Exhibit #1

Interest rate of existing Mortgage	6.500%
New modified interest rate	6.500%
New modified loan term (months)	346
Servicer fee (bps)	0.250
Effective date of Modification	11/1/2008
Due date of first modified payment	12/1/2008
Maturity date of existing Mortgage	9/1/2037
New maturity date of modified mortgage	9/1/2037
Existing unpaid principal balance	$189,234.98
Additions to principal balance:	
Accrued interest to effective date (Estimate)	$7,175.14
Amount to fully fund escrow (Estimate)	$2,465.74
Legal fees and costs (Estimate) CAN NOT BE CAPPED	$1,045.00
Property Inspection Fees	$72.00
Misc Fees (Mod fee & recording fee)	$0.00
Return Check Fees	$15.00
Minimum Contribution	$87.00
Subtractions from principal balance:	
Less borrower's cash contribution (Must be enough to cover A19-A23)	$1,608.20
Amount of Contribution to Reduce Capitalized Amount	$1,521.20
Total capitalization amount	$9,164.68
New Modified unpaid principal balance (Estimate)	$198,399.66
New modified payment of principal and interest (Estimate)	$1,270.68
New modified monthly escrow payment for taxes and insurance (Estimate)	$569.11
TOTAL new modified monthly payment (Estimate)	$1,839.79
Amounts due from borrower for modification (by certified or cashier's check)	
Borrower cash contribution to reduce principal balance *	$1,521.20
Title Cost	$0.00
Closing costs - Recording (Estimate) **	$0.00
Processing fee for review of modification request	$0.00
Borrower's first modified monthly payment (Estimate) - if requested	$0.00
Less funds received by TBW and placed into suspense	$1,608.20
TOTAL CASH DUE FROM BORROWER	$0.00

YOUR First MODIFIED PAYMENT WILL BE DUE ON: December-08

If you have not received new payment coupons send your payments to my attention.

* Borrower's cash contribution will be applied to reduce the total amount due on the mortgage, and this amount must be paid in full regardless of whether actual amounts are higher or lower than estimated amounts. ** The amount shown for closing costs is the minimum amount due. If the final closing costs are less than the estimate, then the excess amount will be applied to reduce the total amount due on the mortgage. If the final closing costs are more than the estimate, the borrower is responsible for these amounts and they must be collected when the modification documents are signed and final cash amounts are due.

PAYMENT

To Send a Quick Collect®
Para enviar un pago por Quick Collect®

WESTERN UNION®

Card Members Fill Out Yellow Shaded Area Only / Los tarjetahabientes solamente necesitan llenar el área amarilla

WESTERN UNION® GOLD OR PREFERRED CARD NUMBER
Número de la tarjeta Gold o Preferred de Western Union®

1 PAYMENT INFORMATION — INFORMACIÓN DEL PAGO

$ 350.00

Dollar Amount Not To Exceed US $5,000
El monto en dólares no debe exceder US $5,000

When sending $1,000 or more, you must provide identification and additional information.
Al enviar $1,000 ó más, usted deberá proporcionar identificación e información adicional.

Pay to / Páguese a: [illegible]
Company Name/Nombre De La Compañía

Attention: / Atención: [illegible]

Reference Number: / Número de Referencia: 1915074

Code City / Código de Ciudad: [illegible] **State** / Estado: FL

2 SENDER INFORMATION — INFORMACIÓN DEL REMITENTE

Sender's Name / Nombre del remitente: [illegible]
First Name/Primer Nombre — **Last Name**/Apellido Paterno

Account Number With Company / Número de cuenta con la compañía: 1915074

Telephone / Teléfono: ( ) [illegible]

Address / Dirección: [illegible]
Street/Calle y número

[illegible] 79[illegible]
City/Ciudad — **State**/Estado — **Zip**/Código Postal

3 CONSUMER SIGNATURE — FIRMA DEL CLIENTE

[illegible]

AGENT USE ONLY
Sólo para uso del Agente
Additional consumer information on the back of this page.
Información adicional para el cliente al reverso de la hoja.

Date / Fecha: 6-27-08	**Time** / Hora: 4:00
Amount / Cantidad	$ 350.00
Transfer Fee / Cargo por la transferencia	$
Tax / Impuesto	$
Total Amount Collected / Cantidad total cobrada	$ 351.99
Rate of Exchange* / Tipo de cambio*	**Amount to be Paid*** / Cantidad a pagar*
Agent's Signature / Firma del agente	M. [illegible]

*IN ADDITION TO THE TRANSFER FEE, WESTERN UNION ALSO MAKES MONEY WHEN IT CHANGES YOUR DOLLARS INTO FOREIGN CURRENCY. PLEASE SEE ATTACHED PAGES FOR MORE INFORMATION REGARDING CURRENCY EXCHANGE. ◆ IF THE EXCHANGE RATE FOR YOUR TRANSACTION WAS DETERMINED AT THE TIME YOU SENT THE MONEY, THE CURRENCY TO BE PAID OUT AND THE EXCHANGE RATE ARE LISTED ON YOUR RECEIPT. OTHERWISE, THE EXCHANGE RATE WILL BE SET WHEN THE RECEIVER RECEIVES THE FUNDS. ◆ CERTAIN TERMS AND CONDITIONS GOVERNING THIS TRANSACTION AND THE SERVICES YOU HAVE SELECTED ARE SET FORTH ON THE ATTACHED PAGES. BY SIGNING THIS RECEIPT, YOU ARE AGREEING TO THOSE TERMS AND CONDITIONS.

*ADEMÁS DE LOS CARGOS POR EL SERVICIO DE TRANSFERENCIA, WESTERN UNION TAMBIÉN GANA DINERO CUANDO CAMBIA SUS DÓLARES A MONEDA EXTRANJERA. POR FAVOR LEA EN LAS PÁGINAS ANEXAS MÁS INFORMACIÓN SOBRE EL CAMBIO DE MONEDA. ◆ SI EL TIPO DE CAMBIO PARA SU TRANSACCIÓN FUE FIJADO EN EL MOMENTO EN EL QUE ENVIÓ EL DINERO, LA MONEDA EN LA QUE SE HARÁ EL PAGO Y EL TIPO DE CAMBIO SE INDICARÁN EN EL RECIBO. DE LO CONTRARIO, EL TIPO DE CAMBIO SE FIJARÁ CUANDO EL DESTINATARIO RECIBA LOS FONDOS. ◆ ALGUNOS TÉRMINOS Y CONDICIONES QUE RIGEN ESTA TRANSACCIÓN Y LOS SERVICIOS QUE USTED HA ELEGIDO SE ESTABLECEN EN LAS PÁGINAS ANEXAS. AL FIRMAR ESTE RECIBO, USTED DECLARA QUE ESTÁ DE ACUERDO CON ESOS TÉRMINOS Y CONDICIONES.

QFMQCDOMB (12/05)

COPY

K. MICHAEL CONAWAY, CPA
11TH DISTRICT, TEXAS
DEPUTY REPUBLICAN WHIP

COMMITTEE ON AGRICULTURE

COMMITTEE ON ARMED SERVICES

COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

HOUSE PERMANENT SELECT COMMITTEE ON INTELLIGENCE

Congress of the United States
House of Representatives
Washington, DC 20515–4311

May 13, 2010

Mrs. Joni Cox-Tanner
2403 Terrace Avenue
Midland, TX 79705

Dear Mrs. Cox-Tanner,

Please find enclosed the final response I received from Sharon Lundstrom, Director of the National Servicing Center, regarding the inquiry I made on your behalf. I regret a more favorable reply was not forthcoming. As you know, I am not authorized to change or influence a decision and can only make sure that you are given every due and proper consideration any other constituent would be given under the same circumstance.

If you have further questions or require any additional assistance in the future, please do not hesitate to contact Corbette Padilla in my Midland Regional Office as she has assisted me in this matter.

Sincerely,

K. Michael Conaway
Member of Congress

KMC/cp

enclosure

BROWNWOOD OFFICE:
BROWNWOOD CITY HALL
501 CENTER AVENUE
BROWNWOOD, TX 76801
TOLL FREE: (866) 882-3811

LLANO REGIONAL OFFICE:
COUNTY ANNEX
104 WEST SANDSTONE
LLANO, TX 78643
PHONE: (325) 247-2826
FAX: (325) 247-2676

MIDLAND REGIONAL OFFICE:
CLAYDESTA CENTER
6 DESTA DRIVE, SUITE 2000
MIDLAND, TX 79705
PHONE: (432) 687-2390
FAX: (432) 687-0277

ODESSA OFFICE:
CITY HALL
411 W. 8TH ST., 5TH FLOOR
ODESSA, TX 79761
TOLL FREE: (866) 882-3811

SAN ANGELO REGIONAL OFFICE:
O.C. FISHER FEDERAL BUILDING
33 EAST TWOHIG, SUITE 307
SAN ANGELO, TX 76903
PHONE: (325) 659-4010
FAX: (325) 659-4014

WASHINGTON OFFICE:
1527 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
PHONE: (202) 225-3605
FAX: (202) 225-1783

http://conaway.house.gov

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U.S. Department of Housing and Urban Development
National Servicing Center, HUFM
301 NW 6th Street, Suite 200
Oklahoma City, OK 73102-2807

http://www.hud.gov/offices/hsg/sfh/nsc/nschome.cfm

May 6, 2010

Honorable K. Michael Conway
United States House of Representatives
Attention: Ms. Corbett Padilla
6 Desta Drive, Ste 2000
Midland, TX 79705

Dear Congressman Conway:

Thank you for your inquiry by way of Mr. Miguel C. Rincon Jr, of U. S. Department of Housing and Urban Development who forwarded your inquiry to HUD's National Servicing Center (NSC) for response, on behalf of your constituents, Mr. Charles Tanner and Ms. Joni Cox-Tanner, who are requesting assistance with their FHA-insured mortgage.

Staff from HUD's National Servicing Center (NSC) has completed a review of the information submitted from Federal Deposit Insurance Corporation (FDIC) on behalf of RoundPoint Mortgage Servicing Corporation (RPMSC) on the mortgage in question. Our review has allowed NSC to determine RPMSC is operating within our directives for servicing, which includes loss mitigation.

To provide some background on this mortgage, the lien holder was Colonial Bank. RPMSC was retained by Colonial Bank to service certain loans that had previously been serviced by Taylor, Bean & Whitaker Mortgage Corporation (TBW) after TBW filed bankruptcy. Colonial Bank is now in receivership with the FDIC. The FDIC, as Receiver for Colonial Bank, has transferred servicing of Colonial's mortgage loans from TBW to RPMSC.

The following information was submitted by FDIC on behalf of RPMSC.

- According to FDIC, RPMSC provided the homeowners with a FHA Home Affordable Modification Program package on October, 2, 2009 and as of May 3, 2010 it has not been completed and returned, therefore no loss mitigation has occurred on this loan while it has been with RoundPoint.

- FDIC reported that RPMSC stated that the borrowers' concerns about the missing payments sent to TBW if the homeowners simply provide documentation of the payments for which they believe not credited (i.e. copies of the front and back of cancel checks, copies of online payment from their bank, etc). RPMSC would then research the loan with the FDIC and confirm whether or not any payments are indeed missing. TBW cannot continue to chare late fees on the borrowers' mortgage as TBW no longer service this mortgage. To date RPMSC has not charged any late fees on this mortgage either.

- FDIC stated that TBW forced placed insurance on the subject property before the mortgage servicing was transferred to RPSMC. Currently RPMSC continues to maintain a forced place insurance on the subject property because the borrowers have changed insurance companies and refused to provide proof of insurance cover that has RPMSC listed as the loss payee on the policy.

- According to FDIC, RPMSC has no conformation regarding the State Farm check for roof repairs bearing the names of the borrowers and TBW. However, it has been confirmed that TBW has a process in place currently that would allow for the funds to be disbursed. If the borrowers contact TBW at 1-888-225-2164 or via their website at www.taylorbean.com, Mr. Tanner and Ms. Cox-Tanner will be able to determine the next steps in the process of getting those funds released.

- FDIC is reporting that RPMSC acquired this loan on October 10, 2009 and since that time has not received any payments from the borrower and has had limited contact with the borrower. The account has arrearage in excess of $25,000.00 as of May 1, 2010.

If Mr. Tanner and Ms. Cox-Tanner wish to discuss options under loss mitigation they must contact RPMSC at this toll free telephone number 877-426-8805 and speak with any Customer Service Representative.

The Department operates a program that is specifically designed to assist a borrower with FHA-insured mortgage who are experiencing temporary difficulties in meeting their mortgage payment. This program is called the Loss Mitigation Program. HUD guidelines require lenders to inform all delinquent FHA borrowers of the loss mitigation options designed to help them retain their homes and avoid foreclosure. Enclosed for your convenience is a brief explanation of HUD's Loss Mitigation Program.

It may be of interest to the Tanners' to contact HUD's toll free number at (800) 569-4287, to obtain a list of HUD Approved Housing Counseling Agencies available in their your local area. These agencies provide assistance and guidance, often free of charge, about property and residence issues that may be of concern.

If you have any questions, please feel free to contact Art Green at (405) 609-8505 or Matt Martin (405- 609-8533) or toll free at (866) 449-1661, extensions 8505 or 8533.

Sincerely,

Sharon A. Lundstrom acting for
Director,
National Servicing Center

Enclosure

Explanation of HUD's Loss Mitigation Program

HUD/FHA initiated a comprehensive loss mitigation program to provide relief to mortgagors in default. FHA's Loss Mitigation Program returns responsibility for managing loan defaults to approved FHA-insured lenders. Loss mitigation is considered critical to FHA because it works to fulfill the goal of helping mortgagors in default retain homeownership while reducing, or mitigating the economic impact on the insurance fund.

The FHA Loss Mitigation Program delegates to lenders both the authority and the responsibility to utilize actions and strategies to assist mortgagors in default in retaining their homes, and/or in reducing losses to FHA's insurance funds. HUD believes that the lender is best positioned to determine which, if any, loss mitigation strategies are appropriate in a given circumstance. Without HUD approval, lenders may, in their sole discretion, utilize any of the loss mitigation options, within the guidelines provided by the Secretary.

Though lenders have great latitude in selecting the loss mitigation strategy appropriate for each mortgagor, HUD/FHA approved lenders must offer participation in the loss mitigation program to mortgagors who qualify.

The mortgagor must occupy the property as a principal residence to be eligible for any of the reinstatement options (special forbearance, loan modification or partial claim). Lenders are authorized to grant reasonable exceptions to non-occupant mortgagors seeking relief through pre-foreclosure sale (PFS), or deed-in-lieu of foreclosure (DIL) when it is clear that the subject property was not purchased as a rental investment, or used as a rental for more than 12 months. The mortgagor may not own other real estate subject to FHA insurance, or have been the mortgagor on prior loans on which an FHA claim has been paid within the past three years.

HUD has established its order of option priority in order to minimize losses to the insurance funds. For example, both a partial claim and a special forbearance will avert a foreclosure and reduce the potential loss to the fund. However, mortgagor funded reinstatement through a special forbearance plan, is less costly to HUD than a partial claim reinstatement which is funded by FHA. Therefore, HUD requires that lenders determine that a special forbearance is not the best option prior to considering the use of a modification, and that determination be made that a modification is not the best option prior to considering the use of a partial claim.

The lender must use good business judgment to ensure that the workout option selected reasonably reflects the mortgagor's ability to pay. Mortgagors with sufficient surplus income, and/or other assets, must be required to reinstate the debt through a repayment option.

The program includes six strategies to be used by lenders, as they deem appropriate, based on an individual assessment of the mortgagor's financial circumstances and the status of the loan. Four of the options (reinstatement options) promote retention of homeownership, while two assist mortgagors in default transition to lower cost housing (disposition options).

To qualify for loss mitigation options the mortgagor must have had a reduction in income or an increase in living expenses. Financial information must be supplied to the lender for review. The lender will review and determine what program best suites the situation, if any. The following

are available Loss Mitigation Programs, and a brief description of the program;

Special Forbearance; A special forbearance is a written repayment agreement between a lender and a mortgagor that contains a plan to reinstate a loan that is a minimum of three payments due and unpaid. To qualify as a special forbearance and entitle the lender to incentives, the agreement must provide the mortgagor with relief not typically afforded under a repayment plan or an informal forbearance plan. Examples of the types of provisions which may be included in a special forbearance agreement include a repayment term of 4 or more months; suspension or reduction of payments for one or more months to allow the mortgagor to resume making full monthly payments while delaying repayment of the arrearage. Lender should waive all late fees.

1. Type I Special Forbearance is a structured plan that allows a borrower to repay a loan delinquency over time. The plan must provide relief not typically afforded under an informal forbearance or short-term repayment plan including an initial period for financial recovery followed by a payment schedule based on the borrower's ability to repay. HUD is providing additional flexibility for lenders to provide relief to otherwise creditworthy borrowers who have become unemployed and have a reasonable prospect of re-employment in the foreseeable future. Lenders may now enter into a special forbearance agreement with a borrower who has both a good payment record and stable employment history, but has not received a commitment of re-employment at the time the lender is reviewing the borrower's financial information.
2. Type II Special Forbearance combines a short-term special forbearance plan and a modification or partial claim as a single loss mitigation plane. Lenders should use a Type II special forbearance whenever the loss mitigation evaluation determines that the borrower's best option is either a modification or a partial claim but there is any concern about the borrower's ability or commitment to keep the payments current following reinstatement. Borrower must make at least three full monthly payments prior to execution of a modification or partial claim.

Mortgage Modification; A Mortgage Modification is a permanent change in one or more of the terms of a mortgagor's loan, which if made, allows the loan to be reinstated, and results in a payment the mortgagor can afford. Modifications may include a change in the interest rate; capitalization of delinquent principal, interest or escrow items; extension of the time available to repay the loan; re-amortization of the balance due; and/or allowing legal fees and foreclosure costs related to a canceled foreclosure action to be capitalized in a Mortgage Modification. A Mortgage Modification can not include any late fees so the lender should waive all accrued late fees.

Partial Claim; Under the Partial Claim option, a lender will advance funds on behalf of a mortgagor in an amount necessary to reinstate a delinquent loan (not to exceed the equivalent of 12 months (PITI). The mortgagor, upon acceptance of the advance, will execute a promissory note and subordinate mortgage payable to HUD. Currently, these promissory or "Partial Claim" notes carry no interest and are not due and payable until the mortgagor either pays off the first mortgage or no longer owns the property. The lender now has authority to allow legal fees and foreclosure costs related to a canceled foreclosure action to be incorporated into a Partial Claim. A Partial Claim can not include any late fees so the lender should waive all accrued late fees.

Pre-Foreclosure Sale; The pre-foreclosure sale (PFS) option allows a mortgagor in default to sell his or her home and use the sale proceeds to satisfy the mortgage debt even if the proceeds are less than the amount owed. This option is appropriate for mortgagors whose financial situation requires

YAHOO! MAIL Classic

Fw: TBW article court info VERY VERY IMPORTANT READ Thursday, June 3, 2010 1:37 PM

From: "Joni Cox" <jonicox31@yahoo.com>
To: Corbette.Padilla@mail.house.gov
Cc: DGaller@bergersingerman.com, tanab@lakinchapman.com, sandyssmith123@yahoo.com
13 Files (11 MB)

img048.jpg img049.jpg img047.jpg img036.jpg img037.jpg img038.jpg img039.jpg img040.jpg

img041.jpg img042.jpg img043.jpg img044.jpg img045.jpg

Corbette,

I would like to share this information regarding the case of Taylor Bean and Whitaker with regards to the fraud I was speaking about. Please let Congressman Conoway him know I am not what I appear to be when speaking with HUD. FDIC is mentioned in one of these articles and the letter I received from the Honorable Congressman Conoway states another fact which I believe verifies all the wrongdoing in this situation. This Company has taken upon themselves to pocket approximately 65,000 from our mortgage and escrow payments as well as the 5,000 from our insurance claim from State Farm. I am not asking for a handout, I am asking for honesty and transparency of this company. We have all the verification necessary to proceed with our civil lawsuit which will incriminate many individuals and as his constituent, I want him to be aware of what is coming out of the Florida Federal courthouse at this time. Feel free to contact me at any time. You do have my cell phone number.

Hope your day is a Blessed one.

Respectfully,

Joni Cox-Tanner

COPY

ELITE ROOFING
1003 S. GARFIELD ST
MIDLAND, TX 79701

PAY TO THE ORDER OF
Taylor, Bean & Whitaker Mortgage Corp.
By:

Received By Hal Miller June 7, 2010

Hal S. Miller 6-7-10

Hal Miller, Elite Roofing
Claim filed January 2010

STATE FARM LLOYDS
DALLAS, TX
WEATHER 43 08-690 L382

JPMORGAN CHASE BANK, NA 56-1544/441
COLUMBUS, OH

1 08 644316 J

CLAIM NO 43-R141-859
LOSS DATE 04-11-2009

INSURED TANNER, CHARLES

DATE 01-25-2010
MM DD YYYY

**********EXACTLY FIVE THOUSAND FOUR HUNDRED TEN AND 82/100 DOLLARS $*****5,410.82

Pay to the Order of: CHARLES TANNER & ELITE ROOFING & TAYLOR BEAN & WHITAKER MORTGAGE CORP
ITS SUCC AND/OR ASSIGNS ATIMA
2403 TERRACE AVE
MIDLAND TX 79705-7322

AUTHORIZED SIGNATURE

TB+W Loan #1915674

1000119188

SECURED DOCUMENT WATERMARK APPEARS ON BACK. HOLD AT 45° ANGLE FOR VIEWING.

⑈0817644316⑈ ⑆041115443⑆ 693191199⑈

COPY

ELITE ROOFING
1003 S. GARFIELD ST
MIDLAND, TX 79701

PAY TO THE ORDER OF
Roundpoint
Taylor, Bean & Whitaker Mortgage Corp.
By: [illegible]

Received By Hal Miller June 7, 2010

Hal L. Miller 6-7-10

Hal Miller, Elite Roofing
Claim filed January 2010

STATE FARM LLOYDS
DALLAS, TX
WEATHER 43 08-690 L382

JPMORGAN CHASE BANK, NA 56-1544/441
COLUMBUS, OH

1 08 644316 J

CLAIM NO 43-R141-859
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DATE 01-25-2010
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MIDLAND TX 79705-7322

AUTHORIZED SIGNATURE

TB+W Loan #1915674

1000119188

SECURED DOCUMENT WATERMARK APPEARS ON BACK HOLD AT 45° ANGLE FOR VIEWING

⑈0817644316⑈ ⑆044115443⑆ 693191199⑈

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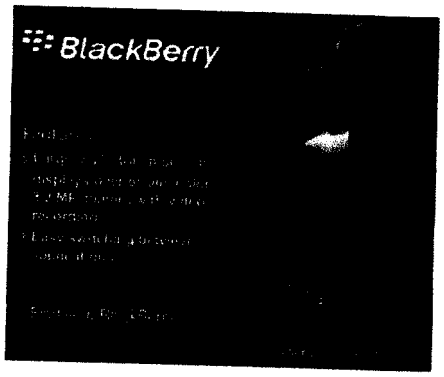
Lee Farkas accused of taking $50 million

Allegations against Taylor, Bean & Whitaker's former chairman were made on Monday



By Suevon Lee
Staff writer

Published: Tuesday, May 18, 2010 at 6:30 a.m.

Taylor, Bean & Whitaker Mortgage Corp.'s new leadership alleges that former Chairman Lee Farkas withdrew more than $50 million from the business for his personal benefit and for companies he controlled.

The Ocala-based company said Desiree Brown, a former receptionist turned treasurer, was paid more than $1.5 million in bonuses since January 2006, while former Chief Financial Officer Delton De'Armas and the consulting firms he owned were paid hefty sums, allegedly to help cover up the scheme.

The stunning allegations surfaced as the fallen mortgage lending giant sifts through company records after shutting its doors and filing for bankruptcy in August 2009.

In a bankruptcy filing, the company's current leadership said there was "substantial evidence to support the proposition that Mr. Farkas and Ms. Brown committed numerous dishonest acts" which "resulted in their receiving improper personal financial gain for which TBW suffered direct financial loss."

The company believes other individuals, including some formerly in top management positions, "acted in concert" with Farkas, Brown and De'Armas.

Based on this information, a complaint was filed Friday in U.S. Bankruptcy Court in Jacksonville by underwriters at Lloyd's, the company's London-based insurer. The suit was first reported online Monday by the The Wall Street Journal.

Those underwriters claim they should not be held responsible for losses due to the company's alleged misconduct.

Efforts to reach Farkas, Brown and De'Armas late Monday were unsuccessful.

Taylor Bean, once the nation's largest independent mortgage home lender, toppled last summer.

On Aug. 3, federal agents raided Taylor Bean's headquarters in Ocala in connection with their ongoing investigation of Colonial Bank, one of the company's main business partners.

The next day, the U. S. Department of Housing and Urban Development (HUD) suspended the company's underwriting approval; the Government National Mortgage Association (Ginnie Mae) terminated Taylor Bean's authority to service its $26 billion mortgage portfolio; and the Federal Home Loan Mortgage Corporation (Freddie Mac) terminated the company's eligibility to service its $51.2 billion portfolio.

In February, Taylor Bean's new leadership submitted a preliminary report on its review of the books. It was filed with the bankruptcy court and designed, at least in part, to update Taylor Bean insurers that have been evaluating the company's claims of loss.

The filing says the company lacked a basic accounting framework.

"TBW did not have a comprehensive inventory asset management system," the filing states. "Likewise, there is no comprehensive cash management and accounting system. Much of the record keeping regarding uses of cash and the management and sale of mortgage assets was done by multiple employees (who did not necessarily communicate with each other) using Microsoft Excel spreadsheets."

The filing says that the $50 million that went to Farkas was in addition to his salary and bonuses.

Brown was paid $704,890.21 in "bonuses" since Jan. 1, 2006, plus payments of:

$697,137.13 for purchasing a waterfront real estate lot;

$49,435 to pay for her child's education; and

$66,500 for unknown purposes.

De'Armas and one or more consulting firms he ran were paid $100,000 and $175,000 for auditing Taylor Bean's 2008 financial statements.

The final report, known as a "proof of loss," is due June 15. On Friday, Taylor Bean requested an extra month.

The new leadership includes Neil Luria, from Navigant Capital Advisors, LLC. He serves as Taylor Bean's chief restructuring officer. Accountants from Navigant are heavily involved in reviewing Taylor Bean's books and determining the extent of the company's losses and how much it will seek from its insurers.

Staff writer Susan Latham Carr contributed to this report. Contact Suevon Lee can at 867-4065 or suevon.lee@starbanner.com.

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Money maze frustrates new TBW leaders

By Fred Hiers
Staff writer

Published: Wednesday, May 19, 2010 at 6:18 p.m.

Taylor, Bean & Whitaker Mortgage Corp.'s new leadership says the company resold or transferred billions of dollars worth of mortgages to multiple investors, each now claiming ownership of those assets.

As the mortgage company's new executives perform the financial autopsy, they have concluded that the ownership of more than $3 billion worth of mortgages is now in dispute.

They are also finding that the company's bookkeeping was a muddle of bad accounting, making their job — deciphering what belongs or was sold to whom — increasingly difficult.

"Much of the record keeping regarding the uses of cash and the management and sale of mortgage assets was done by multiple employees, who did not necessarily communicate with each other, using Microsoft Excel spreadsheets," Taylor Bean's new leadership reported as part of its bankruptcy work. "TBW has identified more than 10,000 such electronic files that could be relevant."

These findings are part of the overall financial picture that is starting to emerge as leadership identifies the mortgage lender's assets as part of its August 2009 bankruptcy. The company also says former Chairman Lee Farkas and other officers took money for personal and professional endeavors.

***

To get a perspective on the potential impact of these disputes, it's important to understand the scope of Taylor Bean's now-defunct business, once the largest privately held mortgage company in the country.

During its heyday, it oversaw more than $30 billion worth of business annually and was the third largest lender underwriting Federal Housing Administration-insured loans. It employed about 2,400 people, about 1,000 of whom were in Ocala.

Taylor Bean's executives say their investigation so far has focused on two of Taylor Bean's lending vehicles: Alabama-based Colonial Bank, a regional bank (now defunct) that provided Taylor Bean with most of its short-term credit; and Ocala Funding, LLC, a commercial paper vehicle and subsidiary of Taylor Bean, through which the mortgage company obtained short-term loans.

"It appears that trades were assigned to (Colonial) that had previously been sold or assigned to another lender, or other third party," according to bankruptcy documents submitted by Taylor Bean's leadership. "If so, the result is that any such trades assigned to (Colonial) were, in effect, fictitious (i.e., not supported by underlying mortgage assets). The resulting loss could exceed $1.5 billion."

Company executives also believe that loans were transferred from Colonial to third parties without the bank being compensated for those mortgages. Taylor Bean's report estimates the bank's claim against the former mortgage giant will exceed $1.5

creativity
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billion.

Taylor Bean leadership is also reporting that the ownership of thousands of former Taylor Bean mortgages is disputed by one the mortgage company's former customers: Freddie Mac.

Five percent of the federal government-sponsored enterprise's portfolio was made up of TBW mortgages. The company was the fifth largest Freddie Mac securities issuer.

Taylor Bean's new leadership explains what happened this way:

• Ocala Funding LLC bought loans from Taylor Bean and Colonial Bank.

• Ocala Funding got the money for those purchases from Ocala Funding Commercial Paper Facility, which since June 30, 2008 was funded by BNT Paribas bank and Deutsche Bank.

• Ocala Funding sold those loans to investors, primarily Freddie Mac.

BNT Paribas and Deutsche Bank now say that some of those mortgages are collateral against the money Ocala Funding received in the sales.

But Freddie Mac says that it — not Ocala Funding's investors (BNT and Deutsche) — own nearly 8,000 of the mortgages in question. Those mortgages are valued at about $1.6 billion.

The matter only worsens in legal complexity and financial ramifications, Taylor Bean executives report.

Of the nearly 8,000 mortgages claimed by both Freddie Mac and Ocala Funding investors, nearly 5,000 also remain listed as collateral at Colonial Bank. That means that in some cases, as many as three separate companies are laying claim to the same mortgage collateral.

***

The stakes are high for all involved, especially Freddie Mac, which along with Fannie Mae has needed about $145 billion in federal bailouts to stay afloat. Earlier this month, Freddie Mac, which is now in government conservatorship, asked for an additional $11 billion as a growing number of its insured mortgages failed. Earlier this month, the company reported a 2010 first quarter loss of $6.7 billion.

Meanwhile, Taylor Bean's new leadership also has expressed frustration as it tries to better understand all of the company's business and how it became so entangled.

"To date, TBW has not had access to certain key employees involved in the business processes that were fundamental to the origination and sale of mortgage assets," the report said.

Of the massive number of mortgages Taylor Bean originated and sold, the current leadership also complained in the report, "TBW did not have a comprehensive inventory asset management system. Likewise, there is no comprehensive cash management and accounting system."

Fred Hiers can be reached at fred.hiers@starbanner.com and 352-397-5914.

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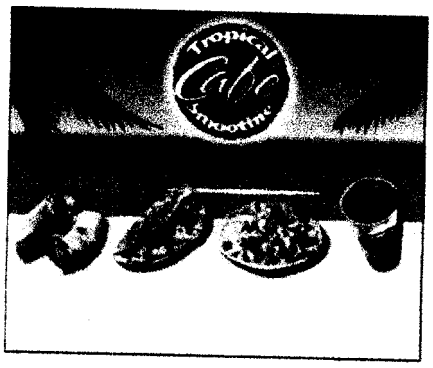
Allegations of wrongdoing common in bankruptcy



By Suevon Lee
Staff Writer

Published: Thursday, May 20, 2010 at 7:05 p.m.

Though it was a stunning development, the manner in which the allegation surfaced that former Taylor, Bean & Whitaker Mortgage Corp. Chairman Lee Farkas took $50 million from the company for personal and entrepreneurial use did not surprise legal and financial experts.

The accusation was included in a preliminary "proof of loss" report that leaders of the company, which is seeking bankruptcy protection, prepared for the court. And it was later was cited prominently in a complaint filed by underwriters at the insurance company Lloyd's of London, which is contesting Taylor Bean's attempt to make a claim.

"I'm never really surprised in the midst of a bankruptcy proceeding when... bad behavior is alleged," said Jim Gilkeson, an associate professor of finance at the University of Central Florida. "It would not surprise me hypothetically, either, if bad behavior was demonstrated."

Lloyd's underwriters also allege that the company turned in misleading application forms for bonds -- a type of insurance -- that Lloyd's eventually issued in 2007 and 2008.

Taylor Bean allegedly did not disclose it was part of a multi-state investigation that delved into the company's issuing of non-traditional loans in 2006 and 2007. The Florida Office of Financial Regulation found irregularities in those loan applications, though no evidence of criminal activity. Still, the company paid a $9 million settlement in June 2009 and agreed to create a compliance program that would safeguard against the issuing of such loans in the future.

"Had underwriters known about the conduct alleged in the Proof of Loss, they would not have issued the Bonds," the complaint, filed last Friday, stated.

Lloyd's also claims that Taylor Bean did not disclose allegedly improper transactions from June 2008 that were raised in a November 2009 civil complaint by Deutsche Bank against Bank of America. That complaint alleged the plaintiff had sustained a loss "after Ocala Funding improperly transferred $3.7 billion to accounts that had no legitimate basis for receiving such funds."

These insurers, according to Jeff Davis, a law professor at the University of Florida who specializes in bankruptcy and banking regulation, are taking action one would expect to see.

"That's a pretty common way for insurance companies to avoid liability -- by pointing out that the application itself was fraudulent and that they wouldn't have sold the insurance if they knew the truth," Davis said.

The allegations lodged against individuals -- Farkas siphoned $50 million from his

since January 2006, and padded chief financial officer Delton De'Armas' salary as reward for favorable audits — have yet to be proven, legal analysts caution.

"In situations like this, [individuals] are accused of fraud and it's not always the case. But there could be chance of 'paper clip' fraud. There could be a big problem if there are other types of business problems," said Kip Weissman, an attorney who represents financial institutions. "It's kind of unfortunate because it could just be [an example of] a reckless businessman who should be bankrupt, not in jail."

Weissman added that information uncovered during bankruptcy proceedings could turn civil matters into criminal matters "pretty quickly."

This raises the question of whether members of Taylor Bean's top management, some of whom are said to have acted "in concert" with the trio, may be subject to criminal prosecution down the road.

The U.S. Department of Justice, U.S. Securities and Exchange Commission, FBI and Office of Inspector General for the U.S. Department of Housing and Urban Development continue to investigate Taylor Bean and one its main former partners, Colonial Bank.

This ongoing investigation was mentioned in an April 29 report to members of Congress by the deputy special inspector for the Troubled Asset Relief Program (TARP).

Taylor Bean came under scrutiny from these agencies last year, shortly after attempting to lead a group of investors to inject $300 million in equity into Colonial BancGroup, Inc. to make it eligible to receive TARP funds.

That transaction never happened, as auditors at Deloitte LLP said they found accounting irregularities on Taylor Bean's books. By Aug. 3, federal agents had raided both Taylor Bean's Ocala headquarters and Colonial offices in Orlando.

Colonial went into Federal Deposit Insurance Corporation (FDIC) receivership by Aug. 14; by Aug. 24, Taylor Bean declared bankruptcy.

On Aug. 14, the Federal Home Loan Mortgage Corporation (Freddie Mac), sent Taylor Bean a written notice saying it was legally obligated to pay damages as a result of "wrongful acts, errors or omissions."

That notice cited "the misappropriation of such money or collateral by a partner, sole proprietor or major shareholder of Taylor Bean, committed either alone or in collusion with others, through Taylor Bean's misuse, commingling and/or conversion of Freddie Mac custodial funds."

On Feb. 12, Taylor Bean's attorneys at the Troutman Sanders law firm submitted a preliminary proof of loss. The final report is due June 15, although the lawyers have asked for a 30-day extension.

Gilkeson, the UCF professor, said in light of recent allegations swirling around Taylor Bean's former chairman, it's difficult to assess when companies go rogue.

Oftentimes, companies are "in bad shape because of bad behavior"; other times, he said, "when a company starts having difficulties, it's appealing to management to start doing things they wouldn't normally do."

But given the many players involved in financial dealings, including regulators, there's no party that's "blameless."

"There are so many layers in this stuff," he said. "How did this particular institution end up where it is? There may be lots of reasons."

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IN OUR OPINION

Assessing the TBW damage

Published: Friday, May 21, 2010 at 6:30 a.m.

As auditors began sifting through the financial wreckage of Taylor, Bean & Whitaker, few among us expected anything but for things to go from bad to worse.

But who could have expected this?

In their first detailed assessment of TBW's financial condition filed in U.S. Bankruptcy Court in Jacksonville last week, the company's new overseers alleged that what once was America's largest private mortgage lender grossly mismanaged billions in assets, routinely over-leveraged individual mortgages, used inadequate accounting procedures and was used by its former leader as a personal piggy bank.

At every turn, irregularities are being found. In one summary of the problems at the failed mortgage giant, its new mangers told the bankruptcy court:

"TBW did not have a comprehensive inventory asset management system. Likewise, there is no comprehensive cash management and accounting system. Much of the record keeping regarding uses of cash and the management and sale of mortgage assets was done by multiple employees (who did not necessarily communicate with each other) using Microsoft Excel spreadsheets."

It does not take an accountant to recognize a rapidly expanding company that, at its height, was funneling $30 billion a year through the mortgage system was destined to crash without tracking systems in place.

What does require accountants is determining what did happen to all that money. And those now assessing TBW's books say thousands of loans were sold multiple times to different parties, some three times or more, according to the court document. Estimates are that more than $3 billion in mortgages are being disputed by multiple owners, and at least 5,000 individual are being claimed by at least three separate companies.

The financial assessment also alleges there is "substantial evidence" that TBW founder and former chief executive officer Lee Farkas utilized $50 million in company assets for personal use or to finance his other business interests and "committed numerous dishonest acts." It is a fortune, for sure, and no doubt of special interest to the 2,000-plus TBW employees who ultimately lost their livelihoods because of the company's dramatic collapse.

Knowing why and to what extent TBW failed will be of little comfort the our community. Ocala/Marion County, after all, has absorbed the economic gut-punch of the TBW layoffs and has moved on, left with little but memories of the economic vitality the high-rolling, easy-spending and, importantly, philanthropic Farkas and his company provided our community for a time.

Yet, this report shows that the victims of TBW's mismanagement and its meteoric rise and fall reach far beyond Ocala/Marion County. Alabama-based Colonial Bank was forced to sell out and is now seeking some $1.5 billion from TBW. The massive Federal Home Loan Mortgage Corp., aka Freddie Mac, says it is owed $1.6 billion.

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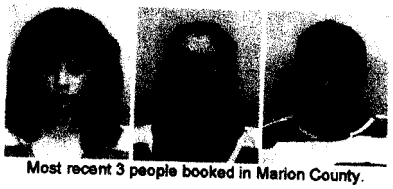

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jacksonville.com

Foreclosure foul-up could cause court penalties for lawyers

Source URL: http://jacksonville.com/news/metro/2010-05-25/story/foreclosure-foul-could-cause-court-penalties-lawyers

By Steve Patterson

A law firm under state investigation for its handling of foreclosure cases could face court sanctions in St. Johns County for giving a judge false information about who owned a mortgage.

Circuit Judge J. Michael Traynor threw out a foreclosure suit this month after concluding the plaintiff listed in a case filed by Florida Default Law Group never owned the note.

Lawyers compounded that problem, the judge decided, by filing paperwork later that named the real mortgage holder, HSBC Bank, but falsely described the bank as a "successor" to the original plaintiff, U.S. Bank National Association.

Because U.S. Bank really never held the note, what the lawyers were claiming wasn't true, the judge said.

"The court was misled," Traynor wrote in an order dismissing the case. He added that judges "should be able to confidently rely on the statements made by counsel."

"As officers of the court, attorneys should ensure that the facts they represent as true ... are correct and accurate," Traynor wrote.

The ruling doesn't stop the real mortgage holder from filing a new suit against homeowners William and Lauren McLeod, and the judge said the whole problem may have just been a matter of sloppy preparation for the case.

But the case reflects a broader problem of faulty information being used in lawsuits where people's homes are at stake, said Chip Parker, a Jacksonville attorney representing the McLeods.

"This happens all the time in various forms," Parker said, arguing that a number of South Florida law firms have become "foreclosure mills" designed to handle mass volumes of lawsuits with little regard to details.

"They will do whatever they have to do ... without regard to the truthfulness of what they're filing," said Parker, whose firm asked for the dismissal.

Many people never challenge foreclosures, he said, so cases that couldn't win at trial sa :hrough anyway.

A spokeswoman for Florida Default, Lisa Nason, said by e-mail Tuesday it would be inappropriate" to discuss the case. The Tampa-based company was identified last mont he Florida Attorney General's Office as being the subject of a civil investigation by its economic crimes unit.

A statement posted on the agency's website said the law firm, described as one of the st biggest handling foreclosures, "appears to be fabricating and/or presenting false and misleading documents in foreclosure cases."

The state's investigation includes questions about a kind of document called an "assignr of mortgage," a form used to prove a mortgage has been sold or transferred from one ov o another.

After the McLeods were sued for their home in Julington Creek Plantation in 2008, Florid Default created an assignment of mortgage saying the note had been transferred from V Fargo Bank, the original lender, to U.S. Bank, which was acting as a trustee for a bundle investment certificates backed by mortgages including one for the McLeod home. But tha locument couldn't be accurate if Traynor is correct that U.S. Bank never held the note.

Parker said documents filed with the Securities and Exchange Commission identify HSB(ne trustee.

Nason, the Florida Default spokeswoman, said the company has no specific information bout the state investigation but hopes to work with the state to resolve any issues.

Traynor has scheduled a hearing in August to decide whether lawyers from Florida Defau hould face sanctions. That could lead to lawyers being fined or reported to the Florida E or violating professional standards, said Robert Mansbach Jr., an Orlando-area attorney hairs The Florida Bar's trial lawyer section.

That doesn't happen often, but it might be the only answer if a lawyer deliberately misrepresented information, Mansbach said.

"You're perverting the system of justice if you do things like that," he said. "I can see the udge being incensed."

Steve.patterson@jacksonville.com, (904) 359-4263

Case 3:09-bk-07047-JAF Doc 1457-2 Filed 05/21/10 Page 1 of 1

UNITED STATES BANKRUPTCY COURT
MIDDLE DISTRICT OF FLORIDA
JACKSONVILLE DIVISION

IN RE:

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.,

Debtor.

_____/

CHAPTER 11

CASE NO. 3:09-bk-07047-JAF

RE: DE 1448

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Motion for an Order Authorizing and Directing Mortgage Electronic Registration Systems, Inc. to Produce Documents Pursuant to Federal Rule of Bankruptcy Procedure 2004 [DE 1448] was served electronically or by U.S. Mail as on this 21st day of May 2010 on the following:

Sharon Horstkamp, VP & General Counsel
MERSCORP, Inc.
1818 Library Street, Suite 300
Reston, VA 20190
sharonh@mersinc.org

TESSITORE LAW FIRM

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

In re:	
TAYLOR, BEAN & WHITAKER MORTGAGE CORP.,	Chapter 11
Debtor.	Case No. 3:09-bk-07047-JAF

NOTICE OF FOURTH MODIFICATION OF STIPULATION BETWEEN DEBTOR TAYLOR, BEAN & WHITAKER MORTGAGE CORP. AND FEDERAL DEPOSIT INSURANCE CORPORATION, AS RECEIVER FOR COLONIAL BANK

The Debtor and the FDIC-Receiver of Colonial Bank, Montgomery, Alabama ("FDIC-Receiver"), by and through their undersigned counsel, give notice that the Stipulation Between Debtor Taylor, Bean & Whitaker Mortgage Corp. and Federal Deposit Insurance Corporation, as Receiver for Colonial Bank ("Stipulation") is being modified to change the reporting schedule. The last sentence of Paragraph 9 of the Stipulation regarding reporting (as previously modified) is amended to read as follows:

> "From time to time, during the course of the reconciliation processes, the Debtor shall file interim status reports with the Court. The next such report shall be filed on or about July 1, 2010."

Because of the amount of information involved, the FDIC-Receiver requires additional time to review the Debtor's work prior to the report being filed. Debtor and the FDIC-Receiver thus believe that this revision to the reporting schedule is warranted. With this revision, the Debtor and the FDIC-Receiver expect that the report filed on July 1, 2010 will be the final report regarding the Servicing Reconciliation and the Asset Reconciliation, and that the Debtor will be

able to present the findings in the report to the Court during the hearing scheduled for July 2, 2010. The Debtor and the FDIC-Receiver do not anticipate that further extensions of the filing date will be required.

Stipulated and agreed to, this 7th day of June, 2010.

Taylor, Bean & Whitaker Mortgage Corp., Debtor in Possession

/s/ J. David Dantzler, Jr.
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Attorneys for Debtor

Federal Deposit Insurance Corporation, as Receiver for Colonial Bank, N.A.

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Chapter 11

Taylor, Bean & Whitaker Mortgage Corp.

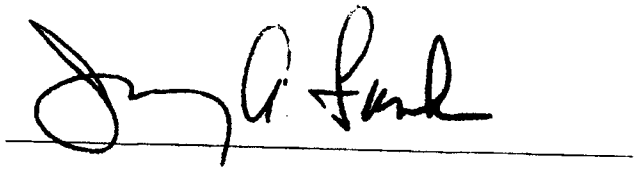
_____Debtor(s)_____/

ORDER WAIVING THE REQUIREMENT FOR LOCAL COUNSEL

This case came before the Court upon Motion of Cary Joshi of law firm of Bazelon Less & Fledman, P.C., a non–resident of Florida and counsel for ACE American Insurance Company, pursuant to Local Rule 2090–1 to waive the requirement for local counsel. Good cause exists and, it is

ORDERED: Local Rule 2090–1 permits appearance without formal admission of a non–resident of Florida and the requirement for local counsel is waived.

Dated June 8, 2010 .



B6G (Official Form 6G) (12/07)

In re **Taylor, Bean & Whitaker Mortgage Corp.**, Debtor

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

SCHEDULE G - EXECUTORY CONTRACTS AND UNEXPIRED LEASES

Describe all executory contracts of any nature and all unexpired leases of real or personal property. Include any timeshare interests. State nature of debtor's interest in contract, i.e., "Purchaser", "Agent", etc. State whether debtor is the lessor or lessee of a lease. Provide the names and complete mailing addresses of all other parties to each lease or contract described. If a minor child is a party to one of the leases or contracts, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

☐ Check this box if debtor has no executory contracts or unexpired leases.

Name and Mailing Address, Including Zip Code, of Other Parties to Lease or Contract	Description of Contract or Lease and Nature of Debtor's Interest. State whether lease is for nonresidential real property. State contract number of any government contract.
Various Banks, Credit Unions, Brokers, and Correspondents	**See attached regarding Bank or Credit Union Agreements, Broker Agreements, Correspondent Agreements, Correspondent Agreements along with Delegated Addendum, Loan Purchase Agreements**
Various Investors	**Servicing Agreements - Due to volume of servicing agreements, the Debtor has attached a list of those agreements involving 50 or more loans. The Debtor may have other servicing agreements and will supplement as necessary**
Various Lessors	**See attached itemization of leased non-residential real properties and equipment**
Various third party Service Providers	**See attached itemization of IT Service Agreements and other Service Contracts**

B6H (Official Form 6H) (12/07)

In re **Taylor, Bean & Whitaker Mortgage Corp.**, Debtor

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

SCHEDULE H - CODEBTORS

Provide the information requested concerning any person or entity, other than a spouse in a joint case, that is also liable on any debts listed by debtor in the schedules of creditors. Include all guarantors and co-signers. If the debtor resides or resided in a community property state, commonwealth, or territory (including Alaska, Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Puerto Rico, Texas, Washington, or Wisconsin) within the eight year period immediately preceding the commencement of the case, identify the name of the debtor's spouse and of any former spouse who resides or resided with the debtor in the community property state, commonwealth, or territory. Include all names used by the nondebtor spouse during the eight years immediately preceding the commencement of this case. If a minor child is a codebtor or a creditor, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

☐ Check this box if debtor has no codebtors.

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
CDF Tax, Flood and Insurance Services 1417 N. Magnolia Ave. Ocala, FL 34470	**Colonial Bank 201 E. Pine Street Suite 730 Orlando, FL 32801**
CDF Tax, Flood and Insurance Services 1417 N. Magnolia Ave. Ocala, FL 34470	**Sovereign Bank 1500 Market Street Philadelphia, PA 19102**
Complete Mortgage Solutions, LLC 315 NE 14th St. Ocala, FL 34470	**Colonial Bank 201 E. Pine Street Suite 730 Orlando, FL 32801**
Complete Mortgage Solutions, LLC 315 NE 14th St. Ocala, FL 34470	**Sovereign Bank 1500 Market Street Philadelphia, PA 19102**
HMC-Home Mortgages Co. 101 NE 14th St. Ocala, FL 34470	**Colonial Bank 201 E. Pine Street Suite 730 Orlando, FL 32801**
HMC-Home Mortgages Co. 101 NE 14th St. Ocala, FL 34470	**Sovereign Bank 1500 Market Street Philadelphia, PA 19102**
Home America Mortgage, Inc. 315 NE 14th St. Ocala, FL 34470	**Colonial Bank 201 E. Pine Street Suite 730 Orlando, FL 32801**
Home America Mortgage, Inc. 315 NE 14th St. Ocala, FL 34470	**Sovereign Bank 1500 Market Street Philadelphia, PA 19102**
LBF Holdings, LLC 315 NE 14th St. Ocala, FL 34470	**Plainfield Specialty Holdings II Inc. 100 W. Putnam Ave. Greenwich, CT 06830**
Lee Farkas 480 SW 87th Place Ocala, FL 34476	**Colonial Bank 201 E. Pine Street Suite 730 Orlando, FL 32801**

continuation sheets attached to Schedule of Codebtors

In re **Taylor, Bean & Whitaker Mortgage Corp.**, Debtor

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

SCHEDULE H - CODEBTORS
(Continuation Sheet)

NAME AND ADDRESS OF CODEBTOR	NAME AND ADDRESS OF CREDITOR
Lee Farkas 480 SW 87th Place Ocala, FL 34476	Sovereign Bank 1500 Market Street Philadelphia, PA 19102
Lee Farkas 480 SW 87th Place Ocala, FL 34476	Plainfield Specialty Holdings II Inc. 100 W. Putnam Ave. Greenwich, CT 06830
Lee Farkas 480 SW 87th Place Ocala, FL 34476	Vesey Air, LLC 10 Riverview Rd. Danbury, CT 06810
Maslow Insurance Agency, Inc. 101 NE 2nd St. Ocala, FL 34470	Colonial Bank 201 E. Pine Street Suite 730 Orlando, FL 32801
Maslow Insurance Agency, Inc. 101 NE 2nd St. Ocala, FL 34470	Sovereign Bank 1500 Market Street Philadelphia, PA 19102
Nada Airline, Inc. 101 NE 2nd St. Ocala, FL 34470	Vesey Air, LLC 10 Riverview Rd. Danbury, CT 06810
Nada Restaurant Group, Inc.	Morse-Sembler Villages Partnership #4 c/o The Sembler Co. 5858 Central Ave. Saint Petersburg, FL 33707
Ocala Funding, Inc. 315 NE 14th St. Ocala, FL 34470	Deutsche Bank, AG, London Branch Winchester House 1 Great Winchester St. London Ec2N 2DB UNITED KINGDOM
Ocala Funding, Inc. 315 NE 14th St. Ocala, FL 34470	BNP Paribas 16 Boulevard des Italiens Attention: BFIIOLTIT 75009 Paris FRANCE
REO Specialists, LLC 315 NE 14th St. Ocala, FL 34470	Colonial Bank 201 E. Pine Street Suite 730 Orlando, FL 32801
REO Specialists, LLC 315 NE 14th St. Ocala, FL 34470	Sovereign Bank 1500 Market Street Philadelphia, PA 19102

Sheet 1 of 1 continuation sheets attached to the Schedule of Codebtors

United States Bankruptcy Court
Middle District of Florida, Jacksonville Division

In re **Taylor, Bean & Whitaker Mortgage Corp.**, Debtor

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

Chapter **11**

LIST OF EQUITY SECURITY HOLDERS

Following is the list of the Debtor's equity security holders which is prepared in accordance with Rule 1007(a)(3) for filing in this chapter 11 case.

Name and last known address or place of business of holder	Security Class	Number of Securities	Kind of Interest
LBF Holdings, LLC **315 NE 14th St.** **Ocala, FL 34470**		**14.7%**	
Lee B. Farkas **480 SW 87th Place** **Ocala, FL 34476**		**79.2%**	
Taylor, Bean & Whitaker ESOP **315 N.E. 14th Street** **Ocala, FL 34470**		**6.1%**	

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Chief Restructuring Officer of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Equity Security Holders and that it is true and correct to the best of my information and belief.

Date 10/20/09

Signature

Neil F. Luria
Chief Restructuring Officer

Penalty for making a false statement or concealing property: Fine of up to $500,000 or imprisonment for up to 5 years or both. 18 U.S.C §§ 152 and 3571.

0 continuation sheets attached to List of Equity Security Holders

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B6 Declaration (Official Form 6 - Declaration). (12/07)

United States Bankruptcy Court
Middle District of Florida, Jacksonville Division

In re Taylor, Bean & Whitaker Mortgage Corp. Debtor(s)

Case No. 3:09-bk-07047-JAF
Chapter 11

DECLARATION CONCERNING DEBTOR'S SCHEDULES

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Chief Restructuring Officer of the corporation named as debtor in this case, declare under penalty of perjury that I have read the foregoing summary and schedules, consisting of 654 sheets, and that they are true and correct to the best of my knowledge, information, and belief.

Date 10/20/09

Signature

Neil F. Luria
Chief Restructuring Officer

Penalty for making a false statement or concealing property: Fine of up to $500,000 or imprisonment for up to 5 years or both. 18 U.S.C. §§ 152 and 3571.

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