

IN THE CIRCUIT COURT OF THE FIFTEENTH
JUDICIAL CIRCUIT IN AND FOR PALM BEACH
COUNTY, FLORIDA, CASE NO.: 2017-532 AW
RESIDENTIAL MORTGAGE FORECLOSURE

US BANK TRUST N.A. AS TRUSTEE SUCCESSOR
IN INTEREST TO BANK OF AMERICA, NATIONAL
ASSOCIATION AS TRUSTEE, SUCCESSOR BY
MERGER TO LASALLE BANK NATIONAL
ASSOCIATION AS TRUSTEE FOR MERRILL LYNCH
MORTGAGE INVESTOR TRUST, MORTGAGE LOAN
ASSET-BACKED CERTIFICATE SERIES 2006-MLN1 -1,

Plaintiff,

vs.

PETER A. COLOMBO, etc., et. ux., et al.,

Defendant and Plaintiff-in-Counterclaim

vs.

US BANK TRUST N.A. AS TRUSTEE SUCCESSOR
IN INTEREST TO BANK OF AMERICA, NATIONAL
ASSOCIATION AS TRUSTEE, SUCCESSOR BY
MERGER TO LASALLE BANK NATIONAL
ASSOCIATION AS TRUSTEE FOR MERRILL LYNCH
MORTGAGE INVESTOR TRUST, MORTGAGE LOAN
ASSET-BACKED CERTIFICATE SERIES 2006-MLN1 -1,
and NATIONSTAR MORTGAGE, LLC,

Defendants-in-Counterclaim.

**MR. COLOMBO'S ANSWER, AFFIRMATIVE DEFENSES
AND COUNTERCLAIM TO MLN1 -1 TRUST'S COMPLAINT**

NOW INTO COURT, through undersigned counsel comes the Defendant, **PETER A. COLOMBO** (Hereinafter "Mr. Colombo"), and files this his Answer, Affirmative Defenses, and Counterclaim to the Complaint filed by the Plaintiff, **US BANK TRUST, NA AS TRUSTEE SUCCESSOR IN INTEREST TO BANK OF AMERICA, NATIONAL ASSOCIATION AS TRUSTEE, SUCCESSOR BY MERGER TO LASALLE BANK NATIONAL ASSOCIATION**

**AS TRUSTEE FOR MERRILL LYNCH MORTGAGE INVESTOR TRUST MORTGAGE
LOAN ASSET-BACKED CERTIFICATE SERIES 2006-MLN1 -1 (Hereafter "MLN1 -1 Trust")**

alleging as follows; to wit,

ANSWER TO COUNT I VERIFIED MORTGAGE FORECLOSURE

1. Mr. Colombo admits that this an attempt to enforce a note and foreclose a motion for jurisdiction only, and expressly, directly and explicitly denies any right to bring this action and strict proof is demanded thereon.

2. Mr. Colombo admits execution and delivery of the mortgage and note referred to in Para. 2. He is without knowledge of remaining allegations which are therefor expressly, directly and explicitly denied and strict proof is demanded thereon.

3. Mr. Colombo is without knowledge as to the holder of the note which allegations are therefor expressly, directly and explicitly denied and strict proof is demanded thereon.

4. Mr. Colombo admits owning the property. As to Lori Colombo, she passed and a suggestion of death and death certificate have been filed.

5. Mr. Colombo expressly, directly and explicitly denies these allegations and strict proof is demanded thereon.

6. Mr. Colombo expressly, directly and explicitly denied these allegations in that this action is the 2nd filing of the same foreclosure, the first case was filed and therefor acceleration occurred on 09/23/2008 and was styled Lasalle Bank N.A. as Trustee for the MLN1 -1 Trust Series 2006-MLN1 , vs. Peter Colombo & Lori Colombo Case No.: 08-29465 AW. The Court dismissed this foreclosure action for failure to prosecute, entered April 25, 2003, DE #106 Hereafter Case#1. On Nov. 15, 2013, the Case #1 action was dismissed for failure to prosecute, recorded at Book 26459 page 536, official records, Palm Beach County FL.

7. Mr. Colombo expressly, directly and explicitly denies these allegations and strict proof is demanded thereon.

8. Mr. Colombo expressly, directly and explicitly denies the material allegations of this paragraph and strict proof is demanded thereon in that MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS failed to properly accelerate the mortgage and note by failing to give the proper notice prior to bringing this action to foreclose as required by the note Para. 7 (C) and 8 and mortgage Paragraph 15 and 22. Therefore, Plaintiff failed to comply with all conditions precedent to bring this action.

9. Mr. Colombo is without knowledge as to these material allegations which are therefor expressly, directly and explicitly denied and strict proof is demanded thereon.

10. Mr. Colombo is without knowledge as to these material allegations which are therefor expressly, directly and explicitly denied and strict proof is demanded thereon.

11. Mr. Colombo is without knowledge as to these material allegations which are therefor expressly, directly and explicitly denied and strict proof is demanded thereon.

12. Mr. Colombo is without knowledge as to these material allegations which are therefor expressly, directly and explicitly denied and strict proof is demanded thereon.

WHEREFORE, Mr. Colombo prays that this Honorable Court dismiss this action in toto with prejudice, ordering that MLN1 -1 Trust or its servicers including Nationstar and/or take nothing by this action; award Mr. Colombo costs and reasonable attorney fees as provided by Fla. Stat. 57.105(7), and the mortgage and note, and such other relief as this Court deems just and proper.

AFFIRMATIVE DEFENSES TO COMPLAINT

NOW INTO COURT, through undersigned counsel, comes, the Defendant **PETER A. COLOMBO** and files this his Affirmative Defenses to the Complaint filed by the Plaintiff, **US**

**BANK TRUST, NA AS TRUSTEE SUCCESSOR IN INTEREST TO BANK OF AMERICA,
NATIONAL ASSOCIATION AS TRUSTEE, SUCCESSOR BY MERGER TO LASALLE
BANK NATIONAL ASSOCIATION AS TRUSTEE FOR MERRILL LYNCH MORTGAGE
INVESTOR TRUST MORTGAGE LOAN ASSET-BACKED CERTIFICATE SERIES
2006-MLN1 -1, alleging as follows; to wit,**

COMMON ALLEGATIONS

13. Mr. Colombo was first introduced to MERS as nominee of and Mortgage Lenders Network USA, Inc. (Hereinafter "MLN USA") as a creditor on or before May 9, 2006.

14. On May 9, 2006, MERS, as nominee and MLN USA, as a creditor, extended to Mr. Colombo consumer credit secured by Mr. Colombo's home and property subject to this foreclosure.

15. On 09/23/2008 MLN1-1 Trust brought its first action styled Lasalle Bank N.A. as Trustee for the MLN1 Trust Series 2006-MLN1 , vs. Peter Colombo & Lori Colombo Case No.: 08-29465 AW (Hereinafter "Case#1").

16. On Sept. 7, 2012, in Case #1 DE#45 the Colombos filed and served a Rule 1.420(e) Notice of No Record Activity.

17. On Nov. 19, 2012, in Case #1 DE#46 the Colombos filed and served a Motion to Dismiss for No Record Activity.

18. On Nov. 14, 2013 in Case #1 DE#56, The Court heard and granted the Colombo's Motion to Dismiss and on Nov. 15, 2013 DE#57, the Clerk entered the order dismissing the action, recorded at Book 26459 Page 536 Clerk of Court Palm Beach County FL.

19. On Jan. 15, 2014 in Case #1 DE#63, The Court denied the MLN1 -1 Trust's Motion to Vacate the Nov. 15, 2013 DE#57 order dismissing the action.

20. A copy of the Case #1 Complaint and DE 57 dismissal are attached hereto.

21. On January 16, 2017, MLN1 -1 Trust brought this 2nd action to foreclosure (Hereinafter Case #2).

22. On February 14, 2007 Nationstar Mortgage LLC as the servicer for MLN1 -1 Trust mailed to Mr. Colombo a loan statement a copy of which is attached.

23. On March 29, 2017 Mr. Colombo through counsel in an e mail to MLN1 -1 Trust's counsel protested that the servicer and Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust included and demanded payment of improperly passed through fees and charges identified in this statement as property inspections (\$15.00 for an 01/22/2017 inspection and \$761.00 total) and maintenance (\$600.00 total). Attached is a copy of the March 29, 2017 E mail.

24. Colombo objected to and disputed those fees and charges as neither necessary nor reasonable nor authorized under the mortgage and note and demanded that they be removed from Colombo's account.

25. On April 4, 2017 Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust though its attorney refused to remove the charges claiming that the Lender is entitled to inspect the property and such inspections are additional debt to the Borrower and were properly passed through as valid charges in accordance with the terms of the mortgage.

26. On April 5, 2017 Colombo through Counsel informed Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust though its attorney that the inspections and maintenance charges were not authorized and not reasonable including an attempt to pass through of \$5,068.00 in legal fees.

27. In response thereto, Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust though its attorney provided a a reinstatement quote and a breakdown of all of the charges that are reflected on the quote. A copy of which is attached. Once again this

statement sought to collect more and different unauthorized pass through charges.

28. Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust though its attorney sent a "reinstatement letter" that purportedly described the charges. This document has no description for maintenance. It has a "property preservation category" that is blank.

29. The "reinstatement letter" has one entry for \$600 that is called "service fees". However, the "Explanation of Charges" has no explanation of "service fees" and a separate "service of process - \$180.00" entry, which the Explanation listed as service of process as a charge to serve the Complaint and Summons.

30. The "reinstatement letter" has 2 attorneys fees entries, one for \$2,415.00 and \$3,733.00 for prior counsel over \$6,100 to do a summons and complaint.

31. These attempts to collect unwarranted costs and fees and charged constitute a breach of the mortgage and note agreement, relieving Mr. Colombo from performing under the contract.

32. Mr. Colombo has retained the undersigned to represent him and agreed to pay him a reasonable fee for his services.

FIRST AFFIRMATIVE DEFENSE

33. Mr. Colombo readapts, re-alleges, and reaffirms the material allegations of Paragraphs 13 through 32 and further alleges as follows; to wit,

34. MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and/or its assignor failed to comply with the conditions and terms of the mortgage and note and/or 12 U.S.C.2601, et seq (RESPA), with respect to the proper computation, collection and application of Mr. Colombo's mortgage payments and the escrow accounts and payments as required under the note ¶4 and 6, and the mortgage ¶1 through 3, 5, 7, 8, and 10.

35. Alternately, MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS

and/or its assignor has collected payments, but failed to properly credited Mr. Colombo's account, and/or collected mortgage payments and/or escrow payments and did not properly credit or post the payments to Mr. Colombo's account in violation of the note ¶4 and 6, and the mortgage ¶1 through 10.

36. Alternately, MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and/or its assignor has collected payments under the mortgage agreement(s), but failed to properly credit Mr. Colombo's account, and/or collected mortgage payments and/or escrow payments under the agreement(s) and did not properly credit or post the payments to Mr. Colombo's account in violation of the note ¶4 and 6, and the mortgage ¶1 through 10.

37. Mr. Colombo made payments or attempted to make the correct payments to MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and/or the assignor or servicer during the term of the loan and MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and/or its assignor or servicer did not properly compute Mr. Colombo's payments as required by the note ¶4 and 6, and the mortgage ¶1 through 10.

38. Therefore, Mr. Colombo is entitled to an accounting of all moneys Mr. Colombo paid during the term of the loan and all moneys collected by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS or the assignor or servicer under the mortgage and note because of the non-compliance with the note ¶4 and 6, and the mortgage ¶1 through 10.

39. As a result of the improperly collecting and posting of payments to the account and improper payments of moneys that MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and or its assignor paid out on Mr. Colombo's account, including but not limited to force placed insurance, MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS or its assignor is estopped or has waived its right to claim a default, and or is otherwise before the Court

with unclean hands and cannot foreclose.

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults, alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch.§57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

SECOND AFFIRMATIVE DEFENSE

40. Mr. Colombo readapts, re-alleges and reaffirm the material allegations of Paragraphs 13 through 32 and further alleges as follows; to wit,

41. The mortgage MLN1 -1 Trust or its servicers including Nationstar and/or and or

MERS seeks to foreclose is illegal under Florida and/or Federal law, due to the improper servicing of the account and or collection of payments from Mr. Colombo in violation of the note ¶4 and 6, and the mortgage ¶1 through 10 . Thus, MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS is estopped or has waived its right to foreclose, and is otherwise before the Court with unclean hands.

42. In the alternative, the mortgage MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS seeks to foreclose is illegal under Florida and/or Federal law due to the improper collection and payment of fees and costs under this mortgage and note, including but not limited to force placed insurance. Thus, MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS is estopped or has waived its right to foreclose, and is otherwise before the Court with unclean hands.

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults,

alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch.§57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

THIRD AFFIRMATIVE DEFENSE

43. Mr. Colombo readopts, re-alleges and reaffirms the material allegations of Paras. 13 through 32 and further alleges as follows; to wit,

44. Plaintiff MLN1 -1 Trust does not properly hold, and or possess, and or have the right to reestablish and or enforce the mortgage and note that it seeks to reestablish and foreclose under Florida and/or Federal law in that any assignment of the mortgage and note and or each and every endorsement on the note was not properly executed and delivered and or improperly executed and delivered by a person or entity that lacked the right, capacity and or authority to do so. Thus, MLN1 -1 Trust or its servicers including Nationstar and/or is not the proper party plaintiff to foreclose.

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline

to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults, alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch.§57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

FOURTH AFFIRMATIVE DEFENSE

45. Mr. Colombo readapts, re-alleges and reaffirms the material allegations of Paras. 13 through 32, and further allege as follows; to wit,

46. MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS did not properly accelerate the mortgage it seeks to foreclose under Florida and/or Federal law.

47. MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS failed to properly accelerate the mortgage and note by failing to give the proper notice prior to bringing this action to foreclose as required by the note Para. 7 (C) and 8 and the mortgage Paragraph 15 and 22. Therefore, Plaintiff failed to comply with all conditions precedent to bring this action, and or is estopped or has waived its right to foreclose based on its failure to properly accelerate according to the terms of the mortgage, and is otherwise before the Court with unclean hands.

48. MLN1 -1 Trust or its servicers including Nationstar and/or failed to properly accelerate the mortgage and note by failing to give the proper notice prior to bringing this action to

foreclose as required by the mortgage Paragraph 15 and 22, and the Note Para. 7(C) and 8. Therefore, Plaintiff failed to comply with all conditions precedent to bring this action, and or is estopped or has waived its right to foreclose based on its failure to properly accelerate according to the terms of the mortgage, and is otherwise before the Court with unclean hands.

49. More Particularly MLN1 -1 Trust or its servicers including Nationstar and/or failed to comply with The Note Para. 7(C) and 8 and the Mortgage Para. 15 and 22 Because it/they or its servicer failed to give notice by failing to properly mail a notice to the Borrower prior to acceleration following Borrower's breach of any covenant or agreement in the Security Instrument.

50. In the alternative the notice did not comply with note Para. 8 & mortgage Para. 15's mailing requirements.

51. In the alternative the notice failed to specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than thirty (30) days from the date the notice is given to Borrower, by which the default must be cured; and, (d) that the failure to cure the default on or before the date specified in the notice may result in an acceleration of the sums secured by the Security Instrument, foreclosure by judicial proceeding and sale of the Property.

52. In addition, the notice failed to properly inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceedings the non-existence of a default or any other defense of Borrower to acceleration and foreclosure.

53. In the alternative, the Notice that MLN1 -1 Trust or its servicers including Nationstar and/or contends it provided does not comply with the Mortgage Para. 15 and 22 or the note 7 (C) because the notice was not properly or timely mailed, the notice failed to include the information required by the Note and Mortgage Para. 22 as set forth above and the information provided by the notice conflicted with the information required in the Para. 22 in describing the borrower's rights

under Florida Law and the notice demanded more than was required to be paid.

54. Mr. Colombo was ready willing and able to pay the correct monthly payment amount and continue to pay the correct monthly payment amount and offered to do so but MLN1 -1 Trust or its servicers including Nationstar and/or refused to accept the correct monthly payment.

55. Therefore, Plaintiff failed to comply with all conditions precedent to bring this action, and or is estopped or has waived its right to foreclose based on its failure to properly accelerate according to the terms of the mortgage, and is otherwise before the Court with unclean hands.

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults, alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow

payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch. §57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

FIFTH AFFIRMATIVE DEFENSE

56. Mr. Colombo readopts, re-alleges and reaffirms the material allegations of Para. 13 through 32, and further alleges as follows; to wit,

57. Plaintiff does not properly hold the mortgage it seeks to foreclose under Florida and/or Federal law because there has been an improper execution and delivery of the negotiable instrument, and or any assignment, and or any assignment of the mortgage and note and or endorsement on the note was not properly executed and delivered and or improperly executed and delivered by a person or entity that lacked the right, capacity and or authority to do so. Thus, MLN1 -1 Trust is not the proper party plaintiff to foreclose, and or lacks standing in this action.

58. In addition or in the alternative, Plaintiff does not properly hold the mortgage it seeks to foreclose under Florida and/or Federal law because there has been an improper execution and delivery of the assignment, and or the operative assignment(s) failed to assign the causes of actions asserted hereunder. Thus, MLN1 -1 Trust is not the proper party plaintiff to foreclose, and or lacks standing.

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar

and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults, alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch.§57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

SIXTH AFFIRMATIVE DEFENSE

59. Mr. Colombo readapts, re-alleges and reaffirms the material allegations of Paras 13 through 32, and further alleges as follows; to wit,

60. MLN1 -1 Trust and or its servicers including Nationstar and/or and or assignors are not entitled to foreclose in that they failed and refused to properly post Mr. Colombo's payments, and improperly handled her escrow account. Therefore, Plaintiff is estopped or has waived its right to foreclose, and is otherwise before the Court with unclean hands.

61. In addition and or the alternative, MLN1 -1 Trust and or its servicers including Nationstar and/or and or assignors are not entitled to foreclose in that they failed and refused to timely and or accurately deliver to Mr. Colombo his request for a payment history and or the payoff numbers. Therefore, Plaintiff is estopped or has waived its right to foreclose based on its failure to properly compute the reinstatement obligation, and is otherwise before the Court with unclean hands.

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults, alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch.§57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

SEVENTH AFFIRMATIVE DEFENSE

62. Mr. Colombo readapts, re-alleges and reaffirms the material allegations of Paras. 13 through 32, and further alleges as follows; to wit,

63. The Plaintiff is not entitled to foreclose in that he has failed to state a claim upon which relief can be granted because MERS has no legal standing as "nominee" and or MLN1 -1

Trust has failed to allege a proper execution and delivery of an endorsement of the note and or mortgage and or assignment of the cause of action alleged into this Plaintiff. In the alternative each assignment and or endorsement on the note was not properly executed and delivered and or improperly executed and delivered by a person or entity that lacked the right, capacity and or authority to do so.

64. Therefore, and or in addition and or the alternative, Plaintiff is estopped or has waived its right to foreclose because he has failed to properly plead a cause of action and or has failed to seek the right to enforce the lost negotiable instrument, and so cannot enforce same, and or is otherwise before the Court with unclean hands.

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults, alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note

by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch.§57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

EIGHTH AFFIRMATIVE DEFENSE

65. Mr. Colombo readapts, re-alleges, and reaffirms the material allegations of Paras. 13 through 32 and further alleges as follows; to wit,

66. The mortgage MLN1 -1 Trust attached to its complaint identifies MLN USA, as the "Lender" (See: Mortgage Para. "(D)") and shows the "nominee" of the Lender is "Mortgage Electronic Registrations Systems, Inc." (Hereinafter "MERS"). (See: Mortgage Para. "(C)").

67. MLN1 -1 Trust's note shows the payee is MLN USA The note makes no reference whatsoever to MERS as the payee.

68. MLN1 -1 Trust's dividing the ownership of the mortgage and note between MERS and the true owner, here MLN USA, has contracted away the right to claim that the mortgage follows the debt.

69. MLN USA could not divorce rights of note ownership from the security, i.e. the mortgage without destroying the right to enforce the security for the debt.

70. Accordingly, the mortgage as a security interest in the property is unenforceable because the mortgage MLN1 -1 Trust attached to its complaint divides ownership of the mortgage from the note through MERS as nominee. The court must dismiss the cause of action at least as an action to enforce the mortgage as security to repay the debt.

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1

Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults, alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch.§57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

NINTH AFFIRMATIVE DEFENSE - STATUTE OF LIMITATIONS

71. Mr. Colombo readapts, re-alleges, and reaffirms the material allegations of Para. 19 through 33 and further allege as follows; to wit,

72. The limitation period has expired from the date of acceleration of the note and or mortgage as follows; to wit,

73. On 09/23/2008 MLN1-1 Trust brought its first action styled Lasalle Bank N.A. as Trustee for the MLN1 Trust Series 2006-MLN1 , vs. Peter Colombo & Lori Colombo Case No.:

08-29465 AW (Hereinafter "Case#1").

74. On Sept. 7, 2012, in Case #1 DE#45 the Colombos filed and served a Rule 1.420(e) Notice of No Record Activity.

75. On Nov. 19, 2012, in Case #1 DE#46 the Colombos filed and served a Motion to Dismiss for No Record Activity.

76. On Nov. 14, 2013 in Case #1 DE#56, The Court heard and granted the Colombo's Motion to Dismiss and on Nov. 15, 2013 DE#57, the Clerk entered the order dismissing the action, recorded at Book 26459 Page 536 Clerk of Court Palm Beach County FL.

77. On Jan. 15, 2014 in Case #1 DE#63, The Court denied the MLN1 -1 Trust's Motion to Vacate the Nov. 15, 2013 DE#57 order dismissing the action.

78. A copy of the Case #1 Complaint and DE 57 dismissal are attached hereto.

79. MLN1-1 Trust filed this action on the same mortgage and note.

80. Accordingly, the 5 year limitation to enforce all or part of the installment debt has expired under Fla. Stat. §95.11(2)(b) ("A legal or equitable action on a contract, obligation, or liability founded on a written instrument..."), and Fla. Stat. §95.11(2)(c) ("An action to foreclose a mortgage.").

81. The Florida Supreme Court recently decided Bartam v. US Bank NA., 41 Fla. L. Weekly S493a (Fla. Nov. 3, 2016) which, while holding that the Case #1 dismissal reinstated the installment nature of the promissory note, it prohibited the lender from basing the new alleged default on a payment that was more than 5 years from the date of the new action and prohibited the lender from collecting any of the installment debt more than 5 years prior to the filing of Case #2:

"Here, the Bank's first foreclosure action was involuntarily dismissed, and therefore there was no judicial determination that a default actually occurred. Thus, even if the note had been accelerated through the Bank's foreclosure complaint, the dismissal of the foreclosure action had the effect of revoking the acceleration. By the express terms of the reinstatement

provision, if, in the month after the dismissal of the foreclosure action, Bartram began to make monthly payments on the note, the Bank could not have subsequently accelerated the entire note until there were future defaults. Once there were future defaults, however, the Bank had the right to file a subsequent foreclosure action -- and to seek acceleration of all sums due under the note -- so long as the foreclosure action was based on a subsequent default, and the statute of limitations had not run on that particular default."

82. Accordingly, the Complaint and attachments establish that the 5 year limitation period established by Fla. Stat. § 95.11(b) (action on a contract - the promissory note) and Fla. Stat. 95.11(c) (foreclose the mortgage) have expired as interpreted by the Supreme Court in Bartam.

83. Accordingly the Court must dismiss this action based on Bartram. Fla. Stat. §95.11(b) (action on a contract - the promissory note) and Fla. Stat. 95.11(c) (foreclose the mortgage).

WHEREFORE, Mr. Colombo prays that this Honorable Court take jurisdiction of this case; order an accounting under the mortgage and note of all money collected and paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and its assignors, declare that MLN1 -1 Trust as the breaching party relieved Mr. Colombo from performing under the contract, including the making of installment payments during the time that MLN1 -1 Trust refused to accept the correct payments through dismissal of this action, restore and/or return any and all overpayments made by Mr. Colombo and or improperly paid out by MLN1 -1 Trust or its servicers including Nationstar and/or and or MERS and their assignors, dismiss MLN1 -1 Trust's complaint with prejudice, decline to reestablish the note, and or decline to enforce the note as pled, order that Mr. Colombo may begin to make monthly payments on the note with the lower escrow payment after dismissal and order that in the event Mr. Colombo begins to make the monthly payment with the lower escrow payment that MLN1 -1 Trust cannot subsequently accelerate the entire note until there were future defaults, alternately order that the Plaintiff modify the terms of the note and the mortgage based on the Court's equitable authority in a mortgage foreclosure action by extending the term of the mortgage and note by the time period that MLN1 -1 Trust refused to accept monthly payments up to the dismissal of

the action and allow Mr. Colombo to begin monthly payments on the note with the lower escrow payment after dismissal, and award costs and reasonable attorney fees as provided by Fla. Ch. §57.015(7), the mortgage and note, and such other relief as this Court deems just and proper.

COUNTERCLAIM

Plaintiff-in-Counterclaim Peter A. Colombo, on behalf of himself and all others similarly situated, by and through undersigned counsel, brings this counterclaim against **US BANK TRUST, NA AS TRUSTEE SUCCESSOR IN INTEREST TO BANK OF AMERICA, NATIONAL ASSOCIATION AS TRUSTEE, SUCCESSOR BY MERGER TO LASALLE BANK NATIONAL ASSOCIATION AS TRUSTEE FOR MERRILL LYNCH MORTGAGE INVESTOR TRUST MORTGAGE LOAN ASSET-BACKED CERTIFICATE SERIES 2006-MLN1 -1** and **NATIONSTAR MORTGAGE LLC**, and alleges the following:

84. This is a counterclaim against MLN1 -1 Trust as owner and or holder of the mortgage and note and its servicer Nationstar Mortgage LLC (Hereinafter "Nationstar") for both damages in excess of Fifteen Thousand (\$15,000.00) Dollars and equitable relief.

85. Plaintiff-in-Counterclaim Peter A. Colombo is a resident of Palm Beach County, Florida.

86. Defendant-in-Counterclaim MLN1-1 Trust is a Delaware statutory trust doing business in Palm Beach County, Florida. MLN1 -1 Trust was formed on or about September 29, 2006, and consists of a pool of mortgage loans having an aggregate initial principal balance of approximately \$787,216,100 in aggregate principal amount.

87. Defendant-in-Counterclaim Nationstar is a Texas Limited Liability Company authorized to do business in Florida and doing business in Palm Beach County, Florida, for the purpose of originating, acquiring and investing in marketing and selling residential mortgage loans.

ALLEGATIONS - INTRODUCTORY

88. Mr. Colombo is the title owner and mortgagor of the property subject to this action to foreclose and Counterclaim (the "Colombo Property").

89. MLN1 -1 Trust purports to own and hold a standard FANNIE MAE/FREDDIE MAC MERS form Promissory Note and Mortgage on Mr. Colombo's property.

90. MLN1 -1 Trust appointed Nationstar to service the Colombo loan evidenced by the standard form Promissory Note and the Mortgage on the Colombo Property.

91. Under the standard form mortgage agreements entered into by Mr. Colombo, all rights and obligations contained therein were subject to the requirements and limitations of federal law and Florida law.

92. For most Americans, home ownership—and the mortgage relationship that allows it—is the single most important transaction in their lifetime. For this reason, it is critically important that lenders and loan servicers act with integrity and treat borrowers fairly, even when borrowers are behind on mortgage payments.

93. Plaintiff Counter Defendant MLN1 -1 Trust and its servicer Defendant in Counter Claim Nationstar and, on information and belief, its affiliate Solutionstar, do not act with integrity and do not treat borrowers fairly. Instead, Nationstar as servicer and Solutionstar use an automated default servicing platform to illegally, unfairly, and fraudulently charge defaulted borrowers for multiple and repetitive "property inspections" that are not required by lenders, not permitted by lender guidelines, and in many cases not allowed under state and federal regulations and guidelines.

94. Through this Counterclaim, Defendant Counter Plaintiff Mr. Colombo seeks to hold MLN1-1 Trust and its servicer Nationstar to the applicable legal standards and stop the practice of automatically ordering and assessing unfair and excessive fees for property inspections.

95. MLN1's servicer Nationstar is the 5th largest loan servicer in the United States and the 2nd largest loan servicer that is not also a bank. ¹ Nationstar is the principal servicing subsidiary of Nationstar Mortgage Holdings, Inc., a publicly traded holding company "engaged primarily in the servicing of residential mortgage loans for others, [and] the origination of, selling or securitization of single-family conforming mortgage loans to GSEs or other third-party investors in the secondary market. . . ." ² Nationstar Mortgage Holdings, Inc., in turn, is about 75% owned by FIFHE Holdings, Inc., which is an indirect subsidiary of Fortress Investment Group, a private equity firm.

96. MLN1-1 Trust is the note holder and its servicer is Nationstar. MLN1-1 Trust is entitled to the interest and principal payments. Nationstar is a service provider which, pursuant to the lender/ investor's instructions and guidelines, interacts with the borrower during the term of the mortgage loan. To a borrower, Nationstar is thus the face of the lender.

97. In exchange for performing the servicing role, Nationstar collects a fee from the lender/ investor based upon the size of its servicing portfolio for that lender, and it is entitled to keep servicing fees it assesses (like late fees and the inspection fees at issue here). Nationstar also can recoup advances from the lender/investor for payments it makes to cover third party costs associated with a loan.

98. The bifurcation of the loan into "Servicing Rights" and ownership creates a disparate interest between the loan owner MLN1-1 Trust and its servicer Nationstar. The investor/owner has great interest in the loan remaining a performing asset—that is, not being in default—because only

¹ See Nationstar Mortgage Holdings, Inc., Form 10-Q (Q3, 2014), p.51, available at <http://www.sec.gov/Archives/edgar/data/1520566/000152056614000080/nsmhinc0930201410-q.htm>.

² See Nationstar Mortgage Holdings, Inc., Form 10-K ("2013 Annual Report"), p.8, available at <http://investors.nationstarholdings.com/Cache/23214130.PDF?Y=&O=PDF&D=&FID=23214130&T=&OSID=9&IID>.

a performing loan provides it with a regular stream of principal and interest payments due. Furthermore, foreclosure auctions, net of associated costs, usually result in a return that does not cover the balance due on the loan, resulting in a loss to the mortgage investor/owner.

99. In stark contrast to how an investor/owner earns profits, the loan servicer makes just a small fraction of its profits from its cut of performing loan payments of principal and interest, but can make tremendous profits from a loan in default where it can assess substantial late fees, inspection fees, default fees, and fees related to the foreclosure process. Fees and expenses the loan servicer charges to a defaulted loan, even if not paid by the borrower, are paid by the investor/owner through the foreclosure process. In this manner, it is actually in the interest of the loan servicer to put as many loans as possible into default, regardless of whether ultimate foreclosure may reduce the size of its servicing portfolio.

100. In an attempt to control the incentive of the loan servicer to drive serviced loans into default in order to profit from exorbitant default servicing fees, investor/owners build limitations on what loan servicers can do—called covenants—into the mortgage notes/deeds of trust that form the contract for each loan and publish guidelines that regulate the scope of permitted servicer conduct. In addition, regulators have issued rules to prevent loan servicers from exploiting vulnerable borrowers who are in, or on the verge of default on their mortgages.

THE INSPECTION FEE SCHEME

101. This Counterclaim arises from a scheme (“The Inspection Scheme” or “Scheme”) undertaken by the Plaintiff Counter Defendant MLN1-1 Trust and its servicer Defendant in Counterclaim Nationstar and the affiliate Solutionstar to profit from: (1) ordering unfair and excessive property inspections which are charged to defaulted borrowers accounts; (2) collecting fees on each inspection so ordered; and (3) collecting additional late fees and default-related fees based

upon the increase in monthly costs to borrowers as a result of the unnecessary inspection fees first added.

102. The Inspection Scheme works as follows.

a. Nationstar is one of the largest loan servicers in the United States for home loans. It has an automated and computerized loan servicing platform that is programed to automatically and systematically take specific steps in response to various triggers that may occur in the loan servicing process.

b. When a borrower misses a loan payment, or a loan otherwise becomes in default, MLN1-1 Trust's servicer Nationstar's loan servicing platform automatically, and without regard to owner/investor guidelines and/or actual need, orders property inspections that are excessive in frequency and price, or otherwise unfair.

c. MLN1-1 Trust through its servicer Nationstar orders the property inspections through its affiliate Solutionstar, in order for Solutionstar to reap otherwise unavailable mark-ups and profits on the inspections. Solutionstar, in turn, automatically generates orders for inspections that are sent to third parties, who complete purported inspections, but in reality merely drive by the property and check for signs of residency ("drive-by inspections"), if that. In some instances, the "inspection" is illusory or fabricated, because it is impossible even to do a drive-by inspection on the property because of, e.g., gated communities ("fabricated inspections").

d. MLN1 Trust through its servicer Nationstar pays the affiliate Solutionstar, then charges borrowers' accounts for the inspections. If borrowers (who are already in default) fail to pay timely for the dubious inspections, MLN1-1 Trust through its servicer Nationstar adds additional late fees and associated charges.

e. MLN1-1 Trust and its servicer Nationstar profit through fees at the expense of borrowers who try to come current on their loans and either pay the fees or incur increased debt obligations for those fees. The affiliate Solutionstar profits by adding service/referral charges to the amounts actually paid to the third party "inspectors"; and the inspectors themselves profit from completing dubious and unnecessary drive-by or fabricated inspections, for which Solutionstar pays them.

103. Due to the high volume of loans Nationstar services in addition to the loans it services for MLN11 Trust, tens of thousands of borrowers have been victims of this Scheme.

104. The Inspection Scheme works because: (1) MLN1-Trust's servicer Nationstar uses its affiliate Solutionstar as a go-between for drive-by and fabricated inspections; (2) Nationstar systematically and automatically causes the inspections to be ordered, whether they are needed, permitted, or lawful, or not; and (3) loan owner/investors rely on its servicer Nationstar to follow their guidelines and government regulations, and cannot or do not police Defendant in Counterclaim Nationstar's activities for compliance.

105. Mr. Colombo and Class members are harmed by the Inspection Scheme: (1) because they are charged for multiple, unnecessary, unreasonable, or otherwise unlawful drive-by inspections, which are marked up by Solutionstar; and (2) because MLN1-1 Trust's servicer Nationstar counts on the inflated and bogus inspection charges going unpaid due to the borrower's default status, and as a result tacks on additional late fees, thus causing a debt spiral, rendering it difficult, if not impossible for the defaulted borrower to come current.

106. Participation by Solutionstar allows the Inspection Scheme to function more effectively, because it allows the normal checks and balances within the loan servicing process to be eliminated. The price MLN1-1 Trust and its servicer Nationstar charged borrowers for property

inspections increased at the same time that Nationstar began sending inspection orders through Solutionstar. On information and belief, MLN1-1 Trust and its servicer Nationstar increased the frequency—up to three or more inspections in a 30-day period and sometimes multiple inspections in a single day—only after Solutionstar began providing the inspection “services.” MLN1-1 Trust through its servicer Nationstar colluded with Solutionstar to drive up the fee income that Solutionstar received by increasing both the pricing and frequency of property inspection orders.

107. MLN1-1 Trust and its servicer Nationstar and Solutionstar are linked through contractual relationships, agreements, access to the MLN1-1 Trust borrowers list and its servicer Nationstar “Servicing System,” financial ties, and coordination of activities between MLN1-1 Trust and its servicer Nationstar, Solutionstar and the third-party appraisers/inspectors. MLN1-Trust and its servicer Nationstar’s Servicing System is a common communication network by which MLN1-1 Trust and its servicer Nationstar and Solutionstar communicate and share information.

108. The Servicing System enables MLN1-1 Trust through its servicer Nationstar to charge Mr. Colombo and the Class improper fees, to collect and record the payments of these fees, and to share the resulting profits.

109. MLN1-1 Trust and its servicer Nationstar control and operates the Inspection Scheme as follows:

- a. MLN1-1 Trust through its servicer Nationstar uses an automated program in its loan servicing platform to order multiple and serial property inspections merely because a borrower is behind in payments and without regard to whether an inspection is actually warranted under the circumstances, called for under the Fannie Mae or Freddie Mac written Seller/Servicer Guidelines (the “Guidelines”) which govern servicers of Fannie Mae or Freddie Mac loans, or permitted by the mortgage contracts or applicable law;

- b. the inspection order is automatically sent to Solutionstar for fulfilment;
- c. Solutionstar runs the order through its systems and delegates the actual "inspection" to a complicit third party to complete;
- d. the third party appraiser/inspector completes, if anything, a cursory "drive-by" inspection of the subject property and submits an inspection report (where not even a "drive-by" inspection is possible, the inspection is simply fabricated);
- e. the inspection report is returned to Solutionstar, which provides it to MLN1-1 Trust through its servicer Nationstar;
- f. Solutionstar pays the third-party appraiser/inspector and submits a marked-up bill to the servicer Nationstar; and
- g. MLN1-1 Trust and its servicer Nationstar charge Mr. Colombo and the Class members the marked-up, unfair, and unnecessary property inspection fees.

110. As a result of the Inspection Scheme, MLN1-1 Trust through its servicer Nationstar has gotten and obtained Mr. Colombo's and the Class Counter Plaintiffs' money and damaged their property, as well as increased their debt obligations without justification and contrary to applicable law.

111. The Mortgages at issue here contain largely uniform obligations and requirements for Loan Servicers. In particular, virtually all residential home mortgage loans, meaning loans secured by the consumer's primary or secondary home, originated in Florida and the United States use either the standardized Fannie Mae/Freddie Mac Security Instrument (the "Fannie/Freddie Mortgage") or the Federal Housing Authority ("FHA") Deed of Trust (the "FHA Mortgage").

112. This is because at origination, the originating bank/lender must use these forms in order to have the possibility of selling the residential mortgage loan to Fannie/Freddie, which are the

largest holders of mortgages in the United States. If the standardized forms are not used, Fannie/Freddie will not purchase the loan from the originator.

113. Defendant Mr. Colombo has a mortgage utilizing the standard Fannie/Freddie Mortgage which is standardized for the state of Florida.

114. While the Fannie/Freddie forms are not identical for each state, they contain sections which are uniform and do not change from state to state. Importantly, the sections of Fannie/Freddie mortgages at issue in this case are the sections that are uniform in the state of Florida. See the Mr. Colombo Mortgage attached hereto.

115. When the mortgage loan is sold in the secondary market, for example to Fannie/Freddie, or to private investors through a Mortgage Backed Security ("MBS"), the Servicing Rights are separated from the principal and interest income stream rights, and the Servicing Rights are either retained by the originating lender or acquired by a loan servicer such as MLN1-1 Trust and its servicer Nationstar.

116. The Fannie Mae/ Freddie Mac Mortgage clarifies the distinction between the "Lender" and the "Loan Servicer." The "Lender" is the originating Lender who provides the funds to the Borrower in return for repayment plus interest, i.e., the owner of the note. See Mr. Colombo/Fannie/Freddie Mortgage, "Definitions" ¶ (D); Mortgage Para. 20.

117. The Fannie Mortgage specifically contemplates that the owner of the note, the "Lender," may change, and recognizes the distinction between the "Loan Servicer" and the note owner at Para. 20:

The Note or a partial interest in the Note (together with this Security Instrument) can be sold one or more times without prior notice to Borrower. A sale might result in a change in the entity (known as the "Loan Servicer") that collects Periodic Payments due under the Note and this Security Instrument and performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more

changes of the Loan Servicer unrelated to a sale of the Note.

118. Thus, under the Fannie/Freddie Mortgage, when the Lender's interest in the Note is transferred—i.e., when the right to receive principal and interest payments due under the note is sold to another entity—the "Lender" becomes the seller of the Note and Security Instrument.

119. Importantly, the Fannie/Freddie Mortgage draws an additional sharp distinction between the "Lender" and the "Loan Servicer." Specifically, the "Lender" funds the loan and is entitled to repayment of principal and interest. The "Loan Servicer" "collects Periodic Payments due under the Note and ... Security Instrument and performs other mortgage loan servicing obligations ..." See attached Mr. Colombo Fannie/Freddie Mortgage, ¶ 20.

120. The Loan Servicer's duties and obligations are clearly filled in and defined by the Fannie Mae or Freddie Mac written Seller/Servicer Guidelines (the "Guidelines") when the loan is sold to those entities.

121. As explained more fully below, loan servicers have an economic incentive to push borrowers into default, an interest that is misaligned with borrowers and lenders.

122. In the event of a default by the Borrower, the GSE/Mortgage-owner (i.e., the Lender) suffers the principal loss. See 2013 10-K, p.10 ("Loan servicers service on behalf of the owners of the loans, and servicers are therefore exposed to minimal credit risk.").

123. If the Loan Servicer advanced payments on taxes, insurance premiums or other default/foreclosure related costs (including, without limitation, property inspections), the Loan Servicer does not suffer a loss of those advances in the event of foreclosure. Rather, the Lender reimburses the Loan Servicer for the outstanding amount. See, e.g., 2013 10-K, p.3 ("[Servicing] advances can include ... fees to preserve and protect the property and legal fees to foreclose on the property. Servicing advances are reimbursed to the servicer if and when the borrower makes a payment

on the underlying mortgage loan at the time the loan is modified or upon liquidation of the underlying mortgage loan.”).

124. The Loan Servicer’s risk of loss in the event of a Borrower’s default and foreclosure is limited to a loss of the right to receive future servicing fees on the loan. In the event of default and foreclosure, Loan Servicers also stand to collect additional fee income including late fees, attorney fees, foreclosure fees, etc., that exceed the value of the servicing fees paid to Loan Servicers by Lenders. If the Loan Servicer manages to work with the borrower to modify or refinance the delinquent loan, the Loan Servicer typically receives a fee in connection with that outcome as well. See 2013 10-K, p.10 (“We also generate incentive fees from owners of the loans that we service for meeting certain delinquency and loss goals and for arranging successful loss mitigation programs. Moreover, we earn incentive fees from the U.S. Treasury for loans that we successfully modify within the parameters of HAMP and other assistance programs it sponsors.”).

125. The potential loss of base servicing fees can pale in comparison to the ancillary fee compensation received by the Loan Servicer in connection with default servicing activities. Indeed, where the compensation received in connection with default servicing activities is greater than the present value of servicing fees—as is often the case—the Loan Servicer has a greater interest in forcing borrowers into (and ensuring they stay in) default than it has in granting a modification or restoring the account to a fully performing loan.

126. Moreover, the average duration of mortgage loans in the United States is seven years. In fact, in valuing its mortgage servicing rights (“MSRs”), MLN1-1 Trust’s servicer Nationstar estimates that the loans in its servicing portfolio will only endure, on average, for 4.63 or 7.88 years. Thus, on average, the Loan Servicer anticipates receiving far fewer than thirty (30) years of loan servicing fees making the expected value of the Servicing Rights at closing (or at any other time

during the life of a loan) to a Loan Servicer, significantly less than the present value of 30 years of servicing fees.

127. MLN1-1 Trust's servicer Nationstar earns revenue from mortgage loan servicing in three principal ways. First, Nationstar receives a fixed fee for each loan which is determined by the servicing agreements between MLN1-1 Trust and its servicer Nationstar and the investors or note holders. See 2013 10- K, p.97 ("Nationstar receives a base servicing fee ranging from 0.25% to 0.50% annually on the remaining outstanding principal balances of the loans. The servicing fees are collected from investors.").

128. Second, Nationstar earns "float" income from accrued interest between when consumers pay and when those funds are remitted to Lenders, investors, taxing authorities, insurers and other relevant parties. See 2013 10-K, p.10 ("[Nationstar] earn[s] interest income on amounts deposited in collection accounts and amounts held in escrow to pay property taxes and insurance, which we refer to as float income.").

129. Third, Nationstar receives ancillary fee income that includes, without limitation, late charges paid by borrowers, workout and modification incentive fees, and other delinquency-related fee income including, for example, the property inspection or "home preservation" fees at issue here.

130. Two important sources of ancillary fee income for Defendants are property inspection fees and late fees. As described more fully herein, each time MLN1-1 Trust's servicer Nationstar inspects the property and assesses a property inspection fee on a borrower, the borrower must pay an additional \$15 (the amount MLN1-1 Trust and its servicer Nationstar presently charges) to become current. If the borrower fails to become current, MLN1-1 Trust and its servicer Nationstar impose late fees on the borrower.

131. This practice makes it more difficult for distressed borrowers to become current and

leads many borrowers into foreclosure proceedings and/or to modify their loan. As explained above, this serves MLN1-1 Trust and its servicer Nationstar's interests. Because Loan Servicers like Nationstar generate revenue from loan servicing activities and fees, and do not profit directly from principal and interest payments made by borrowers, Loan Servicers have a vested interest in generating revenue through so-called default servicing activities and corresponding ancillary fees.

132. Some of these fees, such as late fees, are pure profit for the Loan Servicer. Other fees permit the Loan Servicer to generate additional income by delegating the task to an affiliated entity or entity that returns a profit to the Loan Servicer.

133. Furthermore, because Nationstar is able to generate more loan servicing income through default servicing activities as compared to ensuring that borrowers make timely payments on the mortgage to the benefit of the owner/investor of the loan, Nationstar is incentivized to keep borrowers in default, which is contrary to the interests of both borrowers and the Lenders. Indeed, according to one member of the Board of Governors of the Federal Reserve System, "a foreclosure almost always costs the investor [of the loan] money, but [it] may actually earn money for the servicer in the form of fees."³

134. Therefore, it is important to note that Loan Servicers, including Nationstar, and Lenders have a conflict of interest. Even though the loan servicing and default servicing tasks performed by Nationstar are purportedly to protect the Lender, such tasks and associated charges must be critically evaluated.

135. Moreover, the Mr. Colombo's mortgage and the standard Fannie/ Freddie mortgage

³ Governor Sarah Bloom Raskin, "Problems in the Mortgage Servicing Industry," Board of Governors of the Federal Reserve System (Nov. 12, 2010) available:<http://www.federalreserve.gov/newsevents/speech/raskin20101112a.htm>.

Para. 7 requires the lender make "reasonable" inspections, and at Para. 9, limits the fees and charges to those that are reasonable. See attached Fannie/Freddie Mortgage, Paras. 7 & 9.

136. One template for determining the reasonableness of the tasks and charges undertaken by the Loan Servicer are the guidelines, rules and/or regulations issued by the Lender that set forth the Loan Servicer's obligations with respect to the specific tasks at issue. None of these documents suggest that it is appropriate to inspect a property more than once during a 30-day period, if at all, after a borrower has come current. Rather, it is MLN1-1 Trust and its servicer Nationstar's unilateral and self-serving determination en masse that conducting these excessive property inspections is "appropriate" regardless of the borrowers' underlying circumstances or any objective criterion related to the circumstances surrounding particular loans.

137. MLN1-1 Trust and its servicer Nationstar's scheme takes advantage of the current structure of the mortgage industry and Nationstar's role, in nearly all cases, as merely the Loan Servicer, and not the "Lender." While the mortgage documents and Lender guidelines permit and in some circumstances require the Loan Servicer to conduct certain property inspections, Nationstar's scheme ignores these guidelines and imposes, without limitation: (a) unfair and excessive by number and charge for property inspections that are not permitted by mortgage documents; (b) more property inspections than are required or requested by the Lenders; (c) more property inspections than are permitted by federal regulations and state laws; (d) more property inspections than are warranted by the circumstances of any actual loan—i.e., without any regard for whether the borrowers occupy the property or any other factor that would make inspections unwarranted; and (e) charges for property inspections that are inflated by amounts that Solutionstar retains for its role in the scheme.

138. Nationstar engages in this scheme with minimal risk because Lenders are required

to reimburse Nationstar for the property inspection charges in the event that the borrower does not pay them.

139. Loan Servicers perform "servicing" tasks on behalf of the Lender that holds the loan. These tasks include collecting monthly payments, monitoring insurance coverages, and ensuring that taxes are paid. Loan Servicers are also responsible for taking action to protect the properties securing loans when certain triggering circumstances arise, e.g., obtaining lender-placed insurance when the Loan Servicer determines that the property is uninsured and/or securing a property that has been abandoned to avoid damage.

140. The tasks Loan Servicers perform and the standards Loan Servicers are required to adhere to in performing these tasks are determined by owner/investor guidelines. For example, Fannie Mae and Freddie Mac each issue written servicing guides that delineate the tasks that Loan Servicers must perform and standards applied in evaluating Loan Servicer performance. Failure to comply with these guidelines is probative of a failure on the part of the servicer to comply with state consumer protection laws. Loan Servicers are also bound by the terms of the mortgage contracts and applicable laws and regulations.

141. The provisions of the Fannie Mae and Freddie Mac Guidelines referencing property inspections do not require or suggest that Loan Servicers order property inspections more frequently than once every 30 days, nor do they authorize inspections after the borrower has remedied their default/come current on their loan.

142. For example, in Section 303 of the 2015 Fannie Mae Servicing Guidelines, Fannie states:

Generally, the servicer does not have to inspect a property that secures a delinquent mortgage loan if it has established [Quality Right Party Contact ("QRPC")] with the borrower and is working with the borrower to resolve the delinquency ... or a full payment has been received

within the last 30 days. The servicer must order the property inspection by the 45th day of delinquency and complete the property inspection no later than the 60th day of delinquency if QRPC has not been achieved or a full payment has not been received within the last 30 days. The servicer must continue to obtain property inspections every 30 days until it establishes QRPC as long as the mortgage loan remains 45 days or more delinquent.

143. This provision is necessary to ensure the property is occupied when the Loan Servicer has been unable to establish contact with the borrower and loan payments have not been received. Plainly, the provision does not authorize or permit inspections when the Loan Servicer is in contact with the borrower and knows the property to be inhabited, or after the borrower has come current.

144. As detailed above, Mr. Colombo has either been in contact with MLN1-1 Trust through its servicer Nationstar, or achieved QRPC under the Fannie Mae Servicing Guidelines. Yet Nationstar continued ordering property inspections well after they knew that a QRPC with Mr. Colombo was made.

145. If the Loan Servicer first identifies a circumstance at the property that warrants additional inspections, the Guidelines make exceptions to the 30-day inspection rule. But there must be an identified need for the additional inspection. For example, Section 303.01 of the Fannie Mae Guidelines, which addresses property inspections for borrowers who are delinquent on a previously negotiated repayment plan, states:

A servicer must inspect a property as soon as it becomes aware of a borrower's delinquency under a repayment plan, and continue inspecting the property at 30 day intervals. If an inspection reveals evidence of vandalism or major damage to the property (or vandalism in the vicinity of the property), the servicer should schedule the property inspections at more frequent intervals. The inspections should continue to be made until such time as the mortgage is brought current or, if the servicer decides to initiate foreclosure proceedings or accept a deed-in-lieu, until the date that the servicer makes the required comprehensive property inspection prior to the foreclosure sale or the date the deed-in-lieu is executed.

146. If the Loan Servicer becomes aware of the possibility that the borrower abandoned the property or the property is vacant or tenant-occupied, Section 302 of the Fannie Mae Guidelines

discusses and permits additional property inspections.

147. But these provisions do not authorize or require inspections more frequently than once every 30 days even where the Loan Servicer is unable to establish a QRPC, and they certainly do not allow the Loan Servicer to continue to order and charge for inspections after the borrower has cured any default.

148. MLN1-1 Trust, Fannie Mae and Freddie Mac have not taken action to prevent Nationstar's violations of the guidelines because they rely on Loan Servicers to police themselves. As explained by the Federal Housing Finance Agency ("FHFA"), the conservator of Fannie Mae and Freddie Mac:

[Fannie Mae and Freddie Mac] use a delegated business model to buy and service mortgage loans. In this model, they contract with third-party mortgage loan sellers and/or servicers (e.g., counterparties, such as banks) that are relied on to comply with their requirements for ... servicing the ... loans [purchased or guaranteed by Fannie Mae or Freddie Mac] (e.g., collecting payments); and [] reporting data about the loans. As a result of relying on the counterparties for compliance and reporting, [Fannie Mae and Freddie Mac] run the risk of their counterparties failing to meet their respective ... servicing guidelines.⁴

149. The Office of Inspector General for the FHFA then wrote:

In the mid-1990s, one of the Enterprises required an independent, third-party assurance of counterparties' compliance with some elements of its guidelines, but this requirement was replaced by reliance on counterparties' selfrepresentations of their compliance. Further, the Enterprises have risk-based, internal oversight of their counterparties' compliance with selling and servicing guidelines but most receive no onsite review.⁵

150. The OIG of the FHFA has also previously found that Fannie Mae and Freddie Mac "do not ensure counterparties' business practices follow all federal and state laws and regulations

⁴ Letter from Russell A. Rau, Deputy Inspector General for Audits of the FHFA, to Nina Nichols, Deputy Director for Enterprise Regulation, Audit of FHFA's Oversight of Risks Associated with the Enterprises Relying on Counterparties to Comply with Selling and Servicing Guidelines (Sept. 26, 2014) ("Counterparty Risk Letter"), at 1, available at <http://fhfaoig.gov/Content/Files/AUD-2014-018.pdf> (last visited Jan. 20, 2015).

⁵ Counterparty Risk Letter (emphasis added), at 1.

designed to protect consumers from unlawful activities....”⁶“In addition, OIG identified that [Fannie Mae and Freddie Mac] do not have a formal monitoring program in place to review their counterparties’ compliance with the federal and state laws that govern ... servicing mortgage loans. Instead, [Fannie Mae and Freddie Mac] rely primarily on counterparty self-certifications of contractual compliance along with federal regulators’ supervisory and enforcement activities.”⁷

151. Mortgage loan contracts establish the parameters of the relationship between and among a borrower, the Lender, and Loan Servicer. The mortgage contracts have provisions that govern when a Loan Servicer can order property inspections and charge a borrower for the cost of such inspections.

152. In Paragraph 7 of the Mr. Colombo and standard Fannie/Freddie Mortgage, the Lender or its agent “may make reasonable entries upon and inspections of the Property.” The Fannie/Freddie Mortgage further provides that if the “Borrower fails to perform the covenants and agreements contained in [the mortgage agreement] ... or Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender’s interest in the Property and rights under [the mortgage agreement] including protecting and/or assessing the value of the Property” See, e.g., *id.*, ¶ 9 (emphasis added). The form mortgage provides that any amount disbursed by the Lender for taking action under paragraph 9 becomes additional debt of the

⁶ Counterparty Risk Letter at 11.

⁷ *Id.* See also FHFA OIG, FHFA Should Develop and Implement a Risk-Based Plan to Monitor Oversight of Their Counterparties Compliance with Contractual Requirements Including Consumer Protection Laws (Mar. 26, 2013), available at http://www.fhfaoig.gov/Content/Files/AUD-2013-008_0.pdf; Letter from Steve A. Linick, Inspector General of FHFA to Edward J. DeMarco, Director, Systemic Implication Report: Enterprise Oversight of Property Preservation Inspections (Nov. 26, 2012), available at http://fhfaoig.gov/Content/Files/SIR%20FINAL%20Enterprise%20Oversight%20of%20Property%20Preservation_0.pdf (uncovering fraud by property inspection vendor and questioning whether Fannie Mae and Freddie Mac had sufficient protections in place to detect fraud).

Borrower.

153. Loan Servicers of loans owned or guaranteed by Fannie Mae or Freddie Mac must follow the standards and procedures of the Fannie Mae and Freddie Mac Servicing Guidelines. Thus, these Guidelines clarify what is “reasonable or appropriate” under Paragraphs 7 and 9 of the Fannie Mortgage.

154. However, federal regulations discussed below make clear that Mr. Colombo and the class of borrowers cannot be charged for property inspections unless the Lender – or Loan Servicer – has reason to believe the property is vacant.

155. Certain federal regulations and state laws govern whether Loan Servicers—including Nationstar—may order a property inspection and charge the inspection to a borrower.

156. For example, the United States Department of Housing and Urban Development imposes a limitation on Loan Servicers’ ability to order property inspections and charge them to borrowers. Specifically, 24 C.F.R. § 203.377, which provides, in pertinent part:

The mortgagee, upon learning that a property subject to a mortgage insured under this part is vacant or abandoned, shall be responsible for the inspection of such property at least monthly, if the loan thereon is in default. When a mortgage is in default and a payment thereon is not received within 45 days of the due date, and efforts to reach the mortgagor by telephone within that period have been unsuccessful, the mortgagee shall be responsible for a visual inspection of the security property to determine whether the property is vacant. The mortgagee shall take reasonable action to protect and preserve such security property when it is determined or should have been determined to be vacant or abandoned until its conveyance to the Secretary, if such action does not constitute an illegal trespass. “Reasonable action” includes the commencement of foreclosure within the time required by § 203.355(b) of this part.

157. Nationstar’s Property Inspections Process Ignores the Applicable Guidelines, Mortgage Contracts, and Regulations in effect for Mr. Colombo and the Class.

158. MLN1-1 Trust through its servicer Nationstar monitors its mortgage servicing portfolio using automated computer system known as Loan Servicing and Accounting Management

System ("LSAMS"). LSAMS is a customizable loan servicing software platform sold by ISGN.⁸

159. Nationstar began using LSAMS as its servicing system of record in May 2011 to document and monitor all servicing functions performed by MLN1 and its servicer Nationstar. Nationstar has integrated LSAMS with other systems, databases and modules such as LenStar,⁹ Remedy, RemedySTAR,¹⁰ FORTRACS¹¹ and others.¹² Nationstar's Servicing System is programmed to account for and apply Lenders' minimum guidelines and required tasks, but Nationstar has further customized its Servicing System to take other actions for its own purposes and profit. The ordering of multiple property inspections within a single 30-day period is one example of exceeding the Lender guidelines for Defendants' benefit.

160. Nationstar's Servicing System will automatically order a property inspection and charge the borrower's account for the inspection if a borrower is late making a payment. The only criteria for the inspection to be ordered and charged is that the loan has been in default for a certain number of days. The inspection is ordered and charged regardless of whether there is a lawful and reasonable basis for ordering the inspection or whether the borrower may be legally charged for the inspection.

⁸ See <http://www.isgn.com/technology/servicing/> (last visited Jan. 2, 2017).

⁹ LenStar is a default management communications software that provides bi-directional integration with attorney case management systems for mortgage banking organizations and attorneys involved in the servicing of loans in foreclosure, bankruptcy and eviction.

¹⁰ On Information and belief, Remedy and RemedySTAR are MLN1 and its servicer Nationstar's loan modification systems of record.

¹¹ On Information and belief, FORTRACS is a software system that navigates the mortgage servicer user through default processes such as loss mitigation, foreclosure processing and bankruptcy processing.

¹² On Information and belief, these secondary systems and databases perform and track automated functions of MLN1 and its servicer Nationstar's servicing system.

161. On information and belief, the Servicing System is fully automated. It generates work orders for property inspections without human intervention. On information and belief, MLN1 and its servicer Nationstar does not assign any employee the task of determining whether each property inspection is reasonable, necessary and/or appropriate to protect the Lender's interest in the property.

162. Once the automated trigger for an inspection occurs, the property inspection work order is automatically sent, via Solutionstar, to either a third-party vendor or affiliate Nationstar.

163. Once the vendor/affiliate receives the computer-generated property inspection work order, the inspection is performed and the cost is automatically charged to the borrower's account. The property inspection report is uploaded to the Servicing System.

164. After the first inspection is ordered, the Servicing System continuously orders additional inspections without regard to the existence of any condition warranting additional inspections and even after the borrower becomes current. Even if a borrower misses only one monthly payment, but continues to make additional monthly payments, the borrower is in default and property inspections are repeatedly ordered.

165. The Inspection Scheme ignores whether borrowers, including Mr. Colombo and the class members are obviously living in their homes at the time of the inspections. Specifically, Nationstar programmed its automated loan servicing system to ignore the occupancy of the home or any other relevant consideration into account before ordering property inspections. Furthermore, on information and belief for a number of class members, the system continued to order and charge for inspections, even after the borrower had cured their delinquency and come current on their loan.

166. The Guidelines, the mortgage contracts, and the applicable regulations support at least three separate and independent reasons why MLN1-1 Trust and its servicer Nationstar's conduct is not appropriate: (a) it is not reasonable to order multiple property inspections in a single 30- day

period, or order inspections after a borrower has come current; (b) it is not reasonable for MLN1-1 Trust and its servicer Nationstar to impose charges on borrowers for visual property inspections or fabricated property inspections; and (c) it is not reasonable for MLN1 and its servicer Nationstar to engage in self-dealing with Solutionstar and profit from inspections at borrowers' expense by up-charging more than the costs of the inspection.

167. Furthermore, it is improper for MLN1-1 Trust and its servicer Nationstar to program its automated and computerized loan servicing system to automatically order property inspections and assess the "costs" of those inspections to borrowers without accounting for: (a) whether the inspections may be legally charged to borrowers; (b) whether MLN1 and its servicer Nationstar has reason to believe the property is abandoned; and (c) whether the frequency of the property inspections exceed the standards of reasonableness and appropriateness.

168. Mr. Colombo has retained the undersigned to represent her in this action and agreed to pay him a reasonable fee for his services.

169. MLN1 and its servicer Nationstar Charged and or passed through and or collected from Mr. Colombo and/ or the class members for illegal, unreasonable and or unfair property inspection fees as follows.

82. Sometime before May 9, 2006, Mr. Colombo was introduced to Mortgage Lender's Network USA Inc. (Hereinafter "MLN USA") as a lender.

170. On May 9, 2006, MLN USA, extended credit to Mr. Colombo secured by Mr. Colombo's property subject to this foreclosure.

171. The mortgage that MLN1-1 Trust attached to its Verified Complaint identifies MLN USA as the "Lender" (Para. "(C)") and shows that the "nominee" of the Lender was identified as "Mortgage Electronic Registrations Systems, Inc." (Hereinafter "MERS"), as is customary with a

"MERS" mortgage.

172. Mr. Colombo used the funds from the transaction extended by MLN USA primarily for personal family or household use.

173. On and sometime before the 02/14/2017 statement, MLN1-1 Trust and its servicer Nationstar or its Predecessors purchased a service identified as "maintenance" in the amount of \$600.00. A copy of the 02/14/2017 statement is attached hereto.

174. The \$600.00 fees and charges did not appear in the statement until after the alleged date of default.

175. In addition, Plaintiff seeks to pass through several other fees and charges to Mr. Colombo, i.e. numerous \$15.00 fees, total \$761.00.

176. On March 29, 2017 Mr. Colombo through counsel in an e mail to MLN1 -1 Trust's counsel protested that the servicer and Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust included and demanded payment of improperly passed through fees and charges identified in this statement as property inspections (\$15.00 for an 01/22/2017 inspection and \$761.00 total) and maintenance (\$600.00 total). Attached is a copy of the March 29, 2017 E mail.

177. Colombo objected to and disputed those fees and charges as neither necessary nor reasonable nor authorized under the mortgage and note and demanded that they be removed from Colombo's account.

178. On April 4, 2017 Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust though its attorney refused to remove the charges claiming that the Lender is entitled to inspect the property and such inspections are additional debt to the Borrower and were properly passed through as valid charges in accordance with the terms of the mortgage.

179. On April 5, 2017 Colombo through Counsel informed Counterclaim Defendant

Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust though its attorney that the inspections and maintenance charges were not authorized and not reasonable including an attempt to pass through of \$5,068.00 in legal fees.

180. In response thereto, Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust though its attorney provided a a reinstatement quote and a breakdown of all of the charges that are reflected on the quote. A copy of which is attached. Once again this statement sought to collect more and different unauthorized pass through charges.

181. Counterclaim Defendant Nationstar and the Plaintiff Counter Defendant MLN1 -1 Trust though its attorney sent a "reinstatement letter" that purportedly described the charges. This document has no description for maintenance. It has a "property preservation category" that is blank.

182. The "reinstatement letter" has one entry for \$600 that is called "service fees". However, the "Explanation of Charges" has no explanation of "service fees" and a separate "service of process - \$180.00" entry, which the Explanation listed as service of process as a charge to serve the Complaint and Summons.

183. The "reinstatement letter" has 2 attorneys fees entries, one for \$2,415.00 and \$3,733.00 for prior counsel over \$6,100 to do a summons and complaint.

184. These attempts to collect unwarranted costs and fees and charged constitute a breach of the mortgage and note agreement.

185. MLN1 and its servicer Nationstar or its Predecessors and/or its servicing agent were paid undisclosed commissions, or other remuneration by the providers of the services for the \$600.00 fees/charges passed through to Mr. Colombo, and several other fees and charges to Mr. Colombo, such as the \$15.00 fees, the \$600.00 service fees and attorneys fees and the exorbitant and commercially unreasonable charges for property inspections and maintenance.

CLASS ALLEGATIONS

186. Mr. Colombo readapts, re-alleges, and reaffirms the material allegations of Paras. 71 through 172 and further alleges as follows; to wit,

187. This is a class action counterclaim against Plaintiff and Defendant in Counterclaim Nationstar brought by the individually named Mr. Colombo on behalf of himself and the following class:

a. All persons in the State of Florida who were charged one or more property inspection fees or maintenance fees or other unidentified fees, such as broker price opinions, property appraisals or other unidentified fees, (Hereinafter "unidentified fees") through MLN1 and its servicer Nationstar's automated loan servicing platform, when they inhabited the property to be inspected and were in contact with MLN1 and its servicer Nationstar so as to put them on notice of the fact that the property was inhabited from January 3, 2009 to the present.

188. This class action is brought by the individually named Plaintiff Mr. Colombo on behalf of himself and the following class: All persons in the State of Florida whose mortgage contracts use the standard Fannie Mae/Freddie Mac Uniform Security Instrument and were charged one or more property inspection fees or maintenance fees, or other unidentified fees through the loan servicer Nationstar's automated loan servicing platform, when they inhabited the property to be inspected or maintained and were in contact with their lender through their servicer Nationstar so as to put the lender and its servicer Nationstar on notice of the fact that the property was inhabited from January 3, 2009 to the present.

189. Upon completion of discovery with respect to the scope of the Class and Subclass, Mr. Colombo reserves the right to amend the Class and Subclass definitions.

190. Mr. Colombo sues on his own behalf and on behalf of the Classes Pursuant to Florida

Rule of Civil Procedure 1.220,

191. Numerosity. Mr. Colombo does not know the exact size or identities of the proposed Class, since such information is in the exclusive control of MLN1-1 Trust and its servicer Nationstar. The servicer Nationstar is the second largest non-bank loan servicer in the United States. Its servicing portfolio contains millions of loans. As of year end 2013, Nationstar stated that it had 2.3 million loan servicing customers, 15% of whom "are facing difficult situations in life that make paying their mortgage challenging" (2013 Annual Report, p.45) and 11.8% of whose 1.98 million loans (234,000) are 60+ days delinquent. Thus, Nationstar admits at least 230,000 defaulting customers as of 2013, and it has substantially grown its loan portfolio in the ensuing years. On this basis, Plaintiffs believe that the Class encompasses tens of thousands of individuals. Florida is a highly populated state where Nationstar has significant operations and a large loan servicing portfolio. Therefore, the proposed Class is so numerous that joinder of all members is impracticable.

192. Commonality: All members of the Class have been subject to and affected by MLN1-1 Trust and its servicer Nationstar's practices detailed herein. There are questions of law and fact that are common to the Class claims raise questions of law and fact that are common to each member of the Class that predominate over any questions affecting any individual members and a class action is the superior method for fair and efficient adjudication of the controversy, including, inter alia, the following:

- a. Whether MLN1-1 Trust and or its servicer Nationstar created and implemented the Inspection Scheme and or Maintenance scheme and included and passed through these fees and charges for property inspection, maintenance, and other unidentified services;
- b. Whether MLN1-1 Trust and or its servicer Nationstar violated state law by creating and implementing the Inspection Scheme and or Maintenance scheme, including passed

through fees and charges for property inspection, maintenance, and other unidentified services;

c. Whether MLN1-1 Trust and or its servicer Nationstar had a policy and practice of charging persons in arrears unlawful and unreasonable inspection and maintenance fees and fees for other unidentified services;

d. Whether MLN1-1 Trust and or its servicer Nationstar had a policy and practice of charging persons inspection fees and or maintenance fees and fees for other unidentified services after borrowers had cured their arrearage;

e. Whether and to what extent MLN1-1 Trust and or its servicer Nationstar's automated servicing platform improperly ordered and charged inspection and or maintenance fees and fees for other unidentified services to Class members;

f. Whether and to what extent MLN1-1 Trust and or its servicer Nationstar breached the mortgage agreements with the members of the Class, and the covenants of good faith, fair dealing, and commercial reasonableness contained therein, when MLN1-1 Trust and or its servicer Nationstar acting as the servicer for all other note holders, purchased property inspection services and maintenance services and fees for other unidentified services for property owned by Mr. Colombo and the members of the Class that are excessive or unreasonable in amount and frequency in exchange for undisclosed commissions, rebates or kickbacks or other remuneration;

g. Whether and to what extent MLN1-1 Trust and its servicer Nationstar were unjustly enriched when it purchased property inspection services and maintenance services and fees for other unidentified services for property owned by Mr. Colombo and the members of the Class that are excessive or unreasonable in amount and frequency in exchange for

undisclosed commissions, rebates or kickbacks or other remuneration;

h. Whether MLN1-1 Trust and its servicer Nationstar violated the Florida Deceptive and Unfair Trade Practices Act ("FDUTPA") when MLN1-1 Trust and its servicer Nationstar, acting as agent for all of the Florida mortgages its serviced for its note holders, purchased property inspection services and maintenance services and fees for other unidentified services for property owned by Mr. Colombo and the members of the Class that are excessive or unreasonable in amount and frequency in exchange for undisclosed commissions, rebates or kickbacks or other remuneration;

i. Whether the Court can enter declaratory and injunctive relief;

j. Whether MLN1-1 Trust and its servicer Nationstar violated the Florida Consumer Collection Practices Act when MLN1-1 Trust and its servicer Nationstar acting as servicing agent for MLN1-1 Trust other note holders, threatened, and or purchased, property inspection services and maintenance services and fees for other unidentified services for property owned by Mr. Colombo and the members of the Class that are excessive or unreasonable in amount and frequency in exchange for undisclosed commissions, rebates or kickbacks or other remuneration when it knew that such charges and fees for such services were neither allowed or authorized by the Lender and the mortgage; and,

k. The proper measure of disgorgement and/or actual and/or statutory damages and/or restitution, as well as other recovery to the class, including fees and costs.

193. Typicality. The claims of the individually named Counter Plaintiffs are typical of the claims of the Class and do not conflict with the interests of any other members of the Class, in that Counter Plaintiffs and the other members of the Class were subjected to the same uniform abusive practices of the Defendants. Mr. Colombo and the class seek identical remedies under identical legal

theories, and there is no antagonism or material factual variation between Mr. Colombo's claims and those of the Class.

194. Adequacy. The individually named Counter Plaintiff Mr. Colombo is a Florida resident who will fairly and adequately represent the interests of the Class. He is fully cognizant of his responsibilities as a Class Representative, and has retained experienced counsel fully capable of, and intent upon, vigorously pursuing this action and have experience in class actions—in particular, consumer protection and predatory lending actions.

195. Mr. Colombo brings this action under Rule 1.220(b)(3) because the questions of law and fact common to his claims and the claims of each member of the Class predominate over any question of law or fact affecting only individual members of the Class. Additionally, the prosecution of separate claims, by or against individual members of the Class would create a risk which would, as a practical matter, be dispositive of the interest of other members of the Class who are not parties to the adjudication, or would substantially impair or impede the ability of other members of the Class and the Subclass who are not parties to the adjudication to protect their interests. Class Representation is therefore clearly superior to other available methods for the fair and efficient adjudication of this controversy.

196. Mr. Colombo brings this action under Rule 1.220(b)(2) because MLN1-1 Trust and its servicer Nationstar has acted or refused to act on grounds generally applicable to all members of the Class, thereby making final injunctive and/or declaratory relief concerning the Class as a whole appropriate. In the absence of appropriate injunctive and/or declaratory relief, MLN1-1 Trust and its servicer Nationstar will continue to violate Florida statutory and common law. MLN1-1 Trust and its servicer Nationstar's conduct towards Mr. Colombo and other members of the Class make certification under Rule 1.220 (b) (2) appropriate.

197. The prerequisites to maintaining a class action for injunctive relief exist: If injunctive relief is not granted, great harm and irreparable injury to Mr. Colombo and the members of the Class will continue; and Mr. Colombo and the members of the Class have no adequate remedy at law for the injuries which are threatened to recur, in that, absent action from this Court, Defendants will continue to violate state law, and cause damage to Mr. Colombo and the Class.

198. Defendants' actions are generally applicable to the Class as a whole, and Mr. Colombo will seek, inter alia, equitable remedies with respect to the Class as a whole.

**FIRST CLAIM FOR RELIEF - BREACH OF THE MORTGAGE/
COVENANT OF GOOD FAITH AND FAIR DEALING**

199. Mr. Colombo readapts, re-alleges, and reaffirms the material allegations of Paras. 71 through 185 further alleges as follows; to wit,

200. Mr. Colombo brings this Breach of Contract/Covenant of Good Faith and Fair Dealing claim on her behalf and on behalf of the Members of the Class.

201. MLN1-1 Trust is the owner and holder of the note subject to this Counterclaim and its servicer Nationstar is a servicer of mortgages. Its mortgage loans are owned and/or guaranteed by Fannie Mae or Freddie Mac, or other note holders, generally Mortgage Backed Securities.

202. The Fannie/Freddie Class mortgage contracts use the standard FannieMae/Freddie Mac Uniform Security Instrument with language substantially similar to the language herein.

203. Pursuant to the Fannie/Freddie mortgage contracts, where the Loan Servicer or Lender acts to protect the property, the Loan Servicer and/or Lender are obligated to do so only in a manner that is "reasonable and appropriate."

204. Mr. Colombo and the Class Members mortgage loans are serviced by Nationstar.

205. As the Loan Servicer, Nationstar acquired and/or retains certain contractual rights and

obligations including compliance with the terms of Paragraphs 7 and 9 of the mortgage contracts.

206. MLN1-1 Trust and or through its servicer Nationstar, as described herein, ordered numerous drive-by or fabricated property inspections at a rate in excess of once every 30 days. MLN1-1 Trust and its servicer Nationstar charged Plaintiffs for each of these inspections.

207. MLN1-1 Trust and its servicer Nationstar, as described herein, also passed through "maintenance fees" and other unidentified fees, ordering numerous drive-by or fabricated property inspections at a rate in excess of once every 30 days. MLN1-1 Trust and its servicer Nationstar charged Mr. Colombo and the Class Members for each of these inspections, "maintenance fees" and other unidentified fees.

208. The frequency of these inspections, "maintenance" services and other unidentified services was excessive and neither reasonable nor appropriate. MLN1-1 Trust and its servicer Nationstar knew at the time the property inspections, "maintenance" and other unidentified services were ordered that Mr. Colombo and the Class members inhabited their homes which secured the mortgages. Thus, MLN1-1 Trust and its servicer Nationstar ordered property inspections "maintenance" and other unidentified services that were too frequent and were otherwise unfair or excessive.

209. MLN1-1 Trust and its servicer Nationstar charged Mr. Colombo and the Class members for these excessive and unfair property inspections "maintenance" and other unidentified services.

210. MLN1-1 Trust and its servicer Nationstar breached Mr. Colombo and the Class members mortgage contracts by charging Mr. Colombo and the Class members for property inspections "maintenance" and other unidentified services that Mr. Colombo and the Class members were not required to pay for by the terms of their mortgage contracts.

211. These fees and charges were not "reasonable and appropriate" with regard to the Fannie/ Freddie mortgagors.

212. MLN1-1 Trust and its servicer Nationstar breached the Mr. Colombo and the Class members mortgage contracts by charging Mr. Colombo and the Class members inflated property inspections fees "maintenance" fees and other unidentified fees due to the portion of the charge that was retained by MLN1-1 Trust and its servicer Nationstar and/or its affiliate Solutionstar.

213. As the direct, proximate and legal result of these breaches of the express terms of the mortgage contract, the Mr. Colombo and the Class members have suffered damages and are entitled to the relief sought herein for such breaches.

214. In addition, under Florida law, each of those mortgage agreements contained an implied covenant of good faith and fair dealing.

215. The implied covenant of good faith and fair dealing required each party to the contract to be honest in its dealings and not purposefully to take actions that would unfairly prevent other parties from enjoying their rights or benefits under the contract or disappoint their reasonable expectations.

216. The implied covenant of good faith and fair dealing further required that even when a contract confers decision-making power on a single party, the resulting discretion is nevertheless subject to an obligation that it be exercised in good faith and to observe reasonable limits in exercising that discretion, consistent with the parties' purpose or purposes in contracting.

217. Good faith and fair dealing, in connection with executing contracts and discharging performance and other duties according to their terms, means preserving the spirit—not merely the letter—of the bargain. Put differently, the parties to a contract are mutually obligated to comply with the substance of their contract in addition to its form. Evading the spirit of the bargain and abusing

the power to specify terms constitute examples of bad faith in the performance of contracts.

218. Subterfuge and evasion violate the obligation of good faith in performance even when an actor believes his conduct to be justified. Bad faith may be overt or may consist of inaction, and fair dealing may require more than honesty. Examples of bad faith are evasion of the spirit of the bargain, willful rendering of imperfect performance, abuse of a power to specify terms, and interference with or failure to cooperate in the other party's performance.

219. MLN1-1 Trust and its servicer Nationstar have breached the mortgage agreements and the covenant of good faith and fair dealing contained therein in at least the following respects, among others:

- a. ordering property inspections "maintenance" and other unidentified services more frequently than requested or required by the Lender in order to perpetuate Mr. Colombo's and the Class member's loan delinquency;
- b. ordering property inspections, "maintenance" and other unidentified services through Nationstar and or its affiliate, Solutionstar, that retained a portion of the property inspection charges, the "maintenance" fees and other unidentified service charges as profit;
- c. imposing charges for property inspections, "maintenance" and other unidentified services on Mr. Colombo and the Class Members that are not permitted by applicable law or regulation and/or in violation of the applicable mortgage provisions; and,
- d. imposing charges for property inspections, "maintenance" and other unidentified services on Mr. Colombo and the Class Members that are not permitted or requested.

220. Mr. Colombo and members of the Class have sustained damages as a result of the breach of the mortgage agreements and the covenant of good faith and fair dealing contained therein by MLN1 and its servicer Nationstar.

WHEREFORE, Plaintiff-in-Counterclaim Mr. Colombo respectfully requests that this Honorable Court to enter judgment in favor of Mr. Colombo and the Class and award damages as a result of the MLN1-1 Trust and its servicer Nationstar's breach of the mortgage agreements and the implied covenant of good faith and fair dealing, and against both MLN1-1 Trust and or Nationstar, and to further award attorney's fees pursuant to the Mortgage and Florida Statute §57.105(7).

**SECOND CLAIM FOR RELIEF - VIOLATIONS OF
FLORIDA DECEPTIVE AND UNFAIR TRADE PRACTICE ACT**

221. Mr. Colombo readapts, re-alleges, and reaffirms the material allegations of Paras. 71 through 185 and further allege as follows; to wit,

222. MLN1-1 Trust and its servicer Nationstar and its sub-servicing agents are engaged in commerce in the State of Florida, as defined by §501.203(8), Florida Statutes, and are therefore subject to the provisions contained in §501.201 et seq., Florida Statutes, the Florida Deceptive and Unfair Trade Practices Act (FDUTPA).

223. Mr. Colombo brings this FDUTPA claim on his behalf and on behalf of the Members of the Class.

224. Mr. Colombo is a "consumer[s]" as defined by §501.203(7), Florida Statutes, and as such is entitled to the protection of FDUTPA.

225. FDUTPA prohibits unfair methods of competition, unconscionable acts or practices, and unfair or deceptive acts or practices in the conduct of any trade or commerce.

226. A practice is "deceptive" within the meaning of FDUTPA if it is likely to mislead consumers.

227. A practice is "unfair" within the meaning of FDUTPA if it offends public policy

and/or is immoral, unethical, oppressive, unscrupulous or substantially injurious to consumers.

228. The charging for fees for property inspections, "maintenance" and other unidentified services and passing through those charges and or fees to Mr. Colombo and the Class Members for unauthorized services that are also misidentified or mis-labeled in connection with loan servicing constitutes an unfair and deceptive practice within the meaning of FDUTPA.

229. In the course and conduct of MLN1-1 Trust and its servicer Nationstar's loan servicing, it charged and or collected fees and charges for property inspections, "maintenance" and other unidentified services in violation of Florida's Unfair and Deceptive Trade Practices Act and federal law.

230. MLN1-1 Trust and its servicer Nationstar used false, deceptive, confusing and misleading statements, and failed to disclose and/or omitted material facts, concerning the propriety of certain fees and services that were automatically ordered and charged to Class members as well as the fraudulent and self-dealing nature of MLN1 and its servicer Nationstar's business relationship with Solutionstar.

231. Specifically, MLN1-1 Trust and its servicer Nationstar led Mr. Colombo and the Class Member consumers to believe that certain fees including but not limited to corporate advances, fees for property inspections, broker price opinions, property appraisals, "maintenance" and other unidentified fees were authorized by their mortgage and the Lender and appropriately priced when, in reality, the fees were inflated due to Nationstar's self-dealing business relationship with Solutionstar and were for services that were unauthorized, duplicative, provided no benefit to the consumer, and/or were never performed.

232. MLN1-1 Trust and its servicer Nationstar's false, deceptive, confusing and misleading statements and omissions are likely to mislead consumers into believing that Nationstar's

"Distressed Mortgage Fees" are appropriately priced and/or authorized by their lender and the mortgage when, in fact, they are not.

233. MLN1-1 Trust and its servicer Nationstar's false, deceptive, confusing and misleading statements and omissions are significantly injurious to the public and are against public policy. As detailed above, MLN1-1 Trust and its servicer Nationstar's practices are contrary to the general public interest in home ownership as they make it less likely that borrowers will become current on their mortgage and more likely that they will default on those mortgages and face foreclosure.

234. As a direct and proximate result of MLN1-1 Trust and its servicer Nationstar violations of the Florida's Unfair and Deceptive Trade Practices Act Mr. Colombo and each member of the Class have suffered damages and substantial injury to a number of legally protected interests, including injury to their business and/or property.

235. MLN1-1 Trust and its servicer Nationstar is liable to Mr. Colombo and each member of the Class for damages, together with all costs of this action, plus reasonable attorney's fees, as provided under Fla. Stat. § 501.211, and §501.2105.

236. Further, pursuant to Fla. Stat. § 501.211, Plaintiff Mr. Colombo and each member of the Class seek an order of this court declaring MLN1-1 Trust and its servicer Nationstar's acts and practices to be unlawful and enjoining MLN1-1 Trust and its servicer Nationstar from continuing their unfair, unlawful, and/or deceptive business acts and/or practices in the State of Florida and elsewhere, as well as any other injunctive or declaratory relief as the court deems appropriate.

237. As a result of MLN1-1 Trust and its servicer Nationstar's violations of FDUTPA, Mr. Colombo has been aggrieved and is thus, entitled to damages under the FDUTPA, by way of set off or recoupment against any alleged debt owed.

238. As redress for MLN1 and its servicer Nationstar or its Predecessors and/or its

servicing agent's repeated and ongoing violations of these consumer protection statutes, Mr. Colombo is entitled to, inter alia, damages and declaratory relief.

WHEREFORE, Mr. Colombo prays that this Honorable Court award damages pursuant to §501.211(2), Florida Statutes; a declaratory judgment to the effect that MLN1-1 Trust and its servicer Nationstar has engaged in unfair, unconscionable, and deceptive business practices, in violation of the FDUTPA as set forth in §501.211(1), Florida Statutes; enter a prohibitive injunction enjoining MLN1-1 Trust and its servicer Nationstar from further violations of the FDUTPA and further requiring the return of all ill gotten gains received by charging said amounts; and award reasonable attorneys' fees and costs incident to the bringing of this defense, pursuant to §501.211 Florida Statutes, the reciprocity of Fla. Stat. §57.105(7) making unilateral attorney fees bilateral, the mortgage Para. 22 and 24, and the note Para. 7 (E), and such other relief as this Court deems just and proper.

THIRD CLAIM FOR RELIEF - UNJUST ENRICHMENT

239. Mr. Colombo readapts, re-alleges, and reaffirms the material allegations of Paras. 71 through 185 and further allege as follows; to wit,

240. Mr. Colombo asserts a common law claim for unjust enrichment against MLN1-1 Trust and its servicer Nationstar.

241. Mr. Colombo brings this common law claim for unjust enrichment on his behalf and on behalf of the Members of the Class.

242. MLN1-1 Trust and its servicer Nationstar knowingly received and or retained wrongful benefits and funds from Mr. Colombo. In so doing, MLN1 and its servicer Nationstar or acted with conscious disregard for the rights of Mr. Colombo.

243. By means of the MLN1-1 Trust and its servicer Nationstar's wrongful conduct alleged

herein, MLN1-1 Trust and its servicer Nationstar led Mr. Colombo and the Class Member consumers to believe that certain "Distressed Mortgage Fees" including but not limited to, corporate advances, fees for property inspections, broker price opinions, property appraisals, "maintenance" and other unidentified fees and or services were authorized by their mortgage and Lender and appropriately priced when, in reality, the fees were inflated due to Nationstar's self-dealing business relationship with Solutionstar and were for services that were unauthorized, duplicative, provided no benefit to the consumer, and/or were never performed.

244. MLN1-1 Trust and its servicer Nationstar's false, deceptive, confusing and misleading statements and omissions are likely to mislead consumers into believing that MLN1 and its servicer Nationstar's corporate advances, fees for property inspections, broker price opinions, property appraisals, "maintenance" and other unidentified fees and or services are appropriately priced and/or authorized by their lender and the mortgage when, in fact, they are not.

245. MLN1-1 Trust and its servicer Nationstar knowingly authorized third parties to provide services described herein to Mr. Colombo and members of the class that are unfair, unconscionable, and oppressive; thus, MLN1 and its servicer Nationstar's and their third party agent's acceptance and retention of the benefits are under circumstances that make it inequitable for them to retain the benefits without paying the value thereof.

246. As a result of the MLN1-1 Trust and its servicer Nationstar's wrongful conduct as alleged herein, it has been unjustly enriched at the expense of, and to the detriment of Mr. Colombo and the class members.

247. MLN1-1 Trust and its servicer Nationstar's unjust enrichment is traceable to, and resulted directly and proximately from the conduct alleged herein.

248. Under the common law doctrine of unjust enrichment, it is inequitable for MLN1-1

Trust and its servicer Nationstar to be permitted to retain the benefits it received, and is still receiving, without justification, from purchasing the services for Mr. Colombo , the \$600.00 fees/charges passed through to Mr. Colombo, and several other fees and charges to Mr. Colombo, such as the \$15.00 fees total \$15.00 for an 01/22/2017 inspection and \$761.00 total) which it received in an unfair, unconscionable, and oppressive manner.

249. MLN1-1 Trust and its servicer Nationstar's retention of such fees and charges under circumstances making it inequitable to do so constitutes unjust enrichment. The financial benefits derived by MLN1-1 Trust and its servicer Nationstar rightfully belong to Mr. Colombo and the Class Members.

250. As a result of MLN1-1 Trust and its servicer Nationstar's unjust enrichment, Mr. Colombo and the Class Members have sustained damages in an amount to be determined at trial and seek full disgorgement and restitution of MLN1-1 Trust and its servicer Nationstar's enrichment, benefits, and ill-gotten gains acquired as a result of the unlawful or wrongful conduct alleged above.

251. Mr. Colombo has no adequate remedy at law.

**FOURTH CLAIM FOR RELIEF VIOLATION OF THE
FLORIDA CONSUMER COLLECTION PRACTICES ACT**

252. Mr. Colombo readapts, re-alleges, and reaffirms the material allegations of Paras. 71 through 185 and further allege as follows; to wit,

253. This claim is brought against MLN1-1 Trust and its servicer Nationstar on behalf of Mr. Colombo and the Class for damages and declaratory and injunctive relief on account of its collection practices in violation of the Florida Consumer Collection Practices Act, F.S. § 559.72.

254. In its business of collecting debts and in attempting to collect the debt, MLN1-1 Trust and its servicer Nationstar have used the United States mails, telephones and other means and

instrumentalities of interstate commerce.

255. Fla. Stat. § 559.72(9) states, that in collecting consumer debts, no person shall: (9) Claim, attempt, or threaten to enforce a debt when such person knows that the debt is not legitimate, or assert the existence of some other legal right when such person knows that the right does not exist.

256. Mr. Colombo and the members of the Class are "debtors" and "consumers" as defined by F.S. § 559.55(2). MLN1-1 Trust's servicer Nationstar's is a "debt collector" as defined by F.S. §559.55(6).

257. The debts of Mr. Colombo and the members of the Class are "consumer debts" as defined by F.S. §559.55(1), in that they are obligations or alleged obligations of a consumer to pay money arising out of a transaction in which the money, property, or services which are the subject of the transaction are primarily for personal, family, or household purposes.

258. MLN1-1 Trust through its servicer Nationstar who acted as its servicing agent for other note holders, asserted in communications to Mr. Colombo and the Class Members that Mr. Colombo and the members of the Class were required to pay for corporate advances, fees for property inspections, broker price opinions, property appraisals, "maintenance" and other unidentified fees and or services performed on their properties.

259. However, Nationstar, acting as agent for MLN1-1 Trust and Fannie Mae/ Freddie Mac, and other note holders knew, when making these assertions that Mr. Colombo and the members of the Class had no obligation to pay the corporate advances, fees for property inspections, broker price opinions, property appraisals, "maintenance" and other unidentified fees and or services that were either not performed or were charged in excess of that authorised by the mortgage and the Lender as defined in the mortgage.

260. Nationstar, acting as agent for MLN1-1 Trust and other note holders thus knew that

their claims were not legitimate and that Mr. Colombo and the members of the Class were not under any legal obligation to pay for the inflated portion of the property inspections, broker price opinions, property appraisals, "maintenance" and other unidentified fees and or services that were either not performed or were charged in excess of that authorized by the mortgage and the Lender as defined in the mortgage.

261. Nationstar had actual knowledge that Mr. Colombo did not owe the above-referenced amounts to MLN1-1 Trust because they were so notified by Mr. Colombo.

262. This intentional and knowing conduct by MLN1-1 Trust and its servicer Nationstar constituted an improper debt collection practice in violation of the Florida Consumer Collection Practices Act, Fla. Stat. § 559.55, et seq.. Specifically, this intentional and knowing conduct violated § 559.72(9), which makes it illegal to "[c]laim, attempt, or threaten to enforce a debt when such person knows that the debt is not legitimate, or assert the existence of some other legal right when such person knows that the right does not exist."

263. On account of the foregoing violations, Mr. Colombo has retained the undersigned attorneys and has agreed to pay them a reasonable fee for their services.

264. Due to the violations of Florida law by MLN1-1 Trust's servicer Nationstar, as set forth above, Mr. Colombo and the members of the Class have been damaged and are entitled to an award of damages (actual and/or statutory) and to declaratory and injunctive relief.

WHEREFORE, Mr. Colombo prays the Court award him and the members of the Class damages and equitable relief, together with costs and attorney's fees, pursuant to Fla. Stat. §559.77(2). Mr. Colombo also asks that MLN1-1 Trust's servicer Nationstar be enjoined from any and all further illegal collection practices, and award reasonable attorneys' fees and costs incident to the bringing this counterclaim pursuant to the reciprocity of Fla. Stat. §57.105(7), the mortgage

Para. 22 and 24, and the note Para. 7(E), and such other relief as this Court deems just and proper.

I HEREBY CERTIFY that a true and accurate copy of the above has been furnished as set forth in the following service list, either e-mail, facsimile or by U.S. mail postage prepaid this 29th day of May, 2017, to: Plaintiff's Attorney, Jonathan Meisels, Esq., Wendy Manswell, Esq., Robertson, Anschutz, & Schneid, P.L. 6409 Congress Ave., Suite 100, Boca Raton, FL 33487 by email to mail@rasflaw.com, jmeisels@rasflaw.com; Louis M. Silber, Esq. 1806 Old Okeechobee Boulevard, West Palm Beach, FL 33409-5207, sent via e mail to lsilber@silberdavis.com.

LAW OFFICES OF JAMES A. BONFIGLIO, P.A.
P.O. Box 1489
Boynton Beach, Fla. 33425-1489
(561) 734 - 4503 Telephone
(561) 734 - 1872 Facsimile
Primary E-mail: jab@fightforeclosure.com
Secondary E-Mail: tilalawyer@aol.com
BY: /S/ James A. Bonfiglio
JAMES A. BONFIGLIO, Attorney at Law
Florida Bar Number: 288055
Counsel for Mr. Colombo

CASE NO.

LASALLE BANK, N.A. AS TRUSTEE FOR THE MLMI
TRUST SERIES 2006-MLN1,

Plaintiff,

vs.

PETER A. COLOMBO; LORI COLOMBO; MORTGAGE
ELECTRONIC REGISTRATION SYSTEMS, INC., FOR
MORTGAGE LENDERS NETWORK USA, INC. MIN NO.
1002610300606331; SEMINOLE LAKES HOMEOWNER'S
ASSOCIATION, INC.; UNKNOWN TENANT NO. 1;
UNKNOWN TENANT NO. 2; and ALL UNKNOWN
PARTIES CLAIMING INTERESTS BY, THROUGH,
UNDER OR AGAINST A NAMED DEFENDANT TO THIS
ACTION, OR HAVING OR CLAIMING TO HAVE ANY
RIGHT, TITLE OR INTEREST IN THE PROPERTY
HEREIN DESCRIBED,

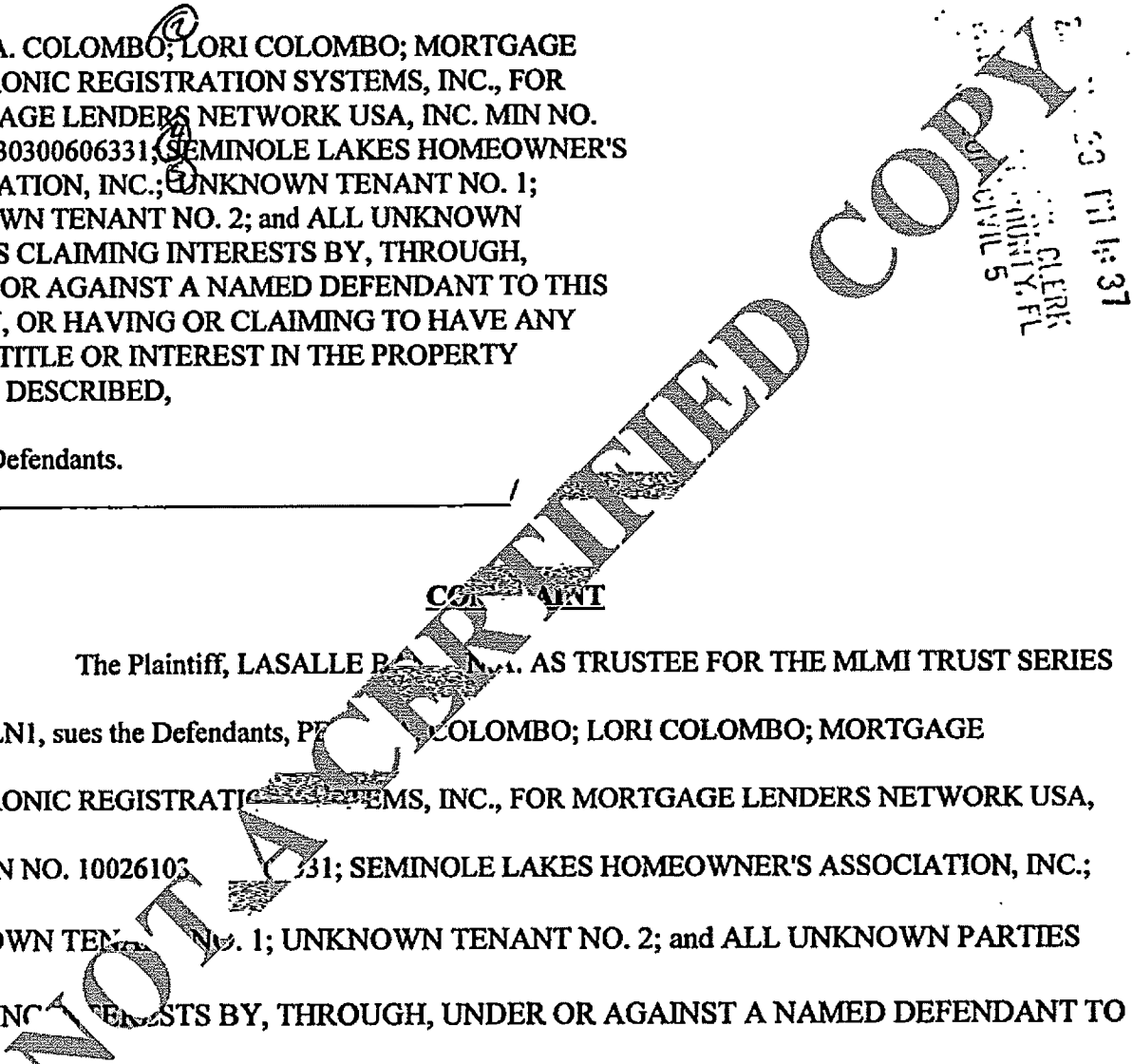
Defendants.

COMPLAINT

The Plaintiff, LASALLE BANK, N.A. AS TRUSTEE FOR THE MLMI TRUST SERIES
2006-MLN1, sues the Defendants, PETER A. COLOMBO; LORI COLOMBO; MORTGAGE
ELECTRONIC REGISTRATION SYSTEMS, INC., FOR MORTGAGE LENDERS NETWORK USA,
INC. MIN NO. 1002610300606331; SEMINOLE LAKES HOMEOWNER'S ASSOCIATION, INC.;
UNKNOWN TENANT NO. 1; UNKNOWN TENANT NO. 2; and ALL UNKNOWN PARTIES
CLAIMING INTERESTS BY, THROUGH, UNDER OR AGAINST A NAMED DEFENDANT TO
THIS ACTION, OR HAVING OR CLAIMING TO HAVE ANY RIGHT, TITLE OR INTEREST IN
THE PROPERTY HEREIN DESCRIBED, and alleges:

GENERAL ALLEGATIONS

1. JURISDICTION: This is an action for equitable relief or, alternatively, for damages, which
claims are within the subject matter jurisdiction of this Court.



2. **VENUE**: This is an action that involves parties and property located within the venue of this Court and venue is otherwise proper pursuant to Chapter 47, Florida Statutes.

3. **PARTIES**: All parties to this action are properly before this Court and this Court has personal jurisdiction over the parties.

4. **CONDITIONS PRECEDENT**: All conditions precedent to the filing of this action have been met by Plaintiff.

5. **FDCPA**: Plaintiff hereby provides Defendant(s) with verification notice as required under the Fair Debt Collection Practices Act ("FDCPA") 15 U.S.C.A. 1692. If the Defendant(s) request verification of the debt, Plaintiff shall suspend its efforts to collect the debt until Plaintiff mails the requested information to the Defendant(s) requesting the verification. A copy of the notice is attached to Plaintiff's Exhibit "A".

COUNT I

REESTABLISHMENT OF LOST PROMISSORY NOTE

Plaintiff realleges and restates the general allegations specifically set forth herein

6. **REESTABLISH NOTE**: This is an action to reestablish a promissory note in accordance with Florida Statutes 673.3091.

7. **OWNER OF NOTE**: On or about May 9, 2006, Defendant(s) PETER A. COLOMBO executed a promissory note (the "Note") for the principal amount of \$268,000.00. Plaintiff is the owner and holder of the note.

8. **ORIGINAL NOTE LOST**: The original note has been lost and is not in the custody or control of Plaintiff. Plaintiff has been continuously in possession and control of Plaintiff's assignor(s) and predecessor(s) from the date of its execution until the loss and has not been paid or otherwise satisfied, assigned or transferred. Plaintiff's assignor(s) and predecessor(s) were in possession of the instrument and entitled to enforce the note when the loss occurred.

9. **NO TRANSFER**: The loss of possession of the note was not the result of a transfer by the Plaintiff or its assignor(s) and predecessor(s) or a lawful seizure. Plaintiff cannot reasonably obtain possession of the note because its whereabouts cannot be determined.

10. IRREPARABLE HARM: Plaintiff will suffer irreparable harm if the lost note is not reestablished.

11. PARTIES IN INTEREST: The Defendants in the above-styled cause are the only parties known to Plaintiff who are interested for or against the reestablishment of the lost note.

WHEREFORE, Plaintiff prays as follows:

- a) that this Court will take jurisdiction of this cause and the parties hereto;
- b) that this Court will enter a judgment reestablishing the lost note; and
- c) that this Court will grant further relief as in its discretion might deem just.

COUNT II

MORTGAGE FORECLOSURE

Plaintiff realleges and restates the general allegations as more specifically set forth herein.

12. FORECLOSURE ACTION: This is an action to foreclose a mortgage on real property (hereinafter the "property") in Palm Beach County, Florida, more particularly described in the mortgage attached hereto as part of composite Exhibit "B".

13. EXECUTION AND DELIVERY OF NOTE & MORTGAGE: On May 9, 2006, Defendant(s), PETER A. COLOMBO executed and delivered a promissory note (the "note"), Defendant(s), PETER A. COLOMBO AND LORI COLOMBO executed and delivered a purchase money mortgage (the "mortgage") securing payment of the same to Mortgage Electronic Registration Systems, Inc. as nominee for Mortgage Lenders' Trust, L.P., a subsidiary of MERS, L.P., a subsidiary of MERS USA, Inc., which mortgage was recorded in Official Records Book 20410 Page 761, of the public records of Palm Beach County, Florida, and which mortgaged the property. The property was then owned by and in possession of the mortgagor.

14. OWNER OF THE NOTE & MORTGAGE: Plaintiff owns and holds the note and mortgage.

15. OWNER OF THE PROPERTY: The Defendant(s) PETER A. COLOMBO AND LORI COLOMBO, own(s) the property.

16. DEFAULT & ACCELERATION: The Plaintiff has not been paid the payment due June 1, 2008, and all subsequent payments, which has resulted in a default of the note and mortgage. Plaintiff declares the full amount due under the note and mortgage to be accelerated.

17. AMOUNTS DUE: The Plaintiff is owed \$266,526.74 that is due as principal on the note and mortgage, interest from May 1, 2008, costs, advances and expenses as provided in the note and mortgage.

18. ATTORNEYS FEES: Plaintiff has obligated itself to pay the undersigned attorney a reasonable fee for their services herein and is entitled to recover said fees pursuant to the terms of the note and mortgage.

INFERIOR CLAIMANTS:

19. Defendant(s), MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., FOR MORTGAGE LENDERS NETWORK USA, INC. MIN NO. 100761, B. 0606331, may claim some interest in or lien upon the subject property arising from a mortgage recorded in Official Records Book 20410 Page 785, of the public records of Palm Beach County, Florida, which mortgage is inferior to Plaintiff's mortgage.

20. Defendant, SEMINOLE LAKES HOMEOWNER'S ASSOCIATION, INC., may claim some interest in or lien upon the subject property arising from (a) unpaid Assessments; and (b) a Claim of Lien recorded in Official Records Book 20410 Page 395, of the public records of Palm Beach County, Florida, which interests are inferior to Plaintiff's mortgage.

21. Defendant(s), UNKNOWN TENANT NO. 1 and UNKNOWN TENANT NO. 2, fictitious names representing tenants in possession, may claim some interest in the property that is the subject of this foreclosure proceeding by virtue of being in actual possession of same, but any interest said Defendant(s) may claim in the subject property, if any, is subject and inferior to the lien of Plaintiff's mortgage.

22. Defendants, ALL UNKNOWN PARTIES CLAIMING INTERESTS BY, THROUGH, UNDER OR AGAINST A NAMED DEFENDANT TO THIS ACTION, OR HAVING OR CLAIMING TO HAVE ANY RIGHT, TITLE OR INTEREST IN THE PROPERTY HEREIN DESCRIBED, may be interested in the subject matter of this action as unknown spouses, tenants, heirs, devisees, grantees, assignees, lienors, creditors, trustees or other claimants by through, under or against a known person who is dead or not known to be dead or alive or by virtue of any interest in or claim to the property which is the subject of this action or otherwise as the case may be.

WHEREFORE, Plaintiff prays as follows:

- a) That this Court will take jurisdiction of this cause, of the said Defendant and the parties hereto.
- b) That this Court ascertain and determine the sums of money due and payable to the Plaintiff from the Defendants.
- c) That the sum of money found to be due and payable as aforesaid be decreed by this Court to be a lien upon the lands described in Plaintiff's mortgage.
- d) That such lien be foreclosed in accordance with the rules and established practice of this Court, and upon failure of the Defendants to pay the amount of money found to be due by them to the Plaintiff, the said land be sold to satisfy the same.
- e) That this Court decree that the lien of the Plaintiff is superior to any and all right, title or interest of the Defendants herein or any person or parties claiming by, through or under them since the institution of this suit.
- f) That all right, title or interest of the Defendants or any person claiming by, through or under them be forever barred and foreclosed.

.g) That this Court grant general relief in this cause as in its discretion might be meet and just including, but not limited to, a deficiency judgment if the proceeds of the sale are insufficient to pay Plaintiff's claim.

SMITH, HIATT & DIAZ, P.A.
Attorneys for Plaintiff
PO BOX 11438
Fort Lauderdale, FL 33339-1438
Telephone: (954) 564-0071
Facsimile: (954) 564-9252

By: Robert A. Smith
Florida Bar No. 000086
Patrice A. Telesca
Florida Bar No. 0008451
AnneM. [unclear]
Florida Bar No. 0030143
Patricia [unclear]
Florida Bar No. 0032686
Elizabeth D. Wild
Florida Bar No. 0028643
Fat-Lin Angus
Florida Bar No. 0051909

NOT A CERTIFIED COPY

FAIR DEBT COLLECTION PRACTICES ACT VALIDATION

Re: Creditor: LASALLE BANK, N.A. AS TRUSTEE FOR THE MLMI TRUST SERIES 2006-MLN1
Date: September 23, 2008
Promissory Note and Mortgage dated: May 9, 2006

Debt Owed: As of the date of this verification, you owe \$288,167.10. Because of interest, late charges, attorneys' fees and other charges that may vary from day to day, the amount due on the day you pay may be greater. Hence, if you pay the amount shown above, an adjustment may be necessary after we receive your check, in which event we will inform you before depositing the check for collection. For further information, write the undersigned or call collect (954)-564-0071.

This communication is from a debt collector and this is an attempt to collect a debt, and any information obtained will be used for that purpose.

Unless you dispute this debt, or any portion of it, within thirty (30) days of receiving this notice, the undersigned law firm will assume that said debt is valid.

If you notify the undersigned attorney in writing within the said thirty (30) day period that the aforesaid debt, or any portion thereof, is disputed, the undersigned attorney will send you a written verification of the debt and mail it to you.

If the above creditor is not your original creditor and you submit a request within the thirty (30) day period for the name and address of the original creditor, we will supply such information to you.

Even though you are required to file a response to the lawsuit prior to the thirty (30) days, your validation rights, as set forth in this notice, shall not expire within thirty (30) days.

If you do dispute this debt in writing within the thirty (30) day period, we will suspend collection until we send you verification.

SMITH, HIATT & DIAZ, P.A.
Attorneys for Plaintiff
PO BOX 11438
Fort Lauderdale, FL 33339-1438
Telephone: (954) 564-0071
Facsimile: (954) 564-9252

EXHIBIT "A"

NOT A CERTIFIED COPY

COMPOSITE EXHIBIT "B"

TRUE AND CERTIFIED COPY

3030060629

ADJUSTABLE RATE BALLOON NOTE
30-YEAR TERM / 40-YEAR AMORTIZATION
(Assumable during Life of Loan)

THIS LOAN IS PAYABLE IN FULL AT MATURITY. YOU MUST PAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST DUE. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENTS OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO OBTAIN A LENDER, WHICH MAY BE THE LENDER YOU HAVE THIS LOAN WITH, TO LEND YOU THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME LENDER.

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. SECTION 2 LIMITS THE AMOUNT MY INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

May 9, 2005
(Date)

Florida
(State)

114 CAYO COSTA COURT . RD. PALM BEACH, FL 33411
(Property Address)

I. BORROWER'S OBLIGATION TO PAY

In return for the money I received, I promise to pay U.S. \$ 268,000.00 (this is called "Principal") to the order of the Lender. The Lender is MORTGAGE NETWORK USA, INC. I will make all payments under this Note in the form of money order.

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

INTEREST

Interest will be charged on unpaid Principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 8.9000 %. The interest rate I will pay may change in accordance with Section 4 of this Note.

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

3. PAYMENTS

(A) Time and Place of Payments

I will pay Principal and interest by making a payment every month. I will make my monthly payments on the 1st day of each month beginning on July 1, 2000. I will make these payments every month until I have paid all of the Principal and interest and any other amounts that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date first applied to interest before Principal. If, on June 1, 2038, I have not paid all of the amounts under this Note, I will pay these amounts in full on that date, which is called the "Maturity Date." I will make my monthly payments at 10 RESEARCH PARKWAY, WALLINGFORD, VT 05792

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

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. \$ 2,000.00. This amount may change.

(C) Monthly Payment Changes

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

4. INTEREST RATE AND MONTHLY PAYMENT

(A) Change Dates

The interest rate I will pay may change on the first day of June 1, 2000, and may change on that day every 6th month thereafter. Each date on which the interest rate could change is called a "Change Date."

(B) The Index

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

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

(C) Calculation of Interest

Before each Change Date, the Note Holder will calculate my new interest rate by adding Seven and Sixty-Five Hundredths of a percentage point (7.65000 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the provisions of Section 4(D) below, this rounded amount will be my new interest rate until the next Change Date. The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid Principal and interest accrued to owe at the Change Date in full on June 1, 2046 (which is called the "Amortization Date") in subsequent monthly installments at my new interest rate. The result of this calculation will be the new amount of my monthly payment.

Notwithstanding the 40-year amortization period used to calculate my monthly payments, I understand that I will pay all amounts that I owe under this Note in full or on the Maturity Date, which is approximately 30 years from the date of this Note.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than 11.9000 % or less than 8.9000 %. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than One percentage point(s) (1.0000 %) from the rate of interest I have been paying for the preceding 6 months. My interest rate will never be greater than 14.9000 %. My interest rate will never be less than 8.9000 %.

(E) Effective Date of Changes

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

(F) Notice of Changes

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

5. BORROWER'S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A payment of Principal shall be treated as a "Prepayment." When I make a Prepayment, I will tell the Note Holder in writing that I am doing so. I shall not be treated as a payment as a Prepayment if I have not made all the monthly payments due under this Note.

I may make a full Prepayment or partial Prepayment without paying a Prepayment charge. I will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder will apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying it to reduce the Principal amount of this Note. If I make a partial Prepayment, there will be no changes in the amount of my monthly payments unless the Note Holder agrees in writing to those changes. My partial Prepayment shall not reduce the amount of my monthly payments after the first Change Date following my partial Prepayment. The reduction due to my partial Prepayment may be offset by an interest rate increase.

* Except as set forth in the attached Prepayment Penalty Addendum.

6. LOAN CHARGES

If a law, which applies to this loan and which sets maximum loan charges, shall be interpreted so that the interest or other loan charges collected or to be collected in connection with this loan, within permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. If a refund reduces Principal, the reduction will be treated as a partial Prepayment.

7. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of my monthly payment by the end of 10 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 10.0000 % of my overdue payment of Principal and interest. I will pay this late charge promptly but only once on each late payment.

(B) Default

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

(C) Notice of Default

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

(D) No Waiver

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

(E) Note Holder's Cost and Expenses

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

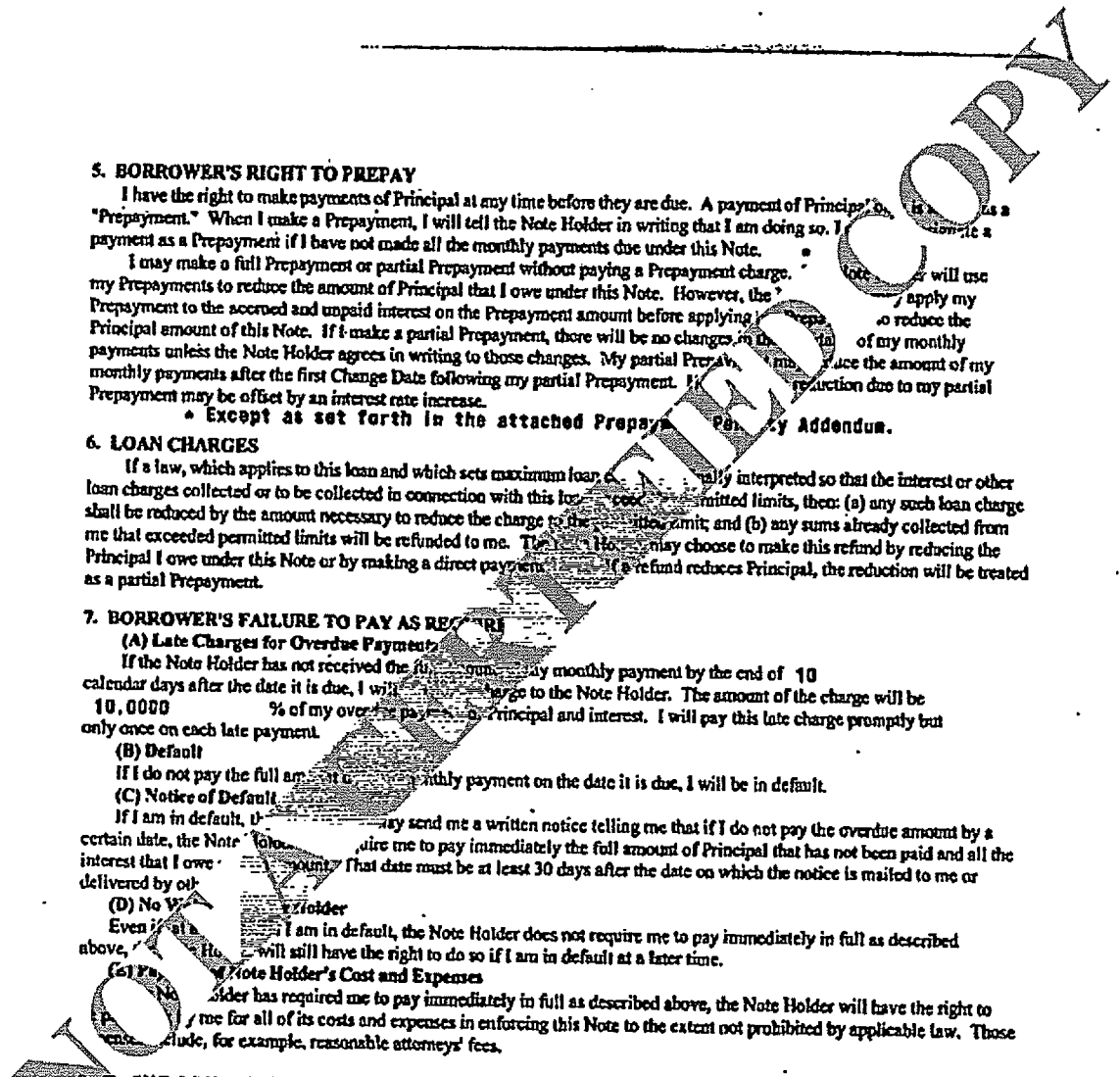
8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to me under this Note will be given by delivering it or by mailing it by first class mail to me at the Property Address above or at a different address if I give the Note Holder a notice of my different address.

Unless the Note Holder requires a different method, any notice that must be given to the Note Holder under this Note will be given by mailing it by first class mail to the Note Holder at the address stated in Section 3(A) above or at a different address if I am given a notice of that different address.

9. OBLIGATIONS OF THE PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is the guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. The Note Holder may enforce its rights under this Note against each person individually or against all of us together. This means that any one of us may be required to pay all of the amounts owed under this Note.



10. WAIVERS

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

11. SECURED NOTE

In addition to the protections given to the Note Holder under this Note, a Mortgage Deed or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from the risk that I do not keep the promises that I make in this Note. That Security Instrument describes the conditions that I may be required to make immediate payment in full of all amounts I owe under this Note. The conditions read as follows:

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

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

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made in the Note and in this Security Instrument and to continue to be obligated under the Note and this Security Instrument unless Lender releases the transferee.

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

12. DOCUMENTS

Property tax and any other documentary tax due on this Note has been paid on the mortgage securing this indebtedness.

[Signature]
PETER A. COLUMBO (Seal)
Borrower

[Signature]
WITHOUT RECOURSE
By: MORTGAGE LENDERS NETWORKS, INC. (Seal)
JANISIA ADAMS
SENIOR CLOSER (Seal)
Lender

[Sign Original Only]



CFN 20060322029
 OR BK 20410 PG 0761
 RECORDED 05/31/2006 15:44:25
 Palm Beach County, Florida
 AMT 268,000.00
 Deed Doc 938.00
 Intang 536.00
 Sharon R. Bock, CLERK & COMPTROLLER
 Pgs 0761 - 784; (24pgs)

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Return To:
 MORTGAGE LENDERS NETWORK USA, INC.
 219 COURT ST. MIDDLETOWN, CT 06457

This document was prepared by:
 MORTGAGE LENDERS NETWORK USA, INC.
 219 Court St. Middletown CT 06457

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MORTG

ATN 1002610-3030060629-9

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DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated May 9, 2006 together with all amendments to this document.

(B) "Borrower" means
 PETER CULLEN
 L...

Borrower is the mortgagor under this Security Instrument.

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

(D) "Lender" is MORTGAGE LENDERS NETWORK USA, INC.

FLORIDA-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT WITH MERS Form 3010 1/01

VMP-6A (FL) (0003) 01

Page 1 of 16

Initials

VMP MORTGAGE FORMS - (001) 521-7251



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Lender is a corporation or association organized and existing under the laws of Delaware. Lender's address is 213 Court St. Middletown CT 06457

(E) "Note" means the promissory note signed by Borrower and dated 11/15/2006. The Note states that Borrower owes Lender Two Hundred Eight Thousand and No/100 Dollars (U.S. \$ 268,000.00) plus interest. Borrower has agreed to pay this debt in regular Periodic Payments and to pay the debt in full not later than 11/15/2014.

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

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

(H) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower, if applicable:

- Adjustable Rate Rider
- Balloon Rider
- VA Rider
- Arbitration Rider
- Unit Development Rider
- Weekly Payment Rider
- Second Home Rider
- 1-4 Family Rider
- Other(s) (specify)

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

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

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

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

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

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

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

Handwritten initials and signature.

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(P) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. § 1601, et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they may be amended from time to time, or any additional or successor legislation or regulation that governs the same matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(Q) "Successor in Interest of Borrower" means any party who has an interest in the Property, whether or not that party has assumed Borrower's obligations under the Note or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

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

Parcel ID Number:
114 CAYO COSTA COURT
ROYAL PALM BEACH
("Property Address");

which currently has the address of
[Street]
(City), Florida 33411 [Zip Code]

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

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BORROWER COVENANTS that Borrower is lawfully seized of the Property conveyed and has the right to mortgage, grant and convey the Property and that the Property is not encumbered, except for encumbrances of record. Borrower warrants and will defend generally the Property against all claims and demands, subject to any encumbrances of record.

THIS SECURITY INSTRUMENT combines uniform covenants for general use and non-uniform covenants with limited variations by jurisdiction to constitute a security instrument covering real property.

UNIFORM COVENANTS. Borrower and Lender agree as follows:

1. Payment of Principal, Interest, Escrow Items, Payment Charges, and Late Charges. Borrower shall pay when due the principal of and interest on the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow items pursuant to Section 3. Payments due under this Security Instrument shall be made in U.S. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn on an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Federal Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location designated by Lender in accordance with the notice provisions in Section 15. Lender may refuse to accept any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current and Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied payments. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Lender does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in

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full. To the extent that any excess exists after the payment is applied to the principal of one or more Periodic Payments, such excess may be applied to any late charges. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

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

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

The Funds shall be held in an institution whose deposits are insured by a federal agency, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying the Escrow Items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender can agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

4. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attach to this Security Instrument, leasehold payments or ground rents on the Property, if any, and all other charges, taxes, fees, and assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

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

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

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

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard

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of liability and might provide greater or lesser coverage than was intended. Borrower acknowledges that the cost of the insurance coverage so obtained may exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. All amounts shall bear interest at the Note rate from the date of disbursement and shall be payable to Lender, upon notice from Lender to Borrower requesting payment.

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

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

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

6. Occupancy. Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise

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Handwritten initials and signature

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agrees in writing, which consent shall not be unreasonably withheld, or if circumstances exist which are beyond Borrower's control.

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

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

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

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

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of

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

If the Property is damaged, such Miscellaneous Proceeds shall be applied to the restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to apply the Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure that the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken only if Lender may pay for the repairs and restoration in a single disbursement or in a series of payments until the work is completed. Unless an agreement is made in writing or Applicable Law requires otherwise, no sums shall be paid on such Miscellaneous Proceeds. Lender shall not be required to pay Borrower any interest on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

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

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument in the order provided for in Section 2. If the fair market value of the Property immediately before the partial taking, destruction, or loss in value is less than the amount of the sums secured immediately before the partial taking, destruction, or loss in value, the fair market value of the Property immediately before the partial taking, destruction, or loss in value shall be paid to Borrower.

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

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

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

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

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender

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to Borrower or any Successor in Interest of Borrower shall not operate to release any of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or to modify amortization of the sums secured by this Security Instrument by reason of any default by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payment from any Successors, entities or Successors in Interest of Borrower or in amounts less than the amount due shall not be a waiver of or preclude the exercise of any right or remedy.

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

Subject to the provisions of Section 13, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liabilities under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the parties and assigns of Lender.

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

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

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument

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shall not be deemed to have been given to Lender until actually received by Lender. The notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

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

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

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

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

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

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

19. Borrower's Right to Reinstate After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument,

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and Borrower's obligation to pay the sums secured by this Security Instrument shall remain unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in any one of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, cashier's check or cashier's check, provided any such check is drawn upon an institution that is insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain in full force and effect as if no acceleration had occurred. However, this right to reinstate shall not apply in the event of acceleration under Section 18.

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

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

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

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental

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Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal business practices and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

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

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

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

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

24. Attorneys' Fees. As used in this Security Instrument and the Note, attorneys' fees shall include those awarded by an appellate court and any attorneys' fees incurred in a bankruptcy proceeding.

25. Jury Trial Waiver. The Borrower hereby waives any right to a trial by jury in any action, proceeding, claim, or counterclaim, whether in contract or tort, at law or in equity, arising out of or in any way related to this Security Instrument or the Note.

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this Security Instrument and in any Rider executed by Borrower and recorded hereon. Signed, sealed and delivered in the presence of:

Malissa Khan
Malissa Khan

[Signature] (Seal)
-Borrower

Tamara Vinograd
Tamara Vinograd

[Signature] (Seal)
LORI COLOMBO -Borrower

(Seal) (Seal)
-Borrower -Borrower

(Address) (Address)
(Seal) (Seal)
-Borrower -Borrower

(Address) (Address)
(Seal) (Seal)
-Borrower -Borrower

(Address) (Address)

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STATE OF FLORIDA,

The foregoing instrument was acknowledged before me this 10th day of February 2010 by PETER A COLOMBO
LORE COLOMBO

who is personally known to me or who has produced his license as identification.

Tamara Vinyas
Notary Public



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[Signature]
Form 3010 1/09

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**ADJUSTABLE RATE RIDER
30-YEAR TERM/40-YEAR AMORTIZATION
(Assumable during Life of Loan)**

THIS ADJUSTABLE RATE RIDER is made this 8th day of June, 2008 and is incorporated into and shall be deemed to amend and supplement the Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the Borrower to secure the Borrower's Adjustable Rate Note ("Note") to MORTGAGE LENDERS NETWORK USA, INC. ("Lender") of the same date and covering the property described in the instrument and located at: 114 CAYO COSTA COURT, ROYAL PALM BEACH, FL 33408 [Property Address]

THIS LOAN IS PAYABLE IN FULL AT MATURITY. YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND INTEREST THEN DUE. THE LENDER IS UNDER NO OBLIGATION TO REFINANCE THE LOAN AT THAT TIME. YOU WILL, THEREFORE, BE REQUIRED TO MAKE PAYMENT OUT OF OTHER ASSETS THAT YOU MAY OWN, OR YOU WILL HAVE TO OBTAIN A NEW LENDER, WHICH MAY BE THE LENDER YOU HAVE THIS LOAN WITH, TO OBTAIN THE MONEY. IF YOU REFINANCE THIS LOAN AT MATURITY, YOU MAY HAVE TO PAY SOME OR ALL OF THE CLOSING COSTS NORMALLY ASSOCIATED WITH A NEW LOAN EVEN IF YOU OBTAIN REFINANCING FROM THE SAME LENDER.

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

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

INTEREST RATE AND MONTHLY PAYMENT CHANGES

The Note provides for an initial interest rate of 8.9000 %. The Note provides for changes in the interest rate and the monthly payment as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of June, 2008 and may change on that day every 8th month thereafter. Each date on which my interest rate could change is called a "Change Date."

(B) The Index

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

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

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding **Seven and Sixty-Five Hundredths** point(s) **7.65000** % to the Current Index. The Note Holder will then round the result of this addition to the nearest eighth of one percentage point (0.125%). Subject to the limits stated in Section (D), this rounded amount will be my new interest rate until the next Change Date.

The Note Holder will then determine the amount of my monthly payment that would be sufficient to repay the unpaid Principal that I am expected to owe at the Change Date in full on **June 1, 2046** (which is the "Amortization Date") in substantially equal installments at my new interest rate. The amount of this calculation will be the new amount of my monthly payment.

Notwithstanding the 40-year period used to calculate my monthly payments, I understand that I must pay the amount that I owe under this Note in full on or before the Maturity Date, which is **30** years from the date of this Note.

(D) Limits of Changes

The interest rate I am required to pay at the first Change Date will not be greater than **11.9000** % or less than **8.0000** %. Thereafter, my interest rate will never be increased or decreased on any Change Date by more than **One** percentage point(s) from the rate of interest I am paying for the preceding **8** months.

My interest rate will never be greater than **14.9000**%. My interest rate will never be less than **7.0000** %.

Effective Date of Changes

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

(F) Notice of Changes

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

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

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

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

If all or any part of the Property or any Interest in the Property is sold or transferred (or if Borrower is replaced by another person and a beneficial interest in Borrower is transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender also shall not exercise this option if (a) Borrower causes to be submitted to Lender, for Lender's review, documents required by Lender to evaluate the intended transfer, and (b) Lender reasonably determines that Lender's security interest is not impaired by the loan assumption and that the transfer is acceptable to Lender.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee as a condition to Lender's consent to the loan assumption. Lender may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep all the promises and agreements made by Borrower and in this Security Instrument. Borrower will remain obligated under this Note and this Security Instrument unless Lender releases Borrower in writing.

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

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in the Adjustable Rate Rider.



PETER A COLOMBO
(Seal)
-Borrower



LORI COLOMBO
(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

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PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this _____ day of May 2008 and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given to the Borrower (the "Borrower") to secure Borrower's Note to MORTGAGE LENDERS NETWORK USA, INC.

(the "Lender") of the same date and the Property described in the Security Instrument and located at: 114 CAYO COSTA COURT, ROYAL PALM BEACH, FL 33411

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such improvements and certain common areas and facilities, as described in the covenants, conditions and restrictions, regulations of SENIROLE LAKES

(the "Declaration") Property is a part of a planned unit development known as SENIROLE LAKES

(the "Property") [Name of Planned Unit Development] Property also includes Borrower's interest in the homeowners association (the "Association") which is jointly owning or managing the common areas and facilities of the PUD (the "Association") and the uses, benefits and proceeds of Borrower's interest.

COVENANTS. In addition to the covenants and agreements made in the Security Instrument, Borrower and Lender further covenant and agree as follows: A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3150 1/01

NIN- 1002610-3030060629-8 Page 1 of 3

Initials:

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VMP Mortgage Solutions, Inc. (800)521-7291



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B. Property Insurance. So long as the Owners Association maintains a generally accepted insurance carrier, a "master" or "blanket" policy insuring the property which is satisfactory to Lender and which provides insurance coverage in amounts (including deductible levels), for the periods, and against loss by fire, theft, and other hazards, including "extended coverage," and any other hazards, including but not limited to, earthquakes and floods, for which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the amount of the periodic installments for property insurance on the Property; and (ii) Borrower shall remain obligated under Section 5 to maintain property insurance coverage on the Property, but Lender is not satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this loan may change during the term of the loan.

Borrower shall give Lender notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the obligations secured by the Security Instrument, whether or not then due, with the balance to be paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure the Owners Association maintains a public liability insurance policy acceptable to Lender, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or part of the Property or the common areas and facilities of the PUD, or for any other reason, in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

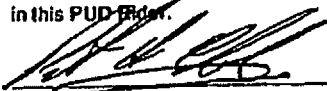
NOT

Initials:

[Handwritten initials]

3030080629

BY SIGNING BELOW, Borrower accepts and agrees to the terms and conditions contained in this PUD Order.

 (Seal)
PETER A COLOMBO -Borrower

 (Seal)
LUB -Borrower

____ (Seal) _____ (Seal)
-Borrower -Borrower

____ (Seal) _____ (Seal)
-Borrower -Borrower

____ (Seal) _____ (Seal)
-Borrower -Borrower

NOT A CERTIFIED COPY

Exhibit "A"

File Number: 20064476

Lot 58, of Seminole Estates & Townhomes, according to the plat thereof, as recorded in Plat Book 158, of the Public Records of Palm Beach County, Florida. through

NOT A CERTIFIED COPY



IN THE CIRCUIT COURT OF THE
FIFTEENTH JUDICIAL CIRCUIT
IN AND FOR PALM BEACH
COUNTY, FLORIDA

CASE NO. 502008CA029465AXXXXMB
FORECLOSURE DIV. AW

LASALLE BANK, N.A. AS TRUSTEE FOR THE
MLMI TRUST SERIES 2006-MLN1
Plaintiff

vs.

PETER COLUOMBO, et.al
Defendants.

ORDER DISMISSING CASE FOR LACK OF PROSECUTION

THIS MATTER comes before the court on November 14, 2013 on Defendants' Motion to Dismiss for Lack of Prosecution. Upon a review of the court file and after hearing the argument of counsel, the court makes the following Findings of Fact and Conclusions of Law:

1. On September 23, 2008, Plaintiff filed the above-styled foreclosure action against Defendants Peter and Lori Colombo.

2. On September 5, 2013, the Defendants served upon the Plaintiff a Notice of Lack of Prosecution (the "Notice") prescribed by Rule 1.420 (e), Fla. R. Civ. P. (the "Rule"). At the time of the filing of the Notice there had been no record activity during the preceding 10 months.

3. Following service of the Notice, there was no record activity during the 60 day grace period provided by the Rule, including the five days for mail service.

4. Rule 1.420(e) provides that if there is no record activity for a period of 10 months immediately preceding the service of the Notice "and no record activity occurs within the 60 days immediately following the service of such notice, and if no stay was issued or approved prior to the expiration of such 60 day period, the action shall be dismissed by the court... after reasonable notice to the parties, unless a party shows good cause in writing at least 5 days before the hearing on the motion why the action should remain pending".

5. Plaintiff concedes that there was no record activity during the time provided for by the Rule but relies on the Plaintiff's Show of Good Cause served on October 16, 2013 as grounds for allowing the case to remain open. Plaintiff cites to a change in both counsel and servicer subsequent to the filing of the Notice but fails to state how such changes contributed to or resulted in no activity for more than a calendar year. Plaintiff further argues that a dismissal would result in a new action having to be filed together with the costs and fees associated therewith. None of these reasons constitute "good cause" as a basis for the lack of prosecution in this case.

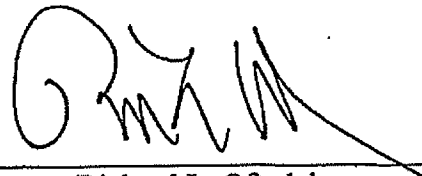
Accordingly, it is hereby ORDERED and ADJUDGED that Defendants' Motion to Dismiss for Lack of Prosecution is GRANTED and this case is dismissed for lack of prosecution and the lis pendens is discharged.

DONE AND ORDERED in Chambers in Palm Beach County, West Palm Beach, Florida this 15th day of November, 2013.

JUDGE RICHARD L. OFTEDAL

NOV 15 2013

SIGNED & DATED



Richard L. Oftedal
Circuit Judge

Service List:



RETURN SERVICE ONLY
PLEASE DO NOT SEND MAIL TO THIS ADDRESS
P.O. BOX 619063
DALLAS, TX 75261-9063

7-892-85621-0007071-001-1-000-001-000-000



PETER A COLOMBO
114 CAYO COSTA CT
ROYAL PLM BCH FL 33411-4209



MORTGAGE LOAN STATEMENT

CONTACT INFORMATION

Customer Service: 1-888-480-2432
Monday - Thursday: 8 a.m. - 8 p.m. CT
Friday: 8 a.m. - 6 p.m. CT and Saturday: 8 a.m. - 2 p.m. CT
MyNationstar.com

Your Dedicated Loan Specialist is John Camille and can be reached at
(888) 850-9398 EXT. 3784742 or via mail at:
8950 Cypress Waters Blvd, Coppell, TX 75019

Statement Date:	02/14/2017
Loan Number:	[REDACTED]
Payment Due Date:	03/01/2017
Amount Due:	\$189,308.86
<i>If payment is received on or after 03/12/17; \$0.00 late fee will be charged.</i>	

Property Address:
114 CAYO COSTA CT
ROYAL PALM FL 33411

Account Information

Interest Bearing Principal Balance	\$263,344.55
Interest Rate (Until 07/01/2017)	8.900%
Escrow Balance	-\$17,477.16

The Principal Balance does not represent the payoff amount of your account and is not to be used for payoff purposes.

Explanation of Amount Due

Principal	\$96.91
Interest	\$1,953.14
Escrow Amount (for Taxes & Insurance)	\$579.78
Optional Products and Services	\$0.00
Regular Monthly Payment	\$2,629.83
Total Fees and Charges	\$206.14
Overdue Payment(s)	\$186,472.89
Partial Payment (Unapplied)	\$0.00
Total Amount Due	\$189,308.86

Please call Nationstar to request the full amount owed on your account as the amount due may be different than stated here due to interest and other charges or credits.

Lender Paid Expense Summary

	Activity Since Last Statement	Total
Legal Fees	\$0.00	\$5,068.00
Property Inspections (01/22/2017)	\$15.00	\$761.00
Maintenance	\$0.00	\$600.00
Total	\$15.00	\$6,429.00

Payments Received

	Payments Rec'd since 01/14/2017	Paid Year to Date
Principal	\$0.00	\$0.00
Interest	\$0.00	\$0.00
Escrow (Taxes & Insurance)	\$0.00	\$0.00
Optional Insurance	\$0.00	\$0.00
Fees and Charges	\$0.00	\$0.00
Lender Paid Expenses	\$0.00	\$0.00
Partial Payment (Unapplied)	\$0.00	\$0.00
Total	\$0.00	\$0.00

Transaction Activity (01/14/2017 to 02/14/2017)

Date	Description	Total	Principal	Interest	Escrow	Other
01/25/2017	Property Inspections	-\$15.00				-\$15.00

Important Messages

(See Reverse side for Additional Critical Notices)

As shown above, your escrow account has a negative balance. This shortage in your escrow account may result in an increase in your monthly escrow payment. We recommend you make additional payments to your escrow to eliminate or reduce the shortage.

"Lender Paid Expenses" are funds paid by Nationstar on your behalf to another company. These expenses may include, but are not limited to, Legal Fees, Property Taxes, Homeowners Insurance, and Property Inspections.

"Total Fees & Charges" include, but are not limited to, phone pay fees, insufficient fund fees, or convenience fees. These fees & charges appear in the



ROBERTSON ANSCHUTZ & SCHNEID
LAW OFFICES

James Robertson, Esquire
Member of Texas Bar
Everett Anschutz, Esquire
Member of Texas Bar
David J. Schneid, Esquire
Member of Florida Bar

Date: April 13, 2017

Borrower: PETER A. COLOMBO AND LORI COLOMBO
Property Address: 114 CAYO COSTA CT, ROYAL PALM BEACH, FL 33411-4209
Loan No. [REDACTED]
Our File No.: 16-216501 - CaF

LAW OFFICES OF JAMES A. BONFIGLIO, P.A.
Attn: James A. Bonfiglio, Esq.
Email: tilalawyer@aol.com

We represent U.S. BANK NATIONAL ASSOCIATION, AS TRUSTEE, SUCCESSOR IN INTEREST TO BANK OF AMERICA, NATIONAL ASSOCIATION, AS TRUSTEE, SUCCESSOR BY MERGER TO LASALLE BANK NATIONAL ASSOCIATION, AS TRUSTEE FOR MERRILL LYNCH MORTGAGE INVESTORS TRUST, MORTGAGE LOAN ASSET-BACKED CERTIFICATES, SERIES 2006-MLN-1 in connection with the above-referenced loan.

Because we may be considered "debt collectors," you should proceed on the assumption and with the understanding that THIS FIRM IS ATTEMPTING TO COLLECT A DEBT AND THAT ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

This letter is in response to your request for a reinstatement figure. The amount due to reinstate is \$ 202,938.87 good through seven (7) days of the date of this letter pursuant to the itemized Explanation of Charges and the Description of Charges included herein. Please note that, by federal law, these amounts do not include any estimates.

Pursuant to the terms of your loan, however, other amounts (including escrow shortages) may become due to bring your account current. These other amounts are designated as "TBD," or "To Be Determined," in the Description of Reinstatement Figures and Other Amounts included below. We may provide you with current estimates of these other amounts upon request. Once determined, they will be invoiced to you for payment to bring your account current. Non-payment of these other amounts will not affect the fact of your reinstatement, but may subject you to another foreclosure action, or a first foreclosure action if none has yet been filed.



Please note, we will not delay or dismiss any pending foreclosure action while awaiting your reinstatement payment and you remain liable for your monthly mortgage payments as they become due.

IF A JUDGMENT IS ENTERED AND/OR A FORECLOSURE SALE IS SCHEDULED PRIOR TO OUR CLIENT'S ACCEPTANCE OF THE REINSTATEMENT AMOUNT, PLAINTIFF CANNOT GUARANTEE THAT THE JUDGMENT WILL BE VACATED OR THE SALE WILL BE CANCELED, AS BOTH ARE SUBJECT TO THE COURT'S DISCRETION

UPON OUR CLIENT'S ACCEPTANCE OF THE REINSTATEMENT AMOUNT, HOWEVER, WE WILL ENDEAVOR TO CANCEL THE SALE (if necessary), VACATE THE JUDGMENT (if necessary), AND TO DISMISS THE LAWSUIT.

THIS LETTER EXPIRES IN SEVEN (7) DAYS OF THE DATE HEREOF. THEREAFTER, YOU WILL HAVE TO REQUEST AN UPDATED REINSTATEMENT LETTER, IF DESIRED.

YOU WILL REMAIN LIABLE TO YOUR ATTORNEY, IF YOU HAVE ONE, FOR ANY ATTORNEY'S FEES AND COSTS YOU HAVE INCURRED IN CONNECTION WITH THE FORECLOSURE MATTER ITSELF, INCLUDING THOSE INCURRED PRIOR TO THE FILING OF ANY FORECLOSURE COMPLAINT.

If you have questions or need additional information, contact us at the following:

Reinstatement and Payoff Department
Robertson, Anschutz & Schneid, P.L.
Attorneys for Plaintiff
Direct Line: 561-613-0098
Rein.Payoff@rasflaw.com

DESCRIPTION OF REINSTATEMENT AND OTHER FIGURES BY CATEGORY

Description of Charges	Amounts Due
Monthly Mortgage Payments	191,497.53
Accumulated Late Charges	206.14
Escrow Deficits	
Suspense Balance	
Non-Sufficient Funds	
Property Preservation	
Property Inspections	791.00
Broker's Price Opinion/Appraisal	
Service Fees	600.00
Title Search	
Title Examination	1,335.00
Title Updates	60.00
Pre-Suit Occupancy Investigation	
Mediation Attorney Fees	
Mediation Costs	
Mediation Compliance Fees	
Clerk Filing Fee	2,004.10
Clerk Recording Fee	9.60
Dismissal Fee	TBD
Motion to Release Original Loan Documents	
Motion to Cancel Sale	
Skip Trace	
Service of Process	180.00
Publication Costs	
Sale Fee	
Overnight Document Delivery Costs	
Litigation Fees	107.50
Attorney's Fees	2,415.00
Attorney's Fees paid to prior counsel in the current action	3,733.00
Bankruptcy Fees to other counsel	
Property Registration	
SCRA	
Other	
Death Certificate	
Death Certificate Recording Cost	
TOTAL:	202,938.87

Payment must be made by wire transfer to "Robertson, Anschutz & Schneid, P.L. Trust Account" from a United States bank or financial institution. **Please contact our payoff and reinstatement department to coordinate receipt of your wire transfer.** Acceptance of funds is subject to final approval by our client. Our client reserves the right to demand amounts in addition to the charges itemized herein if there was an error or omission made in good faith, whether mathematical, clerical, typographical or otherwise.

Upon our client's acceptance of your reinstatement payment, we will advise the court (if and as necessary) and otherwise take appropriate action to resolve any pending foreclosure action with respect to you and your current obligations under the above-referenced loan. **If the court has already ordered a foreclosure sale date, we will seek to have it canceled; however, we cannot guarantee cancellation as that cannot be done without court approval.**

Finally, please note that the information provided and the instructions given in this letter pertain to your dealings with our firm. They do not affect your dealings with the Court and, in particular, they do not change the time in which you must respond to the Complaint, (if you have not done so already), or the time frames in which the Rules of Civil Procedure, Court Orders and applicable regulations require you to act. The Summons is a command from the Court, not our firm, and you must follow the instructions on the Summons regardless of your intent to reinstate and our having provided you with information contained herein.

Notice Regarding Bankruptcy Action: If you have filed or do file an action in bankruptcy court, the Reinstatement Amount may change. In the event your obligation under the Note has been discharged or is subject to the automatic stay provision of the federal Bankruptcy Code this notice is for informational purposes only and does not constitute a demand for payment or an attempt to hold you personally liable for the debt.

EXPLANATION OF CHARGES

Monthly Mortgage Payments: These are the amounts for unpaid monthly mortgage payments due up to and including the "good through" date set forth above.

Accumulated Late Charges: These are the amounts that have and will accumulate through the "good through" date because payment was not timely received.

Escrow Deficits: These amounts (though they might not be fully included with the charges itemized herein) are the amounts, if any that have been advanced for payment of property taxes, assessments, insurance or other like items. These amounts may not account for any insurance funds that have been received as a result of a claim.

Suspense Balance: These are amounts received on your behalf but not applied to your loan because they were insufficient to meet your obligations. They are credited to the balance due as reflected herein

Non-Sufficient Funds: These amounts, if any, are the sum total of bank charges incurred as a result of checks remitted on your behalf to your lender or loan servicer for which you did not have sufficient funds on account to cover (*i.e.*, your check(s) bounced).

Property Inspections: These are the amounts, if any, incurred to have the property periodically inspected after the loan became delinquent. An inspection typically consists of a visual exterior review of the property. The review determines whether the property is occupied and adequately maintained.

Property Preservation: These are the amounts, if any, incurred to prevent the property from deteriorating or decreasing in value due to its condition. Expenses for preservation of the property may occur if the property is reported vacant, for securing the property, or to perform regular maintenance to protect the property's value.

Broker's Price Opinion/Appraisal: Once a property is referred for foreclosure, the Plaintiff or its agent may order a "BPO," or appraisal, to ascertain the current value of the property. These are the amounts, if any, incurred to obtain an appraisal of the property.

Loan Modification Fees: These are fees that may be charged for processing a modification of the loan terms.

Title Search: This is the amount for performing a title search of the property. A title search is an investigation of the public records on file in the county where the property is located, which is performed to identify all persons who may have an interest in the property. A title search is obtained immediately once a firm is retained to initiate the foreclosure process.

Title Examination: Once a Title Search is complete, a title examiner reviews the information gathered from the Title Search to identify all persons who may have an interest in the property, and these are the amounts incurred for that process.

Title Updates: During the foreclosure process, our client may have the title search and exam updated, and these are the amounts incurred, if any, for that process.

Pre-suit Occupancy Investigation: An occupancy investigation is performed for the purpose of compliance with applicable Administrative Orders, if any, governing the filing of complaints, and these are the amounts charged for that investigation.

Mediation Attorney Fees: These are the attorney's fees incurred, if any, for any mediation conducted with respect to this matter.

Mediation Compliance Fees: These are amounts incurred, if any, to comply with mediation requirements.

Mediation Costs: These are costs associated with mediation, including a Mediator's fee, if any.

Clerk Filing Fee: This is the amount paid to the Clerk of the Circuit Court to file the foreclosure complaint and initiate the foreclosure action.

Clerk Recording Fee: This is the amount, if applicable, the Clerk of Court charged to record documents related to the foreclosure action.

Motion to Release Original Loan Documents: Once the original loan documents have been filed with the Court, a court order is required to have them released (and attorney's fees and costs associated therewith may be included in additional attorney's fees and costs incurred hereafter and in addition to the amounts set forth herein, as explained above).

Motion to Cancel Sale: If a sale has been scheduled by the Court, a court order is required to cancel it (and attorney's fees and costs associated therewith may be included in additional attorney's fees and costs incurred hereafter and in addition to the amounts set forth herein, as explained above).

Certified Copies Fee: This is the amount paid to obtain certified copies of documents deemed necessary and related to the foreclosure action.

Post-Judgment Clerk Filing Fee: This is the amount paid to the Clerk of the Court to reopen a case after a final judgment has been entered, or the case has been otherwise disposed of.

Service of Process: This is the amount paid authorized process servers to serve the Complaint and Summons on a defendant. The amount(s) may include acquisition of summonses from the Clerk, efforts to locate defendants, and efforts to serve them (whether successful or not). If a process server cannot locate a defendant to serve the Complaint and Summons at the address listed on the Summons, Florida law requires a plaintiff to attempt diligently to locate the defendant(s) before the plaintiff can accomplish service of process by advertising/publishing legal notice of the foreclosure case. Process servers may be paid to locate defendants by performing "skip traces" and rendering reports pursuant thereto. If a "skip trace" report is required, the amount charged by a process server will be included as part of Service of Process costs. In addition, if service by mail is required, an additional charge will be due and included as well.

Publication Costs: This is the amount paid to a local newspaper to advertise/publish notice of a case when a defendant cannot be located for purposes of service of process. This amount may also include charges associated with advertising a foreclosure sale.

Sale Fee: These are amounts charged in connection with a sale, if applicable.

Overnight Document Delivery Costs: This is the amount paid to deliver court papers, correspondence, and other documents on an expedited basis.

Guardian Ad Litem Fees: If a defendant cannot be located by a process server, the Court may appoint an attorney to represent the defendant during the foreclosure process. These amounts are those the Court requires to be paid the Guardian Ad Litem for his or her services.

Attorney's Fees (Including Litigation Fees): This is the amount of fees earned by the Robertson, Anschutz & Schneid, P.L. Trust Account ("RAS") firm up to and including the date of this letter. **Please note, these amounts due not include attorney's fees and costs incurred from this date forward. To ascertain those amounts, you will need to contact us as explained above.**

Attorney's Fees Paid to Prior Counsel in the Current Action: These are amounts earned by and paid to any law firm(s) handling the case prior to the case being transferred to RAS.

Bankruptcy Fees Paid to Other Counsel: These are amounts earned by and paid to any law firm(s) handling bankruptcy matters related to this case and before transfer of the case to RAS.

Property Registration: Some Counties require registration of all properties in foreclosure.

Other: _____.



M010000000698

ACCOUNT NO. : 072100000032

REFERENCE : 087808 4344517

AUTHORIZATION :

COST LIMIT : \$195,000

Patricia Pizant

ORDER DATE : March 22, 2001

ORDER TIME : 11:31 AM

ORDER NO. : 087808-110

100003924041--0

CUSTOMER NO: 4344517

CUSTOMER: Ms. Kathy Mccamey
Centex Corporation
2728 North Harwood
Mailroom/no. 209
Dallas, TX 75201

FOREIGN FILINGS

NAME: CENTEX HOME EQUITY COMPANY,
LLC

XXXX QUALIFICATION (TYPE: LL)

PLEASE RETURN THE FOLLOWING AS PROOF OF FILING:

- XX 2 CERTIFIED COPIES
- XX 2 CERTIFICATES OF GOOD STANDING

CONTACT PERSON: Ellyn Herndon - EXT# 1145

EXAMINER: _____

Handwritten signature/initials

RECEIVED
 MAR 28 PM 12:08
 DIVISION OF CORPORATION
 STATE OF TEXAS
 MAIL ROOM

APPLICATION BY FOREIGN LIMITED LIABILITY COMPANY FOR AUTHORIZATION TO
TRANSACTION BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 608.503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN
LIMITED LIABILITY COMPANY TO TRANSACTION BUSINESS IN THE STATE OF FLORIDA:

1. Centex Home Equity Company, LLC
(Name of foreign limited liability company)

2. Delaware 3. 75-2921540
(Jurisdiction under the law of which foreign limited liability company is organized) (FEI number, if applicable)

4. February 9, 2001 5. December 31, 2100
(Date of Organization) (Duration: Year limited liability company will cease to exist or "perpetual")

6. upon filing of application
(Date first transacted business in Florida. (See sections 608.501, 608.502, and 817.155, F.S.))

7. 2728 N. Harwood
Dallas, TX 75201
(Street address of principal office)

8. If limited liability company is a manager-managed company, check here

9. The name and usual business addresses of the managing members or managers are as follows:

Anthony H. Barome, 2728 N. Harwood, Dallas, TX 75201

Leldon E. Echols, 2728 N. Harwood, Dallas, TX 75201

RECEIVED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

01/11/01 2:29 PM 1:28

APPROPRIATE
AND
FILED

10. Attached is an original certificate of existence, no more than 90 days old, duly authenticated by the official having custody of records in the jurisdiction under the law of which it is organized. (A photocopy is not acceptable. If the certificate is in a foreign language, a translation of the certificate under oath of the translator must be submitted.)

11. Nature of business or purposes to be conducted or promoted in Florida: Originating, acquiring, investing in, marketing and selling, on its own behalf, mortgage loans that are made to finance or refinance the purchase of residential homes.
Centex Credit Corporation, its sole member

Kathleen B. McCamey
Signature of a member or an authorized representative of a member.
(In accordance with section 608.408(3), F.S., the execution of this document constitutes an affirmation under the penalties of perjury that the facts stated herein are true.)
By: Kathleen B. McCamey, Assistant Secretary

Typed or printed name of signee

**CERTIFICATE OF DESIGNATION OF
REGISTERED AGENT/REGISTERED OFFICE**

PURSUANT TO THE PROVISIONS OF SECTION 608.415 or 608.507, FLORIDA STATUTES, THE UNDERSIGNED LIMITED LIABILITY COMPANY SUBMITS THE FOLLOWING STATEMENT TO DESIGNATE A REGISTERED OFFICE AND REGISTERED AGENT IN THE STATE OF FLORIDA.

1. The name of the Limited Liability Company is:

Centex Home Equity Company, LLC

2. The name and the Florida street address of the registered agent and office are:

Corporation Service Company

(Name)

1201 Hays Street

Florida street address (P.O. Box **NOT** ACCEPTABLE)

Tallahassee

FL

32301

City/State/Zip

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 608, F.S..

Deborah D. Skipper

(Signature)

**Deborah D. Skipper
Asst. Secretary**

\$ 100.00 Filing Fee for Application
\$ 25.00 Designation of Registered Agent
\$ 30.00 Certified Copy (optional)
\$ 5.00 Certificate of Status (optional)

APPROVED
AND
FILED
01 MAR 28 PM 1:59
TALLAHASSEE, FLORIDA

State of Delaware
Office of the Secretary of State PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "CENTEX HOME EQUITY COMPANY, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE FIFTEENTH DAY OF MARCH, A.D. 2001.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE NOT BEEN ASSESSED TO DATE.

APPROVED
AND
FILED
01 MAR 28 PM 1:38
SECRETARY OF STATE
DELAWARE STATE OFFICE



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

3355698 8300

AUTHENTICATION: 1023928

010127708

DATE: 03-15-01