... I just got the pay off's in over the weekend , once we updated the figures , Yes you are correct we are over the loan amount , as a result I have upd' the loan amt to cover.

We are paying off ONLY the two mortgages ... see the pay offs , I'm sending over.
We are Rolling in all costs to do the loan , we are also setting up an escrow acct.

30yr fixed
FHA loan
6.5% (this rate is locked , but expires on the 31st)
Loan amt is 215,180.00

See that good faith for breakdown of fees.

Thanks
Kelly Abdilla
248-281-7925

573-8924

Do DiO
352-690-0634 / fax

EXHIBIT IDENTIFICATION TAG

Exhibit No. 8

Debtor Taylor, Bean & Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schlesowitz and Roxanne Johnson-Schlesowitz

Deft.(s) Taylor, Bean and Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

Nature of Proceeding _____

_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊕

ARREARAGE STATEMENT

DEBTOR (S): Scott Allan Schledwitz and
Roxanne Johnson Schledwitz

BANKRUPTCY NO: 07-00666-hb

Creditor Name: Taylor, Bean & Whitaker Mortgage Corporation

Principal Balance (as of 02/07/2007): $ 158,451.44

2 Payments for 1/07 through 2/07 @ $ 1,091.48 each	$2,182.96	
Late Charges:		$ 114.37
Inspection Fees:		$ 19.00
TOTAL ARREARAGE (through 2/28/07):		$ 2,316.33

Interest rate on mortgage note 7.250 %

Monthly payment due each month (excluding late charges): $ 1,091.48

Completed by Jodie Brull Phone No. 252-5817

B27-01433

TRUE & CERTIFIED COPY

ADJUSTABLE RATE NOTE

(LIBOR Six-Month Index (As Published In *The Wall Street Journal*)—Rate Caps)

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

November 23, 2005 (Date) | SPARTANBURG (City) | South Carolina (State)

423 SOUTH FAIRVIEW AVE. EXTENTION
SPARTANBURG, SC 29302
[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $160,000.00 (this amount is called "Principal"), plus interest, to the order of Lender. Lender is Taylor, Bean & Whitaker Mortgage Corp.

I will make all payments under this Note in the form of cash, check or money order.

I understand that Lender may transfer this Note. Lender or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.2500%. The interest rate I will pay may change in accordance with Section 4 of this Note.

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

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payments on the first day of each month beginning on January 01, 2006. I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before Principal. If, on December 01, 2035, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at Taylor, Bean & Whitaker Mortgage Corp., 1417 North Magnolia Ave, Ocala, FL 34475

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

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. $1,091.48. This amount may change.

(C) Monthly Payment Changes

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

Michigan Mutual, Inc. dba First Preferred Mortgage

Uniform Residential Loan Application Continuation Sheet/Residential Loan Application Page 3 of 4

Use this continuation sheet if you need more space to complete the Residential Loan Application. Mark B for Borrower or C for Co-Borrower.	Borrower: Scott Schlodwitz	Agency Case Number: 481-4251683
	Co-Borrower:	Lender Case Number:

I/We fully understand that it is a Federal crime punishable by fine or imprisonment, or both, to knowingly make any false statements concerning any of the above facts as applicable under the provisions of Title 18, United States Code, Section 1001, et seq.

Borrower's Signature:	Date	Co-Borrower's Signature:	Date
X		X	

UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA

PROOF OF CLAIM

In re (Name of Debtor)
Scott Allan Schledwitz and
Roxanne Johnson Schledwitz

Case Number: 07-00666-hb Chapter 13
Trustee: Gretchen D. Holland

NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" of payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.

Name of Creditor
(The person or entity to whom the debtor owes money or property.)
Taylor, Bean & Whitaker Mortgage Corporation
Name and Addresses Where Notices Should be Sent
Taylor, Bean & Whitaker Mortgage Corp.
1417 North Magnolia Avenue
Ocala, Fl. 34475
Telephone No. 888-225-2164
Account or other number by which creditor identifies debtor:
XX5108

___ Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.
___ Check box if you have never received any notices from the bankruptcy court in this case.
___ Check box if the address differs from the address on the envelope sent to you by the court.

THIS SPACE IS FOR COURT USE ONLY

Check here if this claim: ___ replaces ___ amends a previously filed claim dated __/__/____

1. **Basis for Claim:**
___ Goods sold
___ Services performed
_x_ Money loaned
___ Personal injury/wrongful death
___ Taxes
___ Other (Describe briefly)

___ Retiree benefits as defined in 11 U.S.C.§ 1114 (a)
___ Wages, salaries, and compensations (Fill out below)
Your social security number _____
Unpaid compensations for services performed from __/__/____ to __/__/____

2. **Date Debt was Incurred:** 11/23/05

3. **If Court Judgment, Date Obtained:** __/__/____

4. **Classification of Claim.** Under the Bankruptcy Code all claims are classified as one or more of the following: (1) Unsecured nonpriority, (2) Unsecured Priority, (3) Secured. It is possible for part of a claim to be in one category and part in another. Check the appropriate box or boxes that best describe your claim and state the amount of the claim

_X_ Secured Claim $ 160,688.27
Attach evidence of perfection of security interest
Brief Description of Collateral: _x_Real Estate __Motor Vehicle
__Other: Describe Briefly
Amount of arrearage and other charges included in secured claim above, if any $ 2,316.33

___ Unsecured Nonpriority Claim $ _____
A claim is unsecured if there is no collateral or lien on property of the debtor securing the claim or to the extent that the value of such property is less than the amount of the claim.
Other – 11 U.S.C § 507 (a) (2), (a) (5) – (Describe briefly)

___ Unsecured Priority Claim $ _____
Specify the priority of the claim
___ Wages, salaries, or commissions (up to $2000), earned not more than 90 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier) – 11 U.S.C. § 507 (a) (b)
___ Contributions to an employee benefit plan – U.S.C. § 507 (a) (4)
___ Up to $900 of deposits toward purchase, lease, or rental or property or services for personal, family, or household use – 11 U.S.C. § (507) (a) (6)
___ Taxes or penalties of governmental units – 11 U.S.C. § 507 (a) (7)

5. **Total Amount Of**

Claim At Time Case Filed:	**$160,688.27** (secured)	**$ _____** (unsecured)	**$ _____** (priority)	**$ 160,688.27** (total)

___ Check this box if claim includes prepetition charges in addition to the principal amount of the claim. Attach itemized statement of all additional charges.

6. **Credits and Setoffs:** The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. In filing this claim, claimant has deducted all amounts that claimant owes to debtor.
7. **Supporting Documents:** Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, or evidence of security interests. If the documents are not available, explain. If the documents are voluminous, attach a summary.
8. **Time-Stamped Copy:** To receive an acknowledgement of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

Date: February 16, 2007

Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any)

/s/John S. Kay
/s/John S. Kay (ID #3936)
/s/Guyton Murrell (ID#6153)
/s/Alan M. Stewart (ID#7231)
/s/John B. Kelchner (ID#6987)

B27-01433

Hey Vanessa,

I know I talked with you about this case last Friday. This is the one where we think Taylor, Bean and Whitaker may be charging interest on payments that are in the plan. I was wandering if you had found anything out yet? Thanks for your assistance with this matter.

Bryan

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Windows Live™

Mail Close window

Print

07-666; Scott Schledwitz

From: John Kelchner ([redacted])
Sent: Wed 4/30/08 3:33 PM
To: 'mcmasterlawfirm@hotmail.com' (mcmasterlawfirm@hotmail.com)

Bryan, below please find a copy of the breakdown of the interest figures provided by my client on the two loans we have been discussing good through 4/30/08:

First Mortgage:
Principal balance $156705.27

Interest for:

1/1/07	$957.31
2/1/07	957.31
Int to 2/7/07	$188.82
Total	$ 2,103.46 pre petition

Interest rate changed with 1/08 payment to 10.250; this is a 6 month Libor Arm Loan, interest
changes every 6 months.

3/1/08	$1,338.52
4/1/08	1,320.30
Total	2658.82

Total interest due $4,762.28

Second mortgage:

1/1/07	$396.87
2/1/07	$396.87
Int to 2/7/07	$78.30
Total	$ 872.04 pre-petition

3/1/08	$395.23
4/1/08	$389.70
Total	$784.93

Total interest due $1656.97

If you have any questions regarding this information, please do not hesitate to contact me. Thank you very much for your cooperation in this matter.

John B. Kelchner
Attorney
Korn Law Firm
P.O. Box 11264
1300 Pickens St.
Columbia, SC 29211-1264
(803) 252-5817 x2024
Fax: (803) 931-0556
[redacted]

Notice of Confidentiality:

This e-mail message and attachments, if any, are intended solely for the use

EXHIBIT IDENTIFICATION TAG

Exhibit No. 9

Debtor Taylor, Bean and Whitaker Mortgage Corporation

Case No. 3:09-bk-07047-JAF

Pltf.(s) Scott Allan Schlossnitz and Roxanne Johnson Schlossnitz

Deft.(s) Taylor, Bean and Whitaker Mortgage Corporation

Adv. Pro. No. _____

Filed for Identification _____

Admitted in Evidence _____

Date _____

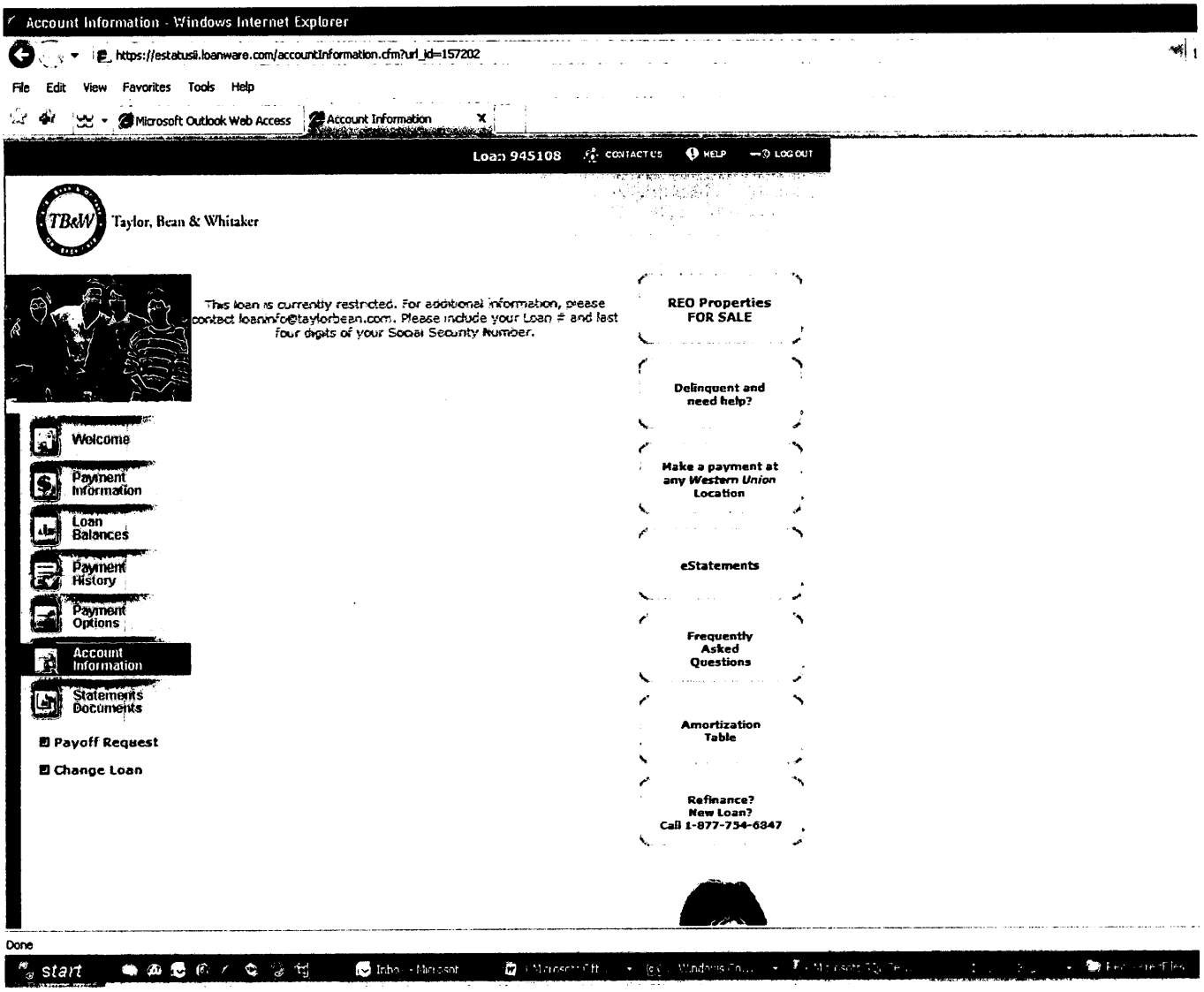
Nature of Proceeding _____

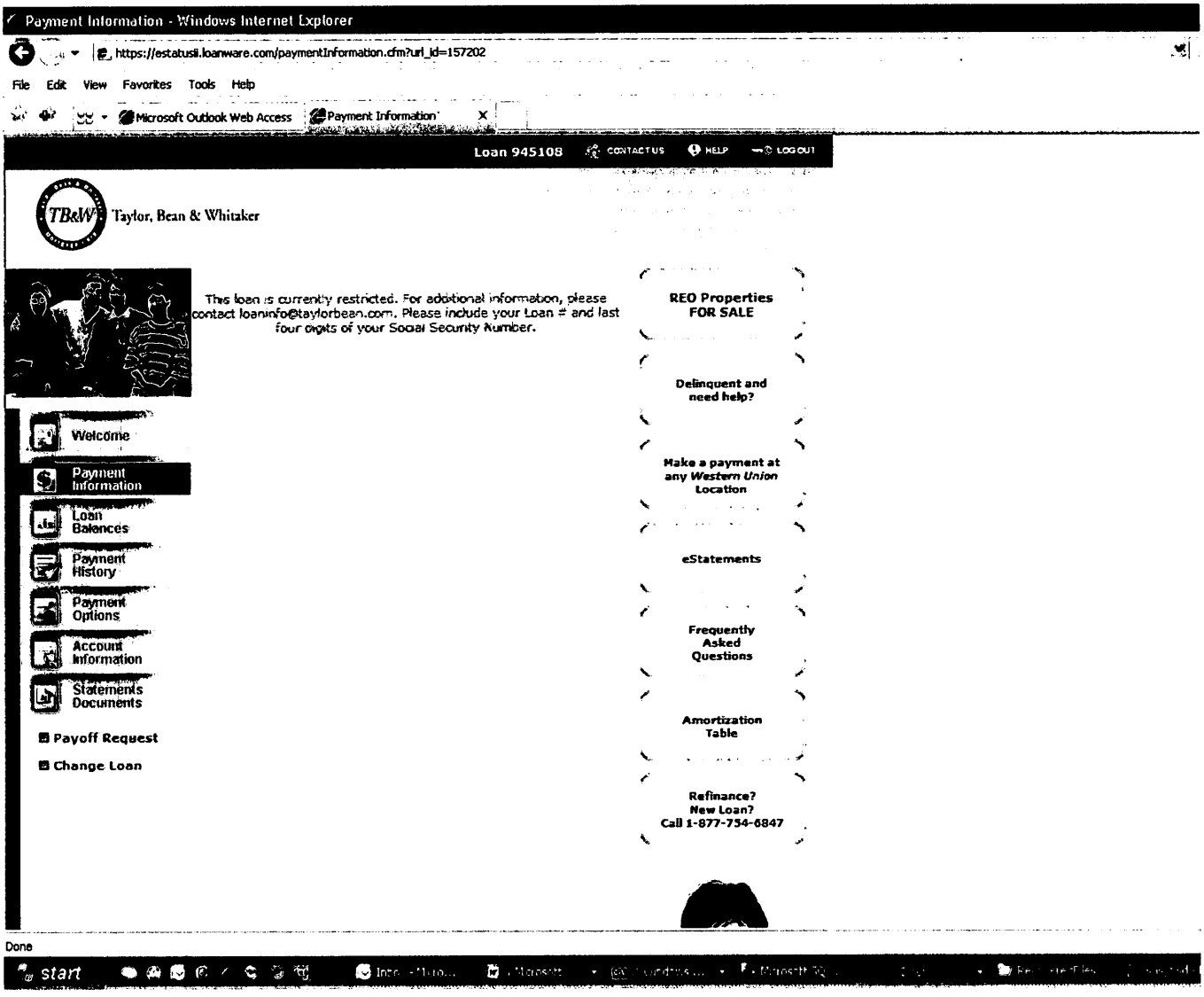
_____

United States Bankruptcy Court for the
Middle District of Florida

By _____, Clerk

BCMD-01 ⊕


Account Information - Windows Internet Explorer
https://estatusii.loanware.com/accountInformation.cfm?url_id=157202
File Edit View Favorites Tools Help
Microsoft Outlook Web Access
Account Information
Loan 945108
CONTACT US
HELP
LOG OUT
Taylor, Bean & Whitaker
This loan is currently restricted. For additional information, please contact loaninfo@taylorbean.com. Please include your Loan # and last four digits of your Social Security Number.
Welcome
Payment Information
Loan Balances
Payment History
Payment Options
Account Information
Statements Documents
Payoff Request
Change Loan
REO Properties FOR SALE
Delinquent and need help?
Make a payment at any Western Union Location
eStatements
Frequently Asked Questions
Amortization Table
Refinance? New Loan? Call 1-877-754-6847
Done
start


Payment Information - Windows Internet Explorer
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File Edit View Favorites Tools Help
Microsoft Outlook Web Access
Payment Information
Loan 945108
CONTACT US
HELP
LOG OUT
TB&W
Taylor, Bean & Whitaker
This loan is currently restricted. For additional information, please contact loaninfo@taylorbean.com. Please include your Loan # and last four digits of your Social Security Number.
Welcome
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Payment Options
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Statements Documents
Payoff Request
Change Loan
REO Properties FOR SALE
Delinquent and need help?
Make a payment at any Western Union Location
eStatements
Frequently Asked Questions
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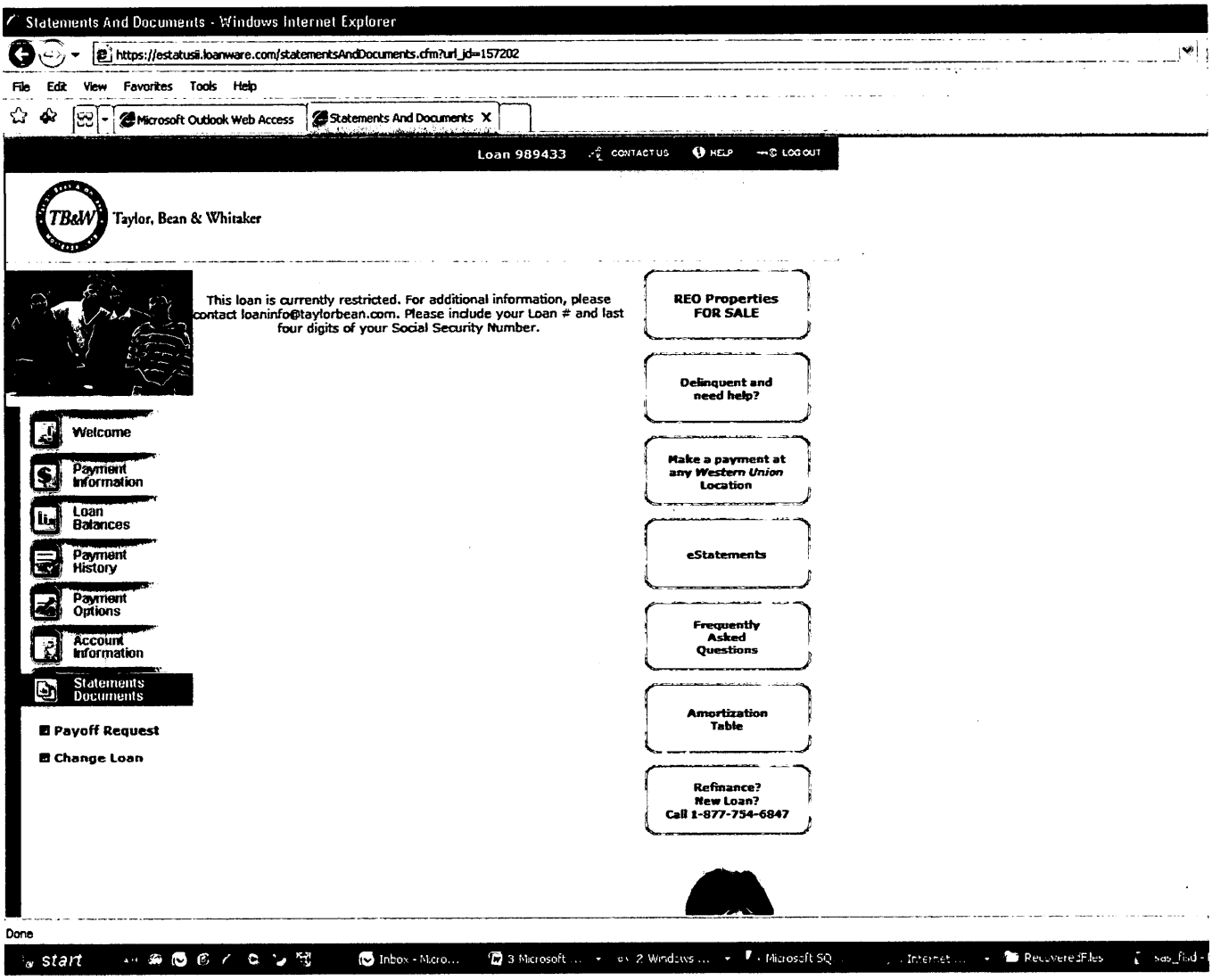
Statements And Documents - Windows Internet Explorer
https://estatusii.loanware.com/statementsAndDocuments.cfm?url_id=157202
File Edit View Favorites Tools Help
Microsoft Outlook Web Access
Statements And Documents
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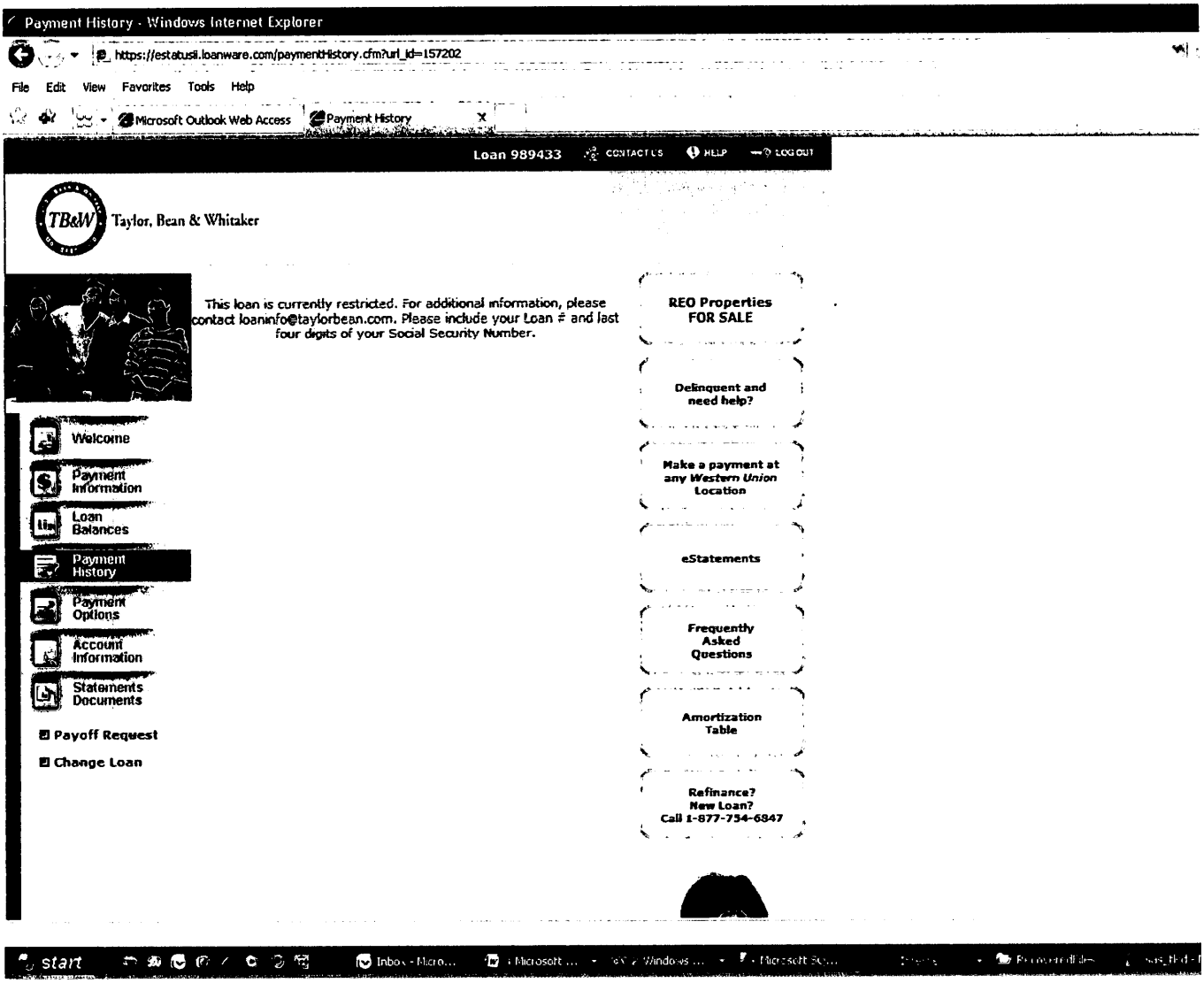
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Refinance? New Loan? Call 1-877-754-6847
start

Rule 9070-1

EXHIBITS

(a) Prior to an evidentiary hearing or trial of an adversary proceeding or a contested matter, counsel for the parties shall mark and list any exhibits proposed to be introduced into evidence in compliance with this rule.

(b) Each exhibit shall be tagged separately with a tag containing the following information:

Rec. as _____ Ex. No. 19
For I.D. ___ or Evidence ___ (Ck. One)
Case No. _____ Adv. No. _____
Attorney Submitting _____
Party Submitting _____
This ____ day of _____, 20___.
By:_____, Deputy Clerk

(c) Exhibits should be identified numerically commencing with number 1.

(d) All exhibits must be listed, in order, on a separate sheet of paper which shall include the case number, adversary number, debtor's name, designation as to plaintiff and defendant, and columns with the following headings: For I.D., In Evidence, Exhibit Number, Plaintiff, Defendant, Description.

(e) The original and one copy of the documentary exhibits and listing of exhibits shall be furnished to the Clerk at the commencement of the hearing or trial. An additional copy shall be made available for use by witnesses. In addition, copies of all documentary exhibits and the listing of exhibits shall be exchanged between counsel.

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MASSACHUSETTS

In re	:	
JACALYN S. NOSEK	:	Chapter 13
Debtor	:	No. 02-46025
	:	
JACALYN S. NOSEK,		
Plaintiff	:	
v.	:	A.P. No. 04-04517
AMERIQUEST MORTGAGE	:	
COMPANY,	:	
Defendant	:	
	:	

MEMORANDUM OF DECISION ON REMAND FROM UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

This matter comes before the Court on remand from the United States District Court for the District of Massachusetts ("District Court") following an appeal of this Court's decision of June 30, 2006 by the Defendant Ameriquest Mortgage Company ("Ameriquest"). The District Court remanded the case for further proceedings. *Ameriquest Mortgage Co. v. Jacalyn S. Nosek*, 2006 WL 3262629 (D. Mass. 2006). Following the District Court's decision, the parties submitted supplemental briefs on the issues now before the Court on remand.

1. Factual Background

The Court's findings of fact were upheld by the District Court as not clearly erroneous and are briefly summarized below.[1] *Ameriquest v. Nosek*, 2006 WL 3262629 at *1. The Debtor, Jacalyn S. Nosek ("Nosek") executed a $90,000.00 adjustable rate note ("Note") with Ameriquest secured by a mortgage on her principal residence. *Id.*

[1] For a more detailed discussion of the facts, see the published decisions of this Court and the District Court. *In re Nosek*, 2006 WL 1867096, *1-5 (Bankr. D. Mass. 2006); *Ameriquest v. Nosek*, 2006 WL 3262629 at *1-2.

When Nosek began missing payments on the Note, Ameriquest instituted foreclosure proceedings. *Id.* To halt the foreclosure, Nosek filed for bankruptcy under Chapter 13 of the United States Bankruptcy Code, 11 U.S.C. § 101 et al.. *See id.* Under Chapter 13, Nosek was permitted to cure her pre-petition arrearage over sixty months through her confirmed Plan and to make her ongoing post-petition payments directly to Ameriquest. *Id.* When Ameriquest received a payment, whether it was from the Chapter 13 Trustee on account of the arrears or Nosek herself for the then currently due installment, Ameriquest would apply the funds to the oldest outstanding contractual obligation due under the Note. *Id.* at *2. If the payment was insufficient to satisfy a contractual obligation in full, Ameriquest would place the funds in a "suspense" account. *See id.* In theory, the suspense account acted like a collection bucket to hold the payments until there were enough funds to satisfy one in full. *Id.*

The Court noted several flaws with Ameriquest's accounting system and found an overall failure to properly and timely account for Nosek's payments. *See generally Nosek*, 2006 WL 1867096. First, the process did not distinguish between pre-petition and post-petition payments; it simply looked to satisfy the oldest contractual obligation first. *Id.* at *3. Thus, when a payment was received from the Chapter 13 Trustee or from Nosek, it was matched against the oldest outstanding contractual obligation. If the payment did not satisfy that contractual obligation in full, the funds were placed in a "suspense" account *Id.* at *12. Second, even when the total funds in the suspense account were sufficient to satisfy a contractual obligation in full, Ameriquest did not necessarily post them in a timely manner. *Id.* at *3. Third, the accounting system, and the payment history Ameriquest generated for the rest of the world, gave the impression that Nosek was delinquent in her payments. *Id.* at *4, *11. It did not show that Nosek was current, something she claimed prevented her from refinancing her Note with another lender. *Id.* at *3- 4, *11. Although Ameriquest claimed to have manually credited Nosek with having made the payments and internally considered her current, nothing in its accounting system, or on the payment history provided to her, reflected this. *Id.*

2. Procedural Background

The Court found that Ameriquest violated the Real Estate Settlement Procedures Act ("RESPA"), the Massachusetts Consumer Protection Act ("Chapter 93A"), and the Massachusetts implied covenant of good faith and fair dealing. *Nosek*, 2006 WL 1867096 at *18. Only nominal damages of $1.00 and $25.00 were awarded on the RESPA and Chapter 93A violations, but emotional distress damages of $250,000.00 were awarded for the breach of the implied covenant of good faith and fair dealing. *Id.* As part of its holding on the implied covenant of good faith and fair dealing, the Court found that Ameriquest had an obligation to properly and timely credit both pre-and-post-petition payments and that its failure to do so contravened the terms of Nosek's confirmed Chapter 13 Plan, and specifically 11 U.S.C. δ 1322(b). *Id.* at *13. "The purpose of a Chapter 13 plan is to allow a debtor to pay arrears during the pendency of the plan while continuing to make payments at the contract rate. Payments made during the pendency of the Chapter 13 plan should have been applied by [the lender] to the current payments [then] due and owing with the arrearage amounts [received from the Chapter 13 Trustee] to be applied to the back payments. [The lender] cannot use its accounting procedures to contravene the terms of a confirmed Chapter 13 plan and the Bankruptcy Code." *Id.* (quoting *In re Rathe*, 114 B.R. 253, 257 (Bankr. D. Idaho 1990)).

Thereafter, Ameriquest appealed, arguing *inter alia* that the Bankruptcy Code preempted Nosek's recovery under all three of these counts.[2] *Ameriquest v. Nosek*, 2006 WL 3262629 at *1. The District Court held that "the Bankruptcy Code preempts both the state claim under the implied covenant of good faith and fair dealing and the claim under section 2605(e) of [RESPA]. In addition, the claim under [Chapter 93A] is remanded for consideration on the merits. Accordingly, Ameriquest's appeal is allowed and the case is remanded for further proceedings consistent with this holding." *Id.* at *9.

In its appeal, Ameriquest specifically challenged the Court's Section 1322(b) finding. *See Ameriquest's Opening Brief*, p. 22-25 ; *Ameriquest's Reply Brief*, p. 6-13. *See also* Designation of Record and Statement of Items to be Presented on Appeal by Ameriquest Mortgage Company From Order of the Bankruptcy Court Entered June 30, 2006; Docket #124, p. 3, ¶ 11, Dated: 7/20/06 (including "whether the Bankruptcy Court erred in ruling

[2] At Ameriquest's request, the Court hereby takes judicial notice of its Opening and Reply Briefs to the District Court, which will be hereinafter cited to as such.

that a mortgage servicing company such as Ameriquest is required to internally account for post-petition payments in the same manner provided for in a Chapter 13 plan" as one of the issues on appeal). It devoted several pages in its briefs arguing that its accounting practices did not violate the Bankruptcy Code or Nosek's Chapter 13 Plan. *Id.*

> a cornerstone of the Bankruptcy Court's ruling that Ameriquest breached the covenant of good faith and fair dealing (under Massachusetts law) was the Court's view that the manner in which Ameriquest credited payments violated the Plan. That view was error....The acceptance of [a] payment and placement of [that] payment in an internal suspense account is not violative of the Debtor's cure rights under [Section] 1322(b)(5)...The Bankruptcy Court had the erroneous belief that Ameriquest was required to apply post-petition payments in accordance with the terms of the Plan. It then used that belief to reach the conclusion that Ameriquest "contravened the terms of a confirmed Chapter 13 plan" and therefore violated the covenant of good faith and fair dealing."

See Appellant's Opening Brief, p. 22-25 (internal citations omitted).

On this issue, the District Court held that

> The Bankruptcy Court found a violation of [Section] 1322(b), which regulates the modification of the Plan and provides the cures for any defaults. The Bankruptcy Court then grafted onto the Plan an implied covenant of good faith and fair dealing, a state remedy. This was error. Section 105 of the Code provides the proper mechanism for the Bankruptcy Court to remedy specific violations of the Code. If the Bankruptcy Court is to assess damages, it must not look to the state law theory employed in this case, but must do so under the equitable powers granted under the Code.

Ameriquest v. Nosek, 2006 WL 3262629 at *7 (internal citations omitted).

3. Discussion

A. Remand of Chapter 93A Claim

The District Court remanded the Chapter 93A claim "for reconsideration as to whether the Bankruptcy Code preempts such state claims, and if that court answers in the negative, for a determination of the claim on the merits." *Ameriquest v. Nosek*, 2006 WL 3262629 at *9. The Court declines to decide whether Chapter 93A is preempted by the Bankruptcy Code because under the facts of this case, Nosek cannot establish a claim on the merits. Nosek's Chapter 93A claim cannot stand on its own in the absence of the RESPA violation, which was overturned on appeal. The Court found that Ameriquest had violated section 2605(e) of RESPA, a federal consumer protection statute, based on its failure to respond to Nosek's qualified written request

within the time specified by the statute. *Nosek*, 2006 WL 1867096 at *5. Under Massachusetts law, a violation of a federal consumer protection statute is a *per se* violation of Chapter 93A. 904 MASS. CODE REGS. 3.16(4) (2006). It was on this basis alone that the Court found that Ameriquest had also violated Chapter 93A. *Nosek*, 2006 WL 1867096 at *8. It was a *per se* violation based solely on the RESPA finding. *Id.*. *See also* 10/25/05 Summary Judgment Hearing; Docket #39. Nosek did not plead, nor did the Court find, facts to support an independent violation of Chapter 93A, and even if there were, the Court found that Nosek failed to prove any actual damages from Ameriquest's failure to respond to her request. *Nosek*, 2006 WL 1867096 at *8. For these reasons, this is not the appropriate case for the Court to determine whether Chapter 93A is preempted by the Bankruptcy Code because there is no longer a means of sustaining a *per se* violation and there are no facts to support an independent one. Therefore, Nosek's claim under Chapter 93A is hereby dismissed.

B. Remedy for Section 1322(b) Violation

The District Court affirmed the Court's Section 1322(b) finding and merely disagreed with the remedy applied to it. *See Ameriquest v. Nosek*, 2006 WL 3262629 at *7. The state remedy employed by the Court (i.e. implied covenant of good faith and fair dealing) overlapped those provided for in the Bankruptcy Code, namely 11 U.S.C. δ 105(a). *Id.* It was preempted and the Court should have used its own equitable powers under Section 105(a) to redress the Section 1322(b) violation. *Id.*

Section 105(a) of the Bankruptcy Code provides:

> The court may issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of this title. No provision of this title providing for the raising of an issue by a party in interest shall be construed to preclude the court from, sua sponte, taking any action or making any determination necessary or appropriate to enforce or implement court orders or rules, or to prevent an abuse of process.

11 U.S.C. § 105(a).

"Section 105(a) empowers the bankruptcy court to exercise its equitable powers-where 'necessary' or 'appropriate'- to facilitate the implementation of other Bankruptcy Code provisions." *Bessette v. Avco Financial Services, Inc.*, 230 F.3d 439, 444 (1st Cir. 2000)

(internal citations omitted). In *Bessette*, the First Circuit recognized the considerable (but not unlimited) discretion conferred on bankruptcy courts under Section 105(a) and held that a debtor could recover damages under that section for a creditor's violation of the discharge injunction, 11 U.S.C. δ 524. *See id.* Bankruptcy and district courts relying on *Bessette* have extended the reach of Section 105(a) to remedy other Code violations, including Section 1322(b), not just Section 524. *See e.g., In re Harris*, 312 B.R. 591 (N.D. Miss. 2004) (holding that Section 105(a) empowered the bankruptcy court to afford debtor relief when creditor violated Section 1322(b)(5)); *In re Mooney*, 340 B.R. 351 (Bankr. E.D. Tex. 2006) (recognizing that "there is no logical reason why the same [Section 105 used to remedy Section 524 violations] is not also available to enforce other statutory provisions"). Even Ameriquest recognizes the reach of Section 105, conceding on appeal that "if Ameriquest had in fact taken actions that violated the provisions of Nosek's Plan...such actions may be sanctionable under Section 105(a) of the Bankruptcy Code." *See Ameriquest's Reply Brief*, p. 6.

It is well settled that a debtor can recover under Section 105 for violation of specific Code provisions, including Section 1322(b). The next question is to what forms of relief is the debtor entitled. Section 105 provides bankruptcy courts with statutory contempt powers. *Bessette*, 230 F.3d at 445. This includes the power to sanction a party, which inherently includes the power to award monetary relief to the debtor in the form of actual and punitive damages. *See id.* In line with this interpretation of statutory contempt powers, bankruptcy courts across the country have awarded actual damages under Section 105. *See id.* Bankruptcy courts have even awarded emotional distress damages as coming within the purview of the actual damages recoverable under Section 105. *See e.g., In re Curtis*, 322 B.R. 470, 486 (Bankr. D. Mass. 2005) (awarding "compensatory damages" for stress, weight loss, vomiting, and depression); *In re Barry*, 330 B.R. 28, 38 (Bankr. D. Mass. 2005) (awarding "emotional distress damages" for violation of discharge injunction); *In re Manzanares*, 345 B.R. 773 (Bankr. S.D. Fla. 2006) (same); *In re Meyers*, 344 B.R. 61 (Bankr. E.D. Pa. 2006) (same); *In re Feldmeir*, 335 B.R. 807 (Bankr. D. Or. 2005) (same). *See also Fleet Mortgage Group v. Kaneb*, 195 F.3d 265 (1st Cir. 1999) (upholding award for emotional distress as within the "actual damages" recoverable for violation of the automatic stay under 11 U.S.C. §

362(h)). Furthermore, when faced with this question, the First Circuit declined to resolve it. *See In re Rivera Torres*, 432 F.3d 20, 26 n.6 (1st Cir. 2005) (limiting the issue to whether emotional distress damages were precluded against the government by sovereign immunity under 11 U.S.C. δ 106 and declining to decide whether they are recoverable in general against a party under Section 105). Bankruptcy courts have also awarded punitive damages as a sanction under Section 105. *Bessette*, 230 F.3d at 445. *See e.g., Curtis*, 322 B.R. at 486 (awarding punitive damages for violation of discharge injunction and automatic stay); *In re Al-Jiboury*, 344 B.R. 218, 222 (Bankr. D. Mass. 2006) (awarding punitive damages). In this regard, courts are cognizant that "what would be sufficient to deter one creditor may not even be sufficient to gain notice from another." *Curtis*, 322 B.R. at 486.

Consistent with the District Court's decision and the relevant case law, the Court finds that Nosek is entitled to actual damages for her emotional distress as well as punitive damages under Section 105(a) for Ameriquest's violation of Section 1322(b). The Court finds that its previous award of $250,000.00 for Nosek's emotional distress is appropriate and hereby awards that amount under Section 105(a). The Court already found in its previous decision that Ameriquest's inability to properly and timely apply Nosek's payments caused her emotional distress, which was supported by testimony from herself, her therapist, her psychiatrist, her primary care physician, and her pastor. *Nosek*, 2006 WL 1867096 at *15. Nosek testified that upon seeing her incorrect payment history:

> I felt like somebody hit me in the stomach ...and you know, sucker-punched me...so when I saw that [this payment history] doesn't represent my payments post-petition,...and to get another mortgage, they need to see that I was making the correct payments...and this doesn't show that. I was devastated. I felt there was no hope...I became tremendously depressed and really since then I haven't been able to get my feet under me...
>
> *Id.*

The Court was outraged by Ameriquest's actions and found that its failure to maintain accurate accounts exacerbated Nosek's emotional distress, something this Court can remedy by assessing damages under Section 105. The Court cannot award Nosek other actual damages because the Court already found that she failed to prove any. *See Nosek*, 2006 WL 1867096 at *6, 15 (explaining that Nosek failed to proffer any evidence that

Ameriquest's inaccurate accounting prevented her from refinancing her Note on more favorable terms).

As for punitive damages, the Court finds that Ameriquest's accounting practices are wholly unacceptable for a national mortgage lender and hereby awards $500,000.00 under Section 105(a). The Court considered punishing Ameriquest's conduct in its prior decision, but was precluded from doing so because the remedy was erroneously based on the implied covenant of good faith and fair dealing, under which punitive damages are not available. *Nosek*, 2006 WL 1867096 at *15 (stating that "punitive damages are not recoverable although the concept is tempting to the Court considering [Ameriquest's] egregious behavior").

In awarding punitive damages, the Court notes that "Ameriquest is one of the largest and oldest home mortgage lenders and loan servicers in the U.S. It services home loans in 48 states. As of July 2006, Ameriquest service[d] approximately 437,000 loans. Of that, nearly 7,200 involve borrowers that are currently Chapter 13 debtors." *Ameriquest's Opening Brief,* p. 4. Ameriquest is a national mortgage company, which supports the contention that the amount of punitive damages must be significant enough to garner its attention. *See Ameriquest's Opening Brief,* p. 29; *Curtis*, 322 B.R. at 486. Furthermore, Ameriquest uses the same accounting system in servicing all of its Chapter 13 debtors, which shows how widespread the problem could potentially be.

Ameriquest admitted that "without question, Chapter 13 serves as a comprehensive statutory scheme for treatment of home mortgage claims in Chapter 13 cases and the specific relationship between Nosek, as debtor, and Ameriquest, as her home mortgage lender." Ameriquest made this point in arguing to the District Court that the Bankruptcy Code preempted state law remedies. *See Ameriquest's Opening Brief,* p. 19. Notwithstanding this, Ameriquest argued that Chapter 13 did not require lenders to change their accounting procedures just because a debtor filed for bankruptcy. "If Nosek is correct that Ameriquest was required to apply payments in a manner different from the underlying contracts, Ameriquest (and the other mortgage servicers) would be forced to constantly monitor each debtor's bankruptcy case, readjust their accounting methodologies, and continually recalculate how payments should be applied." *See Ameriquest's Reply Brief,* p. 13. That is exactly the point; Ameriquest must adjust its

accounting practices because of Nosek's bankruptcy. The Bankruptcy Code is not a cafeteria; lenders do not decide which of its provisions apply to them. Once a debtor files for Chapter 13, the Bankruptcy Code, and only the Bankruptcy Code, dictates the protections (such as the preemption of state law remedies) afforded to the lender and the obligations (such as the separate accounting for pre-and-post petition payments) required of them.

Ameriquest next argued that "because Ameriquest cannot use its computer system to track bankruptcy payments and because no software exists to track such payments, Ameriquest must account for payments from Chapter 13 debtors manually." *See Ameriquest's Reply Brief,* p. 16. Ameriquest offers this as an apparent excuse as to why Nosek's payment history was inaccurate. The Court is unpersuaded. Even if Ameriquest must manually account for these payments (though the Court is not convinced that a computer system could not be developed with the appropriate investment of time and money), Ameriquest is not excused from doing it right, even if it is an administrative burden. It is not sufficient that Ameriquest only *internally* accounted Nosek with having made the payments and *internally* considered her current. This must be reflected on Ameriquest's *external* payment history, which is shared with the debtor and the outside world and which is usually necessary for a refinancing, something a lender of Ameriquest's experience should recognize. In sum, Ameriquest is simply unable or unwilling to conform its accounting practices to what is required under the Bankruptcy Code, something this Court can encourage by assessing punitive damages under Section 105(a).

4. Conclusion

The Court hereby dismisses Nosek's claim under Chapter 93A and awards $250,000.00 in emotional distress damages and $500,000.00 in punitive damages under Section 105(a) for Ameriquest's violation of Section 1322(b) of the Bankruptcy Code. A separate order shall issue.

Dated: March 6, 2007 By the Court,

Joel B. Rosenthal

United States Bankruptcy Judge

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