Exhibit H-7

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

Case No.: 09-22384-Civ-Jordan/McAlliley

BANK OF AMERICA, NATIONAL ASSOCIATION,	)
Plaintiff,	)
vs.	)
FEDERAL DEPOSIT INSURANCE CORPORATION, in its capacity as Receiver for Colonial Bank, and JOHN DOES 1-10	)
Defendants.	)

Plaintiff's Notice of Filing Agreements
in Support of Motion for Preliminary Injunction

Plaintiff, Bank of America, National Association ("Bank of America"), hereby files fhe following in support of its Motion for a Preliminary Injunction:

1. Second Amended and Restated Mortgage Loan Purchase and Servicing Agreement ("MLPSA") dated June 30, 2008. Ex. A.

2. Second Amended and Restated Base Indenture dated June 30, 2008. Ex. B.

Hunton & Williams LLP

Attorneys for Bank of America, N.A.

By /s Patricia Acosta

Marty Steinberg & Patricia Acosta
Florida Bar Nos. 187293 & 614599
1111 Brickell Avenue - Suite 2500
Miami, FL 33131
Tel. 305.810.2505 Fax 1644
msteinberg or pacosta@hunton.com

Case No.: 9-22384-Civ-Jordan/McAlliley

-and-

Frank E. Emory, Jr.
Patrick L. Robson
HUNTON & WILLIAMS LLP
Proc Hac Vice Admission Pending
Bank of America Plaza, Suite 3500
101 South Tryon Street
Charlotte, North Carolina 28280
Tel. 704 378 4700 Fax 4890
femory or probson@hunton.com

CERTIFICATE OF SERVICE

I hereby certify that on August 27, 2009, I filed the foregoing document was filed and served it upon all counsel and parties of record via the Court's CM-ECF System.

/s/ Patricia Acosta
Patricia Acosta

EXHIBIT "A" PART 1

EXECUTION COPY

OCALA FUNDING, LLC

as Purchaser

and

TAYLOR, BEAN & WHITAKER MORTGAGE CORP.,
as Seller and Servicer

SECOND AMENDED AND RESTATED MORTGAGE LOAN PURCHASE AND SERVICING AGREEMENT

Dated as of June 30, 2008

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS; EFFECTIVENESS

Section 1.1 Definitions. 2
Section 1.2 Effectiveness. 2

ARTICLE II

SALE OF MORTGAGE LOANS; POSSESSION OF MORTGAGE LOAN FILES; BOOKS AND RECORDS; CUSTODIAL AGREEMENT; DELIVERY OF DOCUMENTS

Section 2.1 Sale of Mortgage Loans 2
Section 2.2 Possession of Mortgage Loan Files 4
Section 2.3 Contents of the Mortgage Loan File 5
Section 2.4 Determination of Purchase Price; Deposit by the Seller 7
Section 2.5 Purchase Commitment Term 7
Section 2.6 Books and Records; Transfers of Mortgage Loans 7
Section 2.7 Custodial Agreement 8
Section 2.8 Seller's Right to Call Certain Specified Assets 8
Section 2.9 Asset Reserve Account Deposit. 8

ARTICLE III

REPRESENTATIONS AND WARRANTIES; COVENANTS; REMEDIES AND BREACH

Section 3.1 Representations and Warranties of the Seller and the Servicer 9
Section 3.2 Representations and Warranties Regarding Individual Mortgage Loans; Eligibility Representations 13
Section 3.3 Remedies for Breach of Representations and Warranties 24
Section 3.4 Conditions to Amendment Closing Date 26
Section 3.5 Covenants of the Seller, the Servicer and the Purchaser 27
Section 3.6 Representations and Warranties of the Purchaser 31
Section 3.7 Perfection Representations 32

ARTICLE IV

ADMINISTRATION AND SERVICING OF MORTGAGE LOANS

Section 4.1 The Servicer; Servicing and Administration of the Mortgage Loans 32

Section 4.2 Sales and Securitizations 36
Section 4.3 Liquidation of Mortgage Loans 39
Section 4.4 Collection of Mortgage Loan Payments 39
Section 4.5 Establishment of, and Deposits to, Collection Account 39
Section 4.6 Permitted Withdrawals From Collection Account and Collateral Account; Deposit into the Collateral Account 40
Section 4.7 Establishment of, and Deposits to, Escrow Account 43
Section 4.8 Permitted Withdrawals From Escrow Account 44
Section 4.9 Payment of Taxes, Insurance and Other Charges 44
Section 4.10 Protection of Accounts 45
Section 4.11 Maintenance of Hazard Insurance 45
Section 4.12 Maintenance of Mortgage Impairment Insurance 46
Section 4.13 Maintenance of Fidelity Bond 46
Section 4.14 Inspections 47
Section 4.15 Restoration of Mortgaged Property 47
Section 4.16 Maintenance of PMI Policy; Claims 47
Section 4.17 Title, Management and Disposition of REO Property 48
Section 4.18 Servicer Reports 49
Section 4.19 Real Estate Owned Reports 49
Section 4.20 Liquidation Reports 49
Section 4.21 Reports of Foreclosures and Abandonments of Mortgaged Property 49
Section 4.22 Servicer Advance Report 49
Section 4.23 Secondary Market Trading Report 49
Section 4.24 Daily Report. 49
Section 4.25 Qualified Counterparty Report. 49
Section 4.26 Repurchase Report. 50

ARTICLE V

SERVICER ADVANCES

Section 5.1 Servicer Monthly Advances 50

ARTICLE VI

GENERAL SERVICING PROCEDURES

Section 6.1 Transfers of Mortgaged Property 50
Section 6.2 Satisfaction of Mortgages, Assignments of Mortgage Notes in Violation of this Purchase Agreement and the Release of Mortgage Loan Files 51
Section 6.3 Servicing Compensation 52
Section 6.4 Annual Statement as to Compliance 52
Section 6.5 Annual Independent Public Accountants' Servicing Report 52
Section 6.6 Right to Examine Servicer Records 52

ARTICLE VII

[RESERVED]

ARTICLE VIII

SERVICER TO COOPERATE

Section 8.1 Provision of Information 53

ARTICLE IX

THE SERVICER

Section 9.1 Indemnification of Third Party Claims 53
Section 9.2 Corporate Existence of the Servicer 54
Section 9.3 Limitation on Liability of Servicer and Others 54
Section 9.4 Limitation on Resignation and Assignment by the Servicer 54
Section 9.5 Limitation on Assignment of Right 54

ARTICLE X

DEFAULT

Section 10.1 Servicer Events of Default 55
Section 10.2 Waiver of Defaults 56

ARTICLE XI

TERMINATION

Section 11.1 Termination of Agreement 57
Section 11.2 Termination of Purchase Obligations 57
Section 11.3 Termination of Servicing With Respect to Any Mortgage Loan 61

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.1 Successor to Servicer 61
Section 12.2 Amendment 62
Section 12.3 Governing Law 62
Section 12.4 Duration of Agreement 62
Section 12.5 Notices 63
Section 12.6 Severability of Provisions 63
Section 12.7 Relationship of Parties 63

Section 12.8 Execution; Successors and Assigns 64
Section 12.9 Recordation of Assignments of Mortgage 64
Section 12.10 Assignment by Purchaser 64
Section 12.11 Non-Petition Agreement 64
Section 12.12 Waiver of Offset 64
Section 12.13 Limited Recourse 64
Section 12.14 Non-Petition Agreement 65
Section 12.15 Third-Party Beneficiary 65

ARTICLE XIII

[RESERVED]

ARTICLE XIV

ASSIGNMENT

Section 14.1 Assignment 65

SCHEDULE A PERFECTION REPRESENTATIONS .... Sch. A-1
SCHEDULE B QUALIFIED COUNTERPARTIES ....Sch. B-1
SCHEDULE C SWAP COUNTERPARTY REPORTS ....Sch. C-1

EXHIBIT A FORM OF TRANSFER SUPPLEMENT A-1
EXHIBIT B FORM OF RATED BIDDER AGREEMENT B-1
EXHIBIT C FORM OF SERVICER REPORT C-1
EXHIBIT D FORM OF SERVICER ADVANCE REPORT D-1
EXHIBIT E FORM OF DAILY REPORT E-1
EXHIBIT F [RESERVED]
EXHIBIT G FORM OF REPURCHASE REPORT G-1
FORM OF MONTHLY FACILITY CONTENT REPORT H-1

SECOND AMENDED AND RESTATED MORTGAGE LOAN PURCHASE AND SERVICING AGREEMENT, dated as of June 30, 2008 (as amended, supplemented or otherwise modified and in effect from time to time, this "Purchase Agreement"), by and among Ocala Funding, LLC, a Delaware limited liability company, as purchaser (the "Purchaser") and Taylor, Bean & Whitaker Mortgage Corp., a Florida corporation (the "Company"), as seller and servicer (in its capacity as seller hereunder, the "Seller," and in its capacity as servicer hereunder, the "Servicer").

WITNESSETH:

WHEREAS, the Purchaser and the Company have heretofore entered into that Amended and Restated Mortgage Loan Purchase and Servicing Agreement, dated as of March 27, 2006, as amended by that Amendment No. 1 to Amended and Restated Mortgage Loan Purchase and Servicing Agreement, dated as of June 9, 2006, Amendment No. 2 to Amended and Restated Mortgage Loan Purchase and Servicing Agreement, dated as of June 21, 2006 and Amendment No. 3 to Amended and Restated Mortgage Loan Purchase and Servicing Agreement, dated October 27, 2006 (the "First Amended and Restated Purchase Agreement").

WHEREAS, the Purchaser and the Company desire to amend and restate the First Amended and Restated Purchase Agreement.

WHEREAS, pursuant to Section 12.2 of the First Amended and Restated Purchase Agreement, the Purchaser, the Seller, each Swap Counterparty and the Servicer consented to the amendment and restatement of the First Amended and Restated Purchase Agreement.

WHEREAS, prior written notice of the amendment and restatement has been provided to each Rating Agency and Rating Agency Confirmation with respect thereto has been received by the Indenture Trustee.

WHEREAS, pursuant to the First Amended and Restated Purchase Agreement, the Purchaser has agreed to purchase from the Seller and the Seller has agreed to sell to the Purchaser, from time to time, mortgage loans constituting Eligible Loans until the termination of this Purchase Agreement in accordance with Section 11.1 hereof. The Purchaser wishes to continue the appointment of the Servicer to service each Mortgage Loan on behalf of the Purchaser after the sale and purchase thereof pursuant to the terms of this Purchase Agreement.

WHEREAS, the Purchaser, the Seller and the Servicer wish to prescribe the manner of purchase of Eligible Loans.

WHEREAS, the Purchaser and the Servicer wish to prescribe the management, servicing and control of the Mortgage Loans.

WHEREAS, the Purchaser intends to continue to Securitize or sell the Mortgage Loans and the Servicer will arrange for the Securitization or sale of Conforming Loans on behalf of the Purchaser through FHLMC and, as expressly permitted hereunder, GNMA or other third-party purchasers.

NOW, THEREFORE, in consideration of the mutual agreements hereinafter set forth and for other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Purchaser, the Seller and the Servicer agree as follows:

ARTICLE I

DEFINITIONS; EFFECTIVENESS

Section 1.1 Definitions. Whenever used herein, the following words and phrases, unless the context otherwise requires, shall have the meanings assigned to such terms in the Definitions List attached as Schedule I to the Base Indenture, as amended and restated as of the date hereof, between the Issuer and the Indenture Trustee (the "Base Indenture").

Section 1.2 Effectiveness. The First Amended and Restated Purchase Agreement shall remain in full force and effect until the occurrence of the Amendment Closing Date under Section 3.4(a) hereof. Upon the occurrence of the Amendment Closing Date, this Purchase Agreement shall become immediately effective without further action by any party and shall amend and restate the First Amended and Restated Purchase Agreement in its entirety.

ARTICLE II

SALE OF MORTGAGE LOANS; POSSESSION OF MORTGAGE LOAN FILES; BOOKS AND RECORDS; CUSTODIAL AGREEMENT; DELIVERY OF DOCUMENTS

Section 2.1 Sale of Mortgage Loans. (a) From time to time, pursuant to any Transfer Supplement, the Seller may sell, transfer, assign, set over and convey to the Purchaser and the Purchaser shall purchase, without recourse, but subject to the terms hereof, all the right, title and interest of the Seller in and to each Mortgage Loan identified on the Transfer Supplement and categorized as a Series 2005-1 Mortgage Loan or a Series 2008-1 Mortgage Loan, originated or purchased by the Seller; *provided, however*, that the Purchaser shall not at any time purchase mortgage loans having an aggregate Outstanding Purchase Price greater than the sum of (i) in the case of (a) the Series 2005-1 Program, the then-current Series 2005-1 Program Size, and (b) the Series 2008-1 Program, the then-current Series 2008-1 Program Size, less (ii) in the case of (a) the Series 2005-1 Program, the aggregate Outstanding Purchase Price of all Series 2005-1 Mortgage Loans owned by the Purchaser at such time, and (b) the Series 2008-1 Program, the aggregate Outstanding Purchase Price of all Series 2008-1 Mortgage Loans owned by the Purchaser at such time; *provided, further*, that the Purchaser shall not at any time purchase a mortgage loan if the Forward Coverage Test would not be satisfied on the closing of such purchase; *provided, further*, that each Mortgage Loan transferred on each Closing Date must be an Eligible Loan. Notwithstanding anything herein to the contrary, unless the Purchaser receives the written consent of both the Series 2005-1 Swap Counterparty and the Series 2008-1

Swap Counterparty and provides prior notice to the Rating Agencies, the Purchaser shall only purchase Mortgage Loans conforming to the FHLMC Guides. In connection with any sale of Mortgage Loans to the Purchaser, the Seller shall sell, transfer, assign, set over and convey to the Purchaser and the Purchaser shall acquire all the right, title, interest and obligations of the Seller in and to (x) in respect of a Series 2005-1 Mortgage Loan, any Series 2005-1 Qualified Forward Contract for which such Series 2005-1 Mortgage Loans are eligible and (y) in respect of a Series 2008-1 Mortgage Loan, any Series 2008-1 Qualified Forward Contract for which such Series 2008-1 Mortgage Loans are eligible. No Qualified Forward Contract provides for the sale of the related servicing rights or accrued interest. Accordingly, the delivery price of such Qualified Forward Contract does not include the related servicing rights or accrued interest. After purchase by the Purchaser, the Servicer is required to make (x) a Sale Allocation of each Series 2005-1 Mortgage Loan to a Series 2005-1 Qualified Forward Contract in accordance with its Customary Servicing Procedures and (y) a Sale Allocation of each Series 2008-1 Mortgage Loan to a Series 2008-1 Qualified Forward Contract in accordance with its Customary Servicing Procedures, it being the intent of the parties hereto, in each case, that a Pricing Allocation of a Mortgage Loan to a Qualified Forward Contract shall have been made for purposes of establishing the Original Principal Purchase Price thereof, and that no presumption exists as to whether a Sale Allocation shall be made to the same Forward Contract as to which a Pricing Allocation has been made; *provided* that the Forward Coverage Test is satisfied at all relevant times. In connection with any sale of Mortgage Loans to the Purchaser, the Seller shall sell, transfer, assign, set over and convey to the Purchaser and the Purchaser shall acquire all the right, title, interest of the Seller in and to the servicing rights, including without limitation, any Mortgage Loans with respect to which the Qualified Forward Contract does not include the related servicing rights. The Series 2005-1 Mortgage Loans, related servicing rights and rights under the Series 2005-1 Qualified Forward Contracts are referred to as the "Series 2005-1 Purchased Assets." The Series 2008-1 Mortgage Loans, related servicing rights and rights under the Series 2008-1 Qualified Forward Contracts are referred to as the "Series 2008-1 Purchased Assets." The Series 2005-1 Purchased Assets and the Series 2008-1 Purchased Assets are referred to collectively as the "Purchased Assets." The Seller shall provide notice to the Purchaser, the Indenture Trustee, the Manager, the Collateral Agent and the applicable Swap Counterparty, not later than 3:00 P.M. New York City Time on any Closing Date, of its intention to sell a Portfolio to the Purchaser pursuant to a Transfer Supplement; *provided, however*, that the Seller may deliver such notice to the Purchaser, the Indenture Trustee, the Manager, the Collateral Agent and the applicable Swap Counterparty at any time later than 3:00 P.M. New York City Time on any Closing Date if the Purchaser will not issue additional Secured Liquidity Notes or Callable Notes to fund its purchase of a Portfolio on such Closing Date. In such notice, the Seller shall inform the Purchaser of the aggregate principal balance of the Mortgage Loans that it intends to sell on such date. The subject Portfolio and related servicing rights shall be sold by the Seller to the Purchaser as described in Section 2.4 hereof. Each Transfer Supplement shall be executed by the Seller and the Purchaser at the time of the sale of the subject Portfolio and related servicing rights. Notwithstanding the foregoing, the Purchaser shall not purchase any mortgage loans during the continuation of a Short Term Note Amortization Event or a Cease Purchase Event. The Seller shall provide the applicable Swap Counterparty with (i) copies of each applicable Qualified Forward Contract sold, transferred, assigned, set over and conveyed to the Purchaser pursuant to this Section 2.1(a) and (ii) notice of the occurrence of any Short Term Note Amortization Event or a Cease Purchase Event.

(b) Upon execution of any Transfer Supplement by the Seller and the Purchaser and receipt of the purchase price therefor, the Seller hereby sells, assigns, transfers, sets over and conveys to the Purchaser all of the Seller's right, title and interest in, to and under the Purchased Assets. At all times following the sale, assignment transfer and conveyance of any Qualified Forward Contract to the Purchaser under this Purchase Agreement, the Seller agrees that the Purchaser (and the Servicer and Collateral Agent, acting on its behalf) shall have the exclusive right to deliver (x) Series 2005-1 Mortgage Loans or Series 2005-1 Securitization Securities, as applicable, into a Series 2005-1 Qualified Forward Contract or a Series 2005-1 Replacement Forward Contract and (y) Series 2008-1 Mortgage Loans or Series 2008-1 Securitization Securities, as applicable, into a Series 2008-1 Qualified Forward Contract or a Series 2008-1 Replacement Forward Contract. It is intended that each transfer, assignment and conveyance herein contemplated constitute a sale of the applicable Purchased Assets, conveying good title thereto, free and clear of any liens, by the Seller to the Purchaser and that the Purchased Assets not be part of the Seller's estate in the event of insolvency of the Seller. In the event that any Purchased Assets are held to be property of the Seller or if for any other reason any Transfer Supplement or other document is held or deemed to create a security interest in the related Purchased Assets, the parties intend that the Seller shall be deemed to have granted, and does hereby grant, to the Purchaser a first priority perfected security interest in such Purchased Assets and all collateral related thereto now existing or hereafter arising for the purpose of securing the rights of the Purchaser under this Purchase Agreement, and that this Purchase Agreement and each Transfer Supplement shall each constitute a security agreement under applicable law.

(c) It is the intention of the parties to this Purchase Agreement that each conveyance of the Seller's right, title and interest in and to the Purchased Assets pursuant to this Purchase Agreement shall constitute a purchase and sale and not a loan.

Section 2.2 Possession of Mortgage Loan Files. (a) The Seller shall deliver the related Loan Documents to the Custodian, as bailee, and the contents of each related Mortgage Loan File shall be held by the Custodian initially for the benefit of the Purchaser pursuant to this Purchase Agreement, and then for the benefit of the Collateral Agent pursuant to the Custodial Agreement; *provided, however*, that the failure of the Seller to deliver any Loan Document (other than any Mortgage Note, Mortgage or Assignment of Mortgage) to the Custodian, which failure does not have a material and adverse impact on the value of the related Mortgage Loan or prevent securitizing the related Mortgage Loan or delivering the Mortgage Loan into a Qualified Forward Contract, shall not constitute a breach of this Purchase Agreement. Following the delivery of the Mortgage Notes, Mortgages and Assignments of Mortgage and the Qualifying Documents to the Custodian pursuant to this Section 2.2, and while the Purchased Assets are owned by the Purchaser, the Custodian will maintain continuous custody of the Mortgage Notes, Mortgages or Assignments of Mortgage and the Qualifying Documents, for the benefit of, and as custodian for, the Purchaser and the Collateral Agent, for the benefit of the Secured Parties, except as provided in this Section 2.2.

(b) Pursuant to Section 2.7 hereof and subject to Section 3.2(y) hereof, as soon as practicable but in any event on or before the sale of any Mortgage Loan to the Purchaser, the Seller of such Mortgage Loan shall deliver and release each related Mortgage Note, Mortgage and Assignment of Mortgage to the Custodian, as bailee, initially for the Purchaser and

then for the Collateral Agent pursuant to the Custodial Agreement. Pursuant to Section 2.7 hereof and subject to Section 3.2(y) hereof, as soon as practicable but in any event within the Required Delivery Period, the Seller shall deliver to the Custodian, as bailee, initially for the Purchaser and then for the Collateral Agent pursuant to the Custodial Agreement, each Qualifying Document with respect to each Qualifying Forward Contract relating to Mortgage Loans sold to the Purchaser. If any Qualifying Document shall not be delivered to the Custodian within the Required Delivery Period, then the related Forward Trade shall not be a Qualified Forward Contract. Notwithstanding the foregoing, the failure to deliver a Transaction or trade ticket with respect to any particular Forward Trade within the Required Delivery Period shall not preclude the related Master Securities Forward Transaction Agreement being part of a Qualified Forward Contract with respect to another Forward Trade. On or prior to the related Closing Date (or, with respect to the Qualifying Documents, within the Required Delivery Period) and subject to Section 3.2(y) hereof, the Seller shall deliver the related Loan Documents not delivered to the Custodian (the "Servicing File") to the Servicer and the contents of each related Servicing File shall be held by the Servicer, as bailee, for the benefit of the Purchaser, as owner, and the Collateral Agent as secured party; *provided, however*, that the failure of the Seller to deliver any Loan Document (other than a Qualifying Document, Mortgage Note, Mortgage or Assignment of Mortgage), which failure does not have a material and adverse impact on the value of a Mortgage Loan, shall not constitute a breach of this Purchase Agreement; *provided, further*, that all Qualifying Documents, Mortgage Notes, Mortgages and Assignments of Mortgages shall be delivered to the Custodian, as bailee, initially for the Purchaser and then for the Collateral Agent, as provided in the first two sentences of this Section 2.2(b). The possession of each Servicing File by the Servicer is at the will of the Purchaser or the Collateral Agent, as applicable, for the sole purpose of servicing the related Mortgage Loan and such retention and possession by the Servicer is in a custodial capacity only. Upon the sale of the Purchased Assets to the Purchaser, the ownership of each related Qualifying Document, Mortgage Note, Mortgage, Assignment of Mortgage and the remainder of the Mortgage Loan File shall vest immediately in the Purchaser, and the ownership of all other records and documents with respect to the related Mortgage Loan prepared by or which come into the possession of the Servicer shall vest immediately in the Purchaser and shall be retained and maintained by the Servicer at the will of the Purchaser and the Collateral Agent and only in such custodial capacity. Each Servicing File and the Servicer's books and records shall be marked appropriately to reflect clearly the sale of the related Mortgage Loan to the Purchaser and whether such Mortgage Loan is a Series 2005-1 Mortgage Loan or a Series 2008-1 Mortgage Loan. The Custodian shall only release its custody of the Qualifying Documents, Mortgage Notes, Mortgages, Assignments of Mortgages and other contents of a Mortgage Loan File in its possession in accordance with the Custodial Agreement.

Section 2.3 Contents of the Mortgage Loan File. The Mortgage Loan File shall consist of the following documents (constituting, collectively, the "Loan Documents") and such other documents as the Purchaser may require from time to time:

(i) the original Mortgage Note, together with the original of any guarantee executed in connection with the Mortgage Note;

(ii) the original Mortgage with evidence of recording thereon. If in connection with any particular Mortgage Loan, the Seller cannot deliver or cause to be delivered the original Mortgage with evidence of recording thereon on or prior to the

Closing Date because of a delay caused by the public recording office where such Mortgage has been delivered for recordation or because such Mortgage has been lost or because such public recording office retains the original recorded Mortgage, the Seller shall deliver or cause to be delivered to the Custodian, (a) in the case of a delay caused by the public recording office, a photocopy of such Mortgage, together with an Officer's Certificate of the Seller stating that such Mortgage has been dispatched to the appropriate public recording office for recordation and that the original recorded Mortgage or a copy of such Mortgage certified by such public recording office to be a true and complete copy of the original recorded Mortgage will be promptly delivered to the Custodian upon receipt thereof by the Seller or (b) in the case of an original Mortgage where a public recording office retains the original Mortgage or in the case where an original Mortgage is lost after recordation in a public recording office, a copy of such original Mortgage certified by an Officer's Certificate of the Seller to be a true and complete copy of the original recorded Mortgage;

(iii) the originals of all assumption, modification, consolidation or extension agreements, with evidence of recording thereon if so recorded;

(iv) unless the original Mortgage was recorded in the name of MERS, an Assignment of Mortgage for each Mortgage Loan, in form and substance acceptable for recording. If the Mortgage Loan was acquired by the Seller in a merger, any Assignment of Mortgage (other than an original Mortgage recorded in the name of MERS) must be made by "Seller, successor by merger to [name of predecessor]." If the Mortgage Loan was acquired or originated by the Seller while doing business under another name, any Assignment of Mortgage (other than an original Mortgage recorded in the name of MERS) must be by "Seller, formerly known as [previous name]." If the Mortgage Loan was acquired by the Seller as receiver for another entity, any Assignment of Mortgage (other than an original Mortgage recorded in the name of MERS) must be by "Seller, receiver for [name of entity in receivership]." Any Assignment of Mortgage must be duly recorded only upon the occurrence of a Termination Event that would require the Servicer to sell or Securitize all non-Delinquent or non-Defaulted Loans pursuant to Section 11.2 hereof. If any Assignment of Mortgage is not to be recorded, such Assignment of Mortgage shall be delivered in blank;

(v) if applicable, the originals of all intervening assignments of mortgage with evidence of recording thereon, or (a) if any such intervening assignment has not been returned from the applicable public recording office, the original recorded intervening assignment of mortgage will be promptly placed in the Mortgage Loan File upon receipt thereof by the Seller or (b) in the case of an intervening assignment where a public recording office retains the original recorded intervening assignment or in a case where an intervening assignment is lost after recordation in a public recording office, a copy of such intervening assignment certified to be a true and complete copy of the original recorded intervening assignment;

(vi) if available, the original mortgagee title insurance policy or attorney's opinion of title, or if the policy or opinion of title has not yet been issued, (a) the irrevocable written commitment, interim binder or marked up binder for a title insurance

policy issued by the title insurance company dated and certified as of the date the Mortgage Loan was funded, or (b) a copy of the applicable escrow instructions indicating the name of the title company with, in either case, a statement by the title insurance company or closing attorney on such binder or commitment or escrow instructions that the priority of the lien on the related Mortgage during the period between the date of the funding of the related Mortgage Loan and the date of the related title policy is insured;

(vii) the original of any security agreement, chattel mortgage or equivalent document executed in connection with the Mortgage;

(viii) if any Mortgage Loan is sold to any Agency, the originals of other documents, forms, releases, certifications and papers required by the applicable Agency Custodial Agreement; and

(ix) the Qualifying Documents with respect to any Qualified Forward Contract into which any Mortgage Loan may at any time be identified for delivery.

Section 2.4 Determination of Purchase Price; Deposit by the Seller. No later than 2:00 P.M. New York City time on each Closing Date, the Seller shall deliver to the Purchaser a Transfer Supplement and shall notify the Purchaser of (i) its calculation of the Original Principal Purchase Price and the Original Purchase Price for each Mortgage Loan in the Portfolio which consideration shall constitute the consideration for the sale and purchase of the Purchased Assets (and not the consideration solely for the sale and purchase of the subject Mortgage Loans) and (ii) whether each such Mortgage Loan is a Series 2005-1 Mortgage Loan or a Series 2008-1 Mortgage Loan. The Purchaser and the Seller shall use commercially reasonable efforts to close the sale of the Purchased Assets on any such Closing Date. The Purchaser shall pay to the Seller the Original Purchase Price of each Mortgage Loan purchased by it hereunder in immediately available funds not later than 6:00 P.M., New York City time, on the applicable Closing Date. Each Mortgage Loan must be an Eligible Loan.

To the extent that the market value of any Portfolio on the related Closing Date exceeds the Original Purchase Price of such Mortgage Loan, such excess shall be a capital contribution by the Seller to the Purchaser.

Section 2.5 Purchase Commitment Term. Subject to the terms and conditions of the Facility Documents, the commitment of the Purchaser under this Purchase Agreement shall expire on the termination of this Purchase Agreement, pursuant to Section 11.1 hereof.

Section 2.6 Books and Records; Transfers of Mortgage Loans. From and after each related Closing Date, all rights arising with respect to each Mortgage Loan sold pursuant to any Transfer Supplement, including but not limited to all funds received on or in connection with each Mortgage Loan, shall be received and held by the Servicer in trust for the benefit of the Purchaser. Pursuant to the Custodial Agreement, the Custodian shall hold all of the Qualifying Documents, Mortgage Notes, Mortgages and Assignments of Mortgage on behalf of the Collateral Agent for the benefit of the Secured Parties.

The Servicer, at its expense, shall be responsible for maintaining, and shall maintain, appropriate books and records for each Mortgage Loan which shall be marked clearly

to reflect the ownership of each Mortgage Loan by the Purchaser and whether each such Mortgage Loan is a Series 2005-1 Mortgage Loan or a Series 2008-1 Mortgage Loan. In particular, the Servicer shall maintain in its possession, available for inspection by the Purchaser, each Swap Counterparty, the Collateral Agent, the Indenture Trustee (acting at the written direction of the Required Senior Noteholders), or their respective designees, evidence of compliance with applicable laws, rules and regulations. To the extent that original documents are not required for purposes of realization of Liquidation Proceeds, Insurance Proceeds, VA Guaranty Proceeds, FHA Proceeds or Securitization proceeds, documents maintained by the Servicer may be in the form of microfilm or microfiche or such other reliable means of recreating original documents, including but not limited to, optical imagery techniques, so long as the Servicer complies with the requirements of the Guidelines.

The Servicer shall maintain with respect to each Mortgage Loan and shall make available for inspection by the Purchaser, each Swap Counterparty, the Collateral Agent, the Indenture Trustee (acting at the written direction of the Required Noteholders), any Short Term Note Dealer or their respective designees, upon reasonable advance notice, at the offices of the Servicer during normal business hours the related Mortgage Loan File during the time the Purchaser retains ownership of a Mortgage Loan and thereafter pursuant to applicable laws and regulations.

Section 2.7 Custodial Agreement. Pursuant to the Custodial Agreement and subject to Section 3.2(y) hereof, the Seller shall, from time to time in connection with the purchase of Mortgage Loans sold by it pursuant to the terms of this Purchase Agreement, deliver to the Custodian, (i) on or before the related Closing Date, the Mortgage Note, Mortgage and Assignment of Mortgage with respect to each Mortgage Loan transferred by the Seller and (ii) within the Required Delivery Period, each Qualifying Document. The Custodian shall hold each Qualifying Document, Mortgage Note, Mortgage and Assignment of Mortgage in trust, as bailee, initially for the Purchaser and then for the Collateral Agent pursuant to the Custodial Agreement.

Section 2.8 Seller's Right to Call Certain Specified Assets. The Seller or its Affiliates shall have the unilateral right, but not the obligation, once in any calendar year, to call for the repurchase of (i) Mortgage Loans held by the Purchaser beyond any of the Portfolio Aging Limitations specified herein, or (ii) Mortgage Loans which will be held by the Purchaser beyond the Portfolio Aging Limitations specified herein, in an aggregate amount up to (x) three (3) percent of the Outstanding Purchase Price of the Series 2005-1 Mortgage Loans and (y) three (3) percent of the Outstanding Purchase Price of the Series 2008-1 Mortgage Loans owned by the Purchaser as of the date such call is exercised. The Seller or its Affiliates shall purchase such specified Mortgage Loans for an amount equal to the Repurchase Price of such Mortgage Loans on the date such call is made; *provided, however*, that if any such specified Mortgage Loan is a Delinquent Loan or Defaulted Loan, the purchase price for such Delinquent Loan or Defaulted Loan shall be par plus accrued interest thereon. For the avoidance of doubt, such purchase amount shall include any accrued interest on such specified Mortgage Loans.

Section 2.9 Asset Reserve Account Deposit. On any day (including a Payment Date) on which a Termination Event occurs, the Purchaser shall cause to be deposited into the applicable sub-account of the Asset Reserve Account the amounts required pursuant to both

clauses (B) of priority Second of Section 2.01, Section 5.03(a)(i) and Section 5.03(b)(i) of the Security Agreement, as applicable.

ARTICLE III

REPRESENTATIONS AND WARRANTIES; COVENANTS; REMEDIES AND BREACH

Section 3.1 Representations and Warranties of the Seller and the Servicer.

(a) The Seller represents and warrants to the Purchaser (and for the benefit of the Collateral Agent, each Swap Counterparty and the Secured Parties) that as of each applicable Closing Date:

(i) Due Organization and Authority. (a) The Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all licenses necessary to carry on its business as now being conducted and is licensed, qualified and in good standing in each state where a Mortgaged Property is located if required to conduct business of the type conducted by it, and in any event it is in compliance with the laws of any such state to the extent necessary to ensure the enforceability of all Purchased Assets sold hereunder in accordance with the terms of this Purchase Agreement and any Transfer Supplement, except where its failure to be licensed, qualified or in good standing in any such state, or where its failure to be in compliance with the laws of any such state, would not have a Material Adverse Effect; (b) the Seller has the full power and authority to execute and deliver this Purchase Agreement, each Qualified Forward Contract and any Transfer Supplement and to perform its obligations in accordance herewith and therewith; (c) the execution, delivery and performance of this Purchase Agreement, each Qualified Forward Contract and any applicable Transfer Supplement by the Seller and the performance of the transactions contemplated hereby and thereby have been duly and validly authorized by it; (d) all requisite corporate action has been taken by the Seller to make this Purchase Agreement, each Qualified Forward Contract and any Transfer Supplement valid and binding upon it pursuant to its terms; (e) this Purchase Agreement, each Qualified Forward Contract, and any Transfer Supplement each evidences the valid, binding and enforceable obligation of the Seller, except that (1) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally and (2) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(ii) Ordinary Course of Business. The performance of the transactions contemplated by this Purchase Agreement are in the Seller's ordinary course of business.

(iii) No Conflicts. Neither the execution and delivery of this Purchase Agreement, each Qualified Forward Contract, or any Transfer Supplement, the acquisition of mortgage loans by the Seller, the sale of Mortgage Loans to the Purchaser or the transactions contemplated hereby or thereby, nor the fulfillment of or compliance

with the terms and conditions of this Purchase Agreement or any Transfer Supplement, will conflict with or result in a breach of any of the terms, conditions or provisions of the Seller's charter or by-laws or any material agreement or instrument to which it is now a party or by which it is bound, except where such conflict or breach would not have a Material Adverse Effect, or constitute a default or result in an acceleration under any of the foregoing, or result in the violation in any material respect of any applicable law, rule, regulation, order, judgment or decree to which the Seller or its property is subject, or impair the ability of the Purchaser to realize on the mortgage loans in any material respect, or impair the value of the mortgage loans in any material respect.

(iv) Ability to Sell. Notwithstanding anything herein to the contrary, unless the Seller receives the written consent of both the Series 2005-1 Swap Counterparty and the Series 2008-1 Swap Counterparty, the Seller is an approved Seller of mortgage loans for FHLMC. Notwithstanding anything herein to the contrary, unless the Seller receives the written consent of both the Series 2005-1 Swap Counterparty and the Series 2008-1 Swap Counterparty, the Seller is eligible to sell Mortgage Loans to FHLMC and no event has occurred, including but not limited to a change in insurance coverage, which would make the Seller unable to comply with the eligibility requirements in all material respects of FHLMC or which would require notification to FHLMC. The Seller is an FHA Approved Mortgagee and a VA Approved Lender, and no event has occurred, including but not limited to a change in insurance coverage, which would make the Seller unable to comply with FHA or VA eligibility requirements in all material respects, or which would require notification to either the FHA or VA.

(v) No Litigation Pending. There is no action, suit, proceeding or investigation pending or to the Seller's knowledge threatened against the Seller which, either in any one instance or in the aggregate, would draw into question the validity of this Purchase Agreement, any Qualified Forward Contract or any Transfer Supplement or the Mortgage Loans or of any action taken or to be taken in connection with the obligations of the Seller contemplated herein, or which would be likely to impair materially the ability of the Seller to perform under the terms of this Purchase Agreement or any Transfer Supplement or which, in the Seller's reasonable belief, would have a Material Adverse Effect on the Seller.

(vi) No Consent Required. No consent, approval, authorization or order of any court or governmental agency or body including, without limitation, HUD, FHA or VA, is required for the execution, delivery and performance by the Seller of or compliance with this Purchase Agreement or any Transfer Supplement or the sale of the mortgage loans, or if required, such approval has been obtained.

(vii) No Untrue Information. Neither this Purchase Agreement, any Transfer Supplement nor any written statement, written report or other document prepared by the Seller pursuant to this Purchase Agreement or in connection with the transactions contemplated hereby contains any untrue statement of a material fact relating to the Seller or the Mortgage Loans.

(viii) Financial Statements. The Seller has delivered to the Purchaser consolidated financial statements as of the date hereof, as to its last three complete fiscal years and any later quarter ended more than sixty (60) days prior to the execution of this Purchase Agreement. All such financial statements fairly present the pertinent results of operations and changes in financial position at the end of each such period of the Seller and its subsidiaries and have been prepared pursuant to generally accepted accounting principles consistently applied throughout the periods involved, except as set forth in the notes thereto. There has been no change in its business, operations, financial condition, properties or assets since the date of its most recently provided financial statements that would have a material adverse effect on its ability to perform its obligations under this Purchase Agreement.

(ix) No Brokers' Fees. The Seller has not dealt with any broker, investment banker, agent or other Person that may be entitled to any commission or compensation in connection with the sale of any Mortgage Loan to the Purchaser.

(x) Solvency: Fraudulent Conveyance. Seller is solvent and will not be rendered insolvent by the sale of the applicable Purchased Assets to the Purchaser and, after giving effect to such sale, Seller will not be left with an unreasonably small amount of capital with which to engage in its business. Seller does not intend to incur, nor believes that it has incurred, debts beyond its ability to pay such debts as they mature. Seller is not contemplating the commencement of insolvency, bankruptcy, liquidation or consolidation proceedings or the appointment of a receiver, liquidator, conservator, trustee or similar official in respect of Seller or any of its assets. The amount of consideration being received by Seller upon the sale of the Purchased Assets to the Purchaser constitutes reasonably equivalent value and fair consideration for such Purchased Assets. Seller is not transferring any Purchased Assets with any intent to hinder, delay or defraud any of its creditors.

(xi) Taxes. Seller has filed all federal and state tax returns which are required to be filed, unless an extension has been granted, and paid all taxes, including any assessments received by it, to the extent that such taxes have become due (other than for taxes that are being contested in good faith or for which it has established adequate reserves). Any taxes, fees and other governmental charges payable by Seller in connection with the sale of the applicable Purchased Assets to the Purchaser and the execution and delivery of the Facility Documents have been paid.

(xii) Corporate Separateness. Other than as provided in this Purchase Agreement and the other Facility Documents, Seller is not engaged in any business transactions with any of its Affiliates other than transactions in the ordinary course of its business, conducted in a commercially reasonable manner and on an "arm's length" basis.

(b) The Servicer represents and warrants to the Purchaser (and for the benefit of the Collateral Agent, each Swap Counterparty and the Secured Parties) that as of each applicable Closing Date:

(i) Due Organization and Authority. (a) The Servicer is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation and has all licenses necessary to carry on its business as now being conducted and is licensed, qualified and in good standing in each state where a Mortgaged Property is located if required to conduct business of the type conducted by it, and in any event it is in compliance with the laws of any such state to the extent necessary to ensure the servicing of any such Mortgage Loan in accordance with the terms of this Purchase Agreement, except where its failure to be licensed, qualified or in good standing in any such state, or where its failure to be in compliance with the laws of any such state, would not have a Material Adverse Effect; (b) the Servicer has the full power and authority to execute and deliver this Purchase Agreement and to perform its obligations in accordance herewith; (c) the execution, delivery and performance of this Purchase Agreement by the Servicer and the performance of the transactions contemplated hereby have been duly and validly authorized by it; (d) all requisite corporate action has been taken by the Servicer to make this Purchase Agreement valid and binding upon it pursuant to its terms; (e) this Purchase Agreement evidences the valid, binding and enforceable obligation of the Servicer, except that (1) the enforceability thereof may be limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally and (2) the remedy of specific performance and injunctive and other forms of equitable relief may be subject to equitable defenses and to the discretion of the court before which any proceeding therefor may be brought.

(ii) Ordinary Course of Business. The performance of the transactions contemplated by this Purchase Agreement are in the Servicer's ordinary course of business.

(iii) No Conflicts. Neither the execution and delivery of this Purchase Agreement or the transactions contemplated hereby or thereby, nor the fulfillment of or compliance with the terms and conditions of this Purchase Agreement, will conflict with or result in a breach of any of the terms, conditions or provisions of its charter or by-laws or any material agreement or instrument to which it is now a party or by which it is bound, except where such conflict or breach would not have a Material Adverse Effect, or constitute a default or result in an acceleration under any of the foregoing, or result in the violation in any material respect of any applicable law, rule, regulation, order, judgment or decree to which it or its property is subject, or impair the ability of the Purchaser to realize on the mortgage loans in any material respect, or impair the value of the mortgage loans in any material respect.

(iv) Ability to Service. The Servicer is an approved Servicer of mortgage loans for at least one of FHLMC and the Federal National Mortgage Association. The Servicer is eligible to service Mortgage Loans for at least one of FHLMC and the Federal National Mortgage Association and no event has occurred, including but not limited to a change in insurance coverage, which would make the Seller unable to comply with the eligibility requirements in all material respects of at least one of FHLMC and the Federal National Mortgage Association or which would require notification to FHLMC or the Federal National Mortgage Association. The Servicer is eligible to service mortgage

loans for the FHA and VA, and no event has occurred, including but not limited to a change in insurance coverage, which would make the Servicer unable to comply with FHA or VA eligibility requirements in all material respects, or which would require notification to either the FHA or VA.

(v) No Litigation Pending. There is no action, suit, proceeding or investigation pending or to the Servicer's knowledge threatened against it which, either in any one instance or in the aggregate, would draw into question the validity of this Purchase Agreement or of any action taken or to be taken in connection with the obligations of the Servicer contemplated herein, or which would be likely to impair materially the ability of the Servicer to perform under the terms of this Purchase Agreement or any Transfer Supplement.

(vi) No Consent Required. To the Servicer's knowledge, no consent, approval, authorization or order of any court or governmental agency or body including, without limitation, HUD, FHA or VA, is required for the execution, delivery and performance by it of or compliance with this Purchase Agreement, or if required, such approval has been obtained.

(vii) No Untrue Information. Neither this Purchase Agreement, any Transfer Supplement nor any written statement, written report or other document prepared by it pursuant to this Purchase Agreement or in connection with the transactions contemplated hereby contains any untrue statement of a material fact relating to the Servicer.

(viii) Financial Statements. The Servicer has delivered to the Purchaser consolidated financial statements as of the date hereof as to its last three complete fiscal years and any later quarter ended more than sixty (60) days prior to the execution of this Purchase Agreement. All such financial statements fairly present the pertinent results of operations and changes in financial position at the end of each such period of the Servicer and its subsidiaries and have been prepared pursuant to generally accepted accounting principles consistently applied throughout the periods involved, except as set forth in the notes thereto. There has been no change in the Servicer's business, operations, financial condition, properties or assets since the date of its most recently provided financial statements that would have a material adverse effect on its ability to perform its obligations under this Purchase Agreement.

(ix) Solvency. The Servicer is solvent.

Section 3.2 Representations and Warranties Regarding Individual Mortgage Loans; Eligibility Representations. With respect to each Mortgage Loan sold by the Seller to the Purchaser, the Seller hereby represents and warrants to the Purchaser (and for the benefit of the Collateral Agent, each Swap Counterparty and the Secured Parties) that as of the applicable Closing Date for such Mortgage Loan:

(a) Eligibility of Mortgage Loans. The Mortgage Loan is an Eligible Loan.

(b) Mortgage Loans as Described. The information set forth in the Mortgage Loan Schedule attached to the applicable Transfer Supplement is complete, true and correct in all material respects as of the date or dates that such information is specified therein.

(c) Valid First Lien. The Mortgage is a valid, subsisting, enforceable and perfected first lien on the Mortgaged Property, including all buildings on the Mortgaged Property, and all additions, alterations and replacements made at any time with respect to the foregoing. The lien of the Mortgage is subject only to:

(1) the lien of the current real property taxes and assessments not yet due and payable;

(2) covenants, conditions and restrictions, rights of way, easements and other matters of public record as of the date of recording acceptable to prudent mortgage lending institutions generally and specifically referred to in the lender's title insurance policy delivered to the originator of the Mortgage Loan and (i) referred to or to otherwise considered in the appraisal made for the originator of the Mortgage Loan or (ii) which do not materially adversely affect the appraised value of the Mortgaged Property set forth in such appraisal;

(3) other matters to which like properties are commonly subject which do not materially interfere with the benefits of the security intended to be provided by the Mortgage or the use, enjoyment, value or marketability of the related Mortgaged Property; and

(4) in the case of a Mortgaged Property that is a condominium or an individual unit in a planned unit development, Liens for common charges permitted by statute.

Any security agreement, chattel mortgage or equivalent document related to and delivered in connection with the Mortgage Loan establishes and creates a valid, subsisting and enforceable first lien and first priority security interest on the property described therein and the Seller has full right to sell and assign the same to the Purchaser. The Mortgaged Property was not, as of the date of origination of the Mortgage Loan, subject to a mortgage, deed of trust, deed to secure debt or other security instrument creating a lien senior to the lien of the Mortgage.

(d) Ownership. The Seller is the sole owner of record and holder of the Purchased Assets. Upon sale to the Issuer, the Purchased Assets will not be assigned or pledged (other than pursuant to such sale), and the Seller has good and marketable title thereto, and has full right to transfer and sell the Purchased Assets to the Purchaser free and clear of any encumbrance, equity, participation interest, lien, pledge, charge, claim or security interest, and has full right and authority subject to no interest or participation of, or agreement with, any other party, to sell and assign the Purchased Assets pursuant to the related Transfer Supplement and following the sale of each Mortgage Loan, the Purchaser will own such Mortgage Loan free and

clear of any encumbrance, equity, participation interest, lien, pledge, charge, claim or security interest, except such security interest created pursuant to the terms of this Agreement.

(e) No Additional Collateral. The Mortgage Note is not and has not been secured by any collateral except the lien of the corresponding Mortgage and the security interest of any applicable security agreement or chattel mortgage referred to in Section 3.2(c) hereof.

(f) Conformance with Underwriting Standards. The Mortgage Loan was underwritten in material compliance with the applicable Guidelines.

(g) Payments Current. No payments due with respect to the Mortgage Loan are thirty (30) days or more past their contractual due date.

(h) No Mortgagor Bankruptcy; Delinquencies. No Mortgagor is the subject of a bankruptcy or similar proceeding.

(i) No Outstanding Charges. There are no defaults in complying with the terms of the Mortgages, and all taxes, governmental assessments, insurance premiums, water, sewer and municipal charges, leasehold payments or ground rents which previously became due and owing have been paid, or an escrow of funds has been established in an amount sufficient to pay for every such item which remains unpaid and which has been assessed but is not yet due and payable. The Seller has not advanced (other than Buydown Loans) funds, or induced, solicited or knowingly received any advance of funds by a party other than the Mortgagor, directly or indirectly, for the payment of any amount required under the Mortgage Loan, except for certain closing charges and points incurred in connection with the closing of a Mortgage Loan and for interest accruing from the date of the Mortgage Note or date of disbursement of the Mortgage Loan proceeds to the day which precedes by one (1) month the Due Date of the first installment of principal and interest.

(j) Original Terms Unmodified. The terms of the Mortgage Note and Mortgage have not been impaired, waived, altered or modified in any respect from the date of origination, except by a written instrument which is included in the Mortgage Loan File. The substance of any such waiver, alteration or modification has been approved by the issuer of any related PMI Policy and the title insurer, to the extent required by the PMI Policy or title insurer, and by the FHA for the related FHA Loans, and the VA for the related VA Loans, and its terms are reflected on the related Mortgage Loan Schedule. No Mortgagor has been released, in whole or in part, except in connection with an assumption agreement approved by the issuer of any related PMI Policy and the title insurer, to the extent required by the PMI Policy or title insurer, and by the FHA for the related FHA Loans, and the VA for the related VA Loans, and which assumption agreement is part of the Mortgage Loan File delivered to the Servicer and the terms of which are reflected in the related Mortgage Loan Schedule.

(k) No Defenses. The Mortgage Loan is not subject to any right of rescission, set-off, counterclaim or defense, including without limitation the defense of usury, nor will the operation of any of the terms of the Mortgage Note or the Mortgage, or the exercise of any right thereunder, render either the Mortgage Note or the Mortgage unenforceable, in whole or in part, or, with respect to FHA Loans, impair the Purchaser's ability to collect full insurance benefits

under the FHA Mortgage Insurance Certificate, without indemnity to HUD, or, with respect to VA Loans, impair the Purchaser's ability to collect full value under the VA Loan Guaranty Certificate upon the Mortgagor's default, or subject to any right of rescission, set-off, counterclaim or defense, including without limitation the defense of usury, and no such right of rescission, set-off, counterclaim or defense has been asserted with respect thereto, and no Mortgagor was a debtor in any state or federal bankruptcy or insolvency proceeding at or subsequent to the time the Mortgage Loan was originated or as of the date hereof.

(l) Hazard Insurance. Pursuant to the terms of the Mortgage, all buildings or other improvements upon the Mortgaged Property are insured by (i) an FHA approved insurer with respect to each FHA Loan, (ii) a VA approved insurer with respect to each VA Loan or (iii) a generally acceptable insurer against loss by fire and extended coverage and coverage for such other hazards as are customary in the area where the Mortgaged Property is located pursuant to insurance policies conforming to the requirements of Section 4.11 hereof and of the FHA and VA, if applicable. If upon origination of the Mortgage Loan, the Mortgaged Property was in an area identified in the Federal Register by the Federal Emergency Management Agency as having special flood hazards (and such flood insurance has been made available) a flood insurance policy meeting the requirements of the current guidelines of the Flood Insurance Administration is in effect which policy conforms to the requirements of Section 4.11 hereof and of the FHA and VA, if applicable. All individual insurance policies contain a standard mortgagee clause naming the Company and its successors and assigns as mortgagee, and all premiums thereon have been paid. The Mortgage obligates the Mortgagor thereunder to maintain the hazard insurance policy at the Mortgagor's cost and expense, and on the Mortgagor's failure to do so, authorizes the holder of the Mortgage to obtain and maintain such insurance at such Mortgagor's cost and expense, and to seek reimbursement therefor from the Mortgagor. The hazard insurance policy is the valid and binding obligation of the insurer and is in full force and effect. The Seller has not engaged in, and has no knowledge of the Mortgagor's having engaged in, any act or omission which would impair the coverage of any such policy, the benefits of the endorsement provided for herein, or the validity and binding effect of either.

(m) Compliance with Applicable Laws. Any applicable requirements of federal, state or local law including, without limitation, usury, truth-in-lending, real estate settlement procedures, consumer credit protection, equal credit opportunity or disclosure laws and FHA Regulations and VA Regulations applicable to the Mortgage Loan have been complied with in all material respects.

(n) No Satisfaction of Mortgage. The Mortgage has not been satisfied, cancelled, subordinated or rescinded, in whole or in part, and the Mortgaged Property has not been released from the lien of the Mortgage, in whole or in part, nor has any instrument been executed that would effect any such release, cancellation, subordination or rescission. The Seller has not waived the performance by the Mortgagor of any action, if the Mortgagor's failure to perform such action would cause the Mortgage Loan to be in default, nor has the Seller waived any default resulting from any action or inaction by the Mortgagor.

(o) Location and Type of Mortgaged Property. The Mortgaged Property is located in the state identified in the related Mortgage Loan Schedule and consists of a parcel of real property with a detached single family residence erected thereon, or a two-to-four family

dwelling, or an individual condominium unit, or an individual unit in a planned unit development; *provided, however*, no residence or dwelling is a mobile home or a manufactured dwelling unless such residence or dwelling has been converted to real property under the applicable law of the state in which it is located. The Mortgaged Property is not used primarily for commercial purposes. The Mortgage Loan was not made for the purpose of financing builder inventory.

(p) Validity of Mortgage Documents. The Mortgage Note and the Mortgage are genuine and each is the legal, valid and binding obligation of the maker thereof enforceable pursuant to its terms and under applicable law, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. All parties to the Mortgage Note and the Mortgage and any other related agreement had legal capacity to enter into the Mortgage Loan and to execute and deliver the Mortgage Note and the Mortgage and any other related agreement, and the Mortgage Note and the Mortgage and any other related agreement have been duly and properly executed by such parties. The documents, instruments and agreements submitted for loan underwriting were not falsified by the related Mortgagor and contain no untrue statement of material fact or omit to state a material fact required to be stated therein or necessary to make the information and statements therein not misleading. No fraud, material misrepresentation or material omission of fact with respect to a Mortgage Loan has taken place on the part of the Seller, the Mortgagor, any appraiser, any builder, any developer or any other party involved in the origination or servicing of the Mortgage Loan or in the application of any insurance in relation to such Mortgage Loan or in connection with the sale of such Mortgage Loan to the Purchaser.

(q) Full Disbursement of Proceeds. Each Mortgage Loan has been closed and its proceeds have been fully disbursed by the lender and there is no requirement for future advances thereunder and any and all requirements as to completion of any on site or off site improvement and as to disbursements of any escrow funds therefor have been complied with. All costs, fees and expenses incurred in making or closing the Mortgage Loan and the recording of the Mortgage were paid, and the Mortgagor is not entitled to any refund of any amounts paid or due under the Mortgage Note or Mortgage.

(r) Doing Business. All parties which have had any interest in the Mortgage Loan, whether as mortgagee, assignee, pledgee or otherwise, are (or, during the period in which they held and disposed of such interest, were) (i) in compliance with any applicable licensing requirements of the laws of the state wherein the Mortgaged Property is located, and (ii) organized under the laws of such state, or (iii) qualified to do business in such state or (iv) not required to qualify to do business in such state.

(s) LTV, PMI Policy. The original LTV of the Mortgage Loan (other than if such Mortgage Loan is an FHA Loan or a VA Loan) either was not more than 80%, or the excess over 80% is insured as to payment defaults by a PMI Policy until the LTV of such Mortgage Loan is reduced to not more than 80%. All material provisions of such PMI Policy have been and are being complied with, such policy is in full force and effect, and all premiums due thereunder have been paid. To the Seller's knowledge, no action, inaction, or event has occurred and no state of facts exists that has, or will result in the exclusion from, denial of, or defense to