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STROGGIN & DOERN

At an IAS Part of the Supreme Court of the State of New York held in and for the County of Saratoga at the Courthouse thereof at 30 McMaster Street, Ballston Spa, New York 12020 on February 16, 2007.

PRESENT: HON. STEPHEN A. FERRADINO, JUSTICE

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC.

Petitioner

--against--

ORDER

Index: 2004-1321

RJ: 45-1-2004

2007 MAR -6 AM 11:37
SARATOGA COUNTY
CLERK'S OFFICE
BALLSTON SPA, NY

FILED

CHRISTOPHER SCHUH, DIANE SCHUH, IRS DEPARTMENT OF TREASURY, JOSEPH A. PAOLONI, "JOHN DOE 1 - 20",

Respondents

UPON the Amended Decision and order of this Court, dated January 19, 2007, and entered on January 30, 2007, and subsequent submissions of the attorneys for the Plaintiffs and the Schuh Defendants, the Court directs the following based upon the following pay-off figures:

Unpaid Principal Balance	\$64,819.99
Interest to January 22, 2007	19,977.91
Property Preservation & Inspections	114.00
Legal Fees & Costs	21,955.25

ORDERED, that the Referee, Stephen T. Rodriguez, shall pay out and distribute the monies on deposit with said Referee since March 23, 2006, in the amount of \$14,126.00 to HSBC Mortgage Services, Inc., before February 26, 2007, and said Referee shall send by overnight delivery service said check in the amount of \$14,126.00 to HSBC Mortgage Services, Inc., Attn: PAYOFF DEPARTMENT, 636 Grand Regency Blvd., Brandon, Florida 33510; and it is further

ORDERED, that the Treasurer of Saratoga County, upon delivery of a certified copy of this Order, pay out and distribute the monies in its hands to the credit of this action, plus interest accumulations, if any, after deducting the fees/commissions allowed to it by law, to the following persons in the following order of priority, on or before February 26, 2007, and delivered by overnight delivery service:

1. To HSBC Mortgage Service, Inc., Attn: PAYOFF DEPARTMENT, 636 Grand Regency Boulevard, Brandon, Florida 33510, the sum of \$92,721.15, and
2. To Christopher Schuh and Diane Schuh, c/o John Klotz, Esq., 350 Fifth Avenue, Suite 4810, New York, New York 10118, the remaining balance of said monies far as same shall extend.

ENTER:

2007 MAR -6 AM 11:37
SARATOGA COUNTY
CLERK'S OFFICE
BALLSTON SPA, NY

ENTERED

EXHIBIT A: Payout Order

Statement for

CHRISTOPHER SCHUH
DIANE SCHUH



Loan Number: 0001085182
Statement Date: 04/04/07
Payment Due Date: 04/21/07

Customer Care Number: 1-800-333-7023

Website: hsbcmortgageservices.com

028108

Account Summary							
Current Payment Amount	Principal & Interest	Escrow/ Advance	Optional Insurance/ Products	Past Due Payment Amount	Late Charges	Miscellaneous/ Other	Total Due
559.31	559.31	0.00	0.00	22,372.40	592.64	11,694.89	35,409.14

Important Messages

All calls may be monitored or recorded for quality assurance purposes.



000007009500 61010000-S

CT, NY and IA only: This is an attempt to collect a debt, and any information obtained will be used for that purpose.
New York: Loans may be owned, made or serviced by Household Finance Realty Corporation of New York, Licensed Mortgage Banker LMBC No. 100545.

00156

Page 2 of 2



\$



HSBC Mortgage Services
P.O. Box 9068
Brandon, FL 33509

05/09/07

Re: Account # 0001085182

CHRISTOPHER SCHUH
DIANE SCHUH
P O BOX 668
LAKE LUZERNE NY 12846

Dear Valued Customer:

Thank you for your recent inquiry concerning your account.

Upon reviewing the history of the above referenced account, we have determined that the information reported to the credit bureau agencies is correct. Updates to credit bureau reports are submitted only if the initial information was reported in error. If you believe that credit report data pertaining to your account is incorrect, please note that you must file a dispute directly with each of the credit bureau agencies.

We have enclosed a copy of your Note and Mortgage that validates your contractual obligation to HSBC Mortgage Services.

If you have any questions, please contact Customer Care at (800) 333-7023 Monday through Friday between 8:00 a.m. and 8:00 p.m. Eastern time, or visit www.hsbcmortgageservices.com to manage your account online.

Sincerely,

HSBC Mortgage Services

4.68
LMJ/29997

EXHIBIT B-2: HSBC to Plaintiffs (5/9/07)

Dear Borrower: Please read these forms and ask any questions you may have. We are using the words I, you and yours to mean all persons signing the Note as a Borrower. The words we, us and our refer to Personal Mortgage Corporation, the Creditor.

Itemization of the AMOUNT FINANCED of \$ 63,185.00

Disclosure of Credit Costs	\$ <u>14,203.38</u> Amount Given to you directly by us (Check to you)
	\$ _____ Amount paid on your account (Net Balance-Prior Account)
Creditor: PERSONAL MORTGAGE CORPORATION 100 BUSINESS CTR DR HWY 22 BREWSTER, NEW YORK 10509	\$ <u>48,981.62</u> Amount paid to others on your behalf (Sum of Items A and B below)
	A. Schedule A Subtotal (See Page 2) \$ <u>47,544.62</u>
	B. Schedule B Total (See Page 2) \$ <u>1,437.00</u>
Phone Number: 914-278-4303	\$ <u>2,815.00</u> Prepaid Finance Charge
Account Number: 00090575	Loan Origination Fee \$ <u>2,660.00</u>
	Commitment Fee \$ <u>175.00</u>

Your Name & Mailing Address	Residence Address if not the same
CHRISTOPHER J. SCHUH, DIANE SCHUH 18 RIVER ROAD LUZERNE, NY 12846	

Date of Loan	1st Due Date	Final Due Date	Month. Instal.	Final Instal.	To be paid in 180 installments	All Monthly installments are due on the same day of the month as the 1st Due Date.
09/16/94	10/21/94	09/21/09	\$ 559.31	\$ 53,840.43		
AMOUNT FINANCED: The amount of credit provided to you or on your behalf.				FINANCE CHARGE: The dollar amount the credit will cost you, if you pay as scheduled.		
\$ 63,185.00				\$ 90,771.92		
TOTAL OF PAYMENTS: The amount you will have paid when you have made all payments as scheduled.				ANNUAL PERCENTAGE RATE: The cost of your credit as a yearly rate.		
\$ 153,956.92				10.17 %		

CREDIT INSURANCE
Credit insurance: Credit life insurance and disability insurance are not required to obtain credit. Insurance will not be provided unless you agree to pay the additional Cost by signing below.
*Annual Cost: If elected, the insurance protection is payable in monthly installments (See Note). Below, we are disclosing the Annual Cost of that protection (12 X Monthly Insurance Charge) in compliance with Section 226.4(d)(8) of Regulation Z issued under the Federal Truth-in-Lending Act.

Insurance Type	Annual Cost*	Signature
Life <input type="checkbox"/> Single <input type="checkbox"/> Joint	\$ _____	<input type="checkbox"/> I want Single Life Insurance <input type="checkbox"/> I want Single Life and Single Disability Insurance <input type="checkbox"/> I want Joint Spouse Life Insurance <input type="checkbox"/> I want Joint Spouse Life and Single Disability Insurance <input checked="" type="checkbox"/> I do not want Life Insurance <input checked="" type="checkbox"/> I do not want Disability Insurance By signing below, I confirm the boxes checked are correct.
Disability	\$ _____	
Joint Life	See Charge Above Alongside Life	<input type="checkbox"/> I want Joint Spouse Life Insurance _____ Borrower's Signature _____ Second Borrower's Signature (if applicable)

Prepayment: If you pay off early, you may have to pay a penalty and you will not be entitled to a refund of any part of the Prepaid Finance Charge included in the Finance Charge.

Late Charge: If your payment is late (not paid within 15 days after the due date), you will be charged a Late Charge equal to 2% of the Monthly Installment shown above.

Security: You are giving us a security interest in: Motor Vehicle Your real property - Second Mortgage.
Your itemization of the Amount Financed is shown above.
See your Note for any additional information about nonpayment, default, any required repayment in full before the scheduled date and prepayment penalties.

Supplemental Itemization of Amount Financed

SCHEDULE A		SCHEDULE B - REAL PROPERTY FEES	
To: IC SYSTEMS	\$ 49.00	Recording Fee - Mortgage	\$ 34.00
To: _____	\$ _____	Recording Fee-Satisfaction of Mortgage (prev)	\$ _____
To: _____	\$ _____	Appraisal Fee	\$ _____
To: _____	\$ _____	Title Search Fee	\$ 165.00
To: _____	\$ _____	Title Insurance Premium	\$ 308.00
To: _____	\$ _____	Credit Report Fee	\$ _____
To: _____	\$ _____	Survey Fee	\$ _____
To: BENEFICIAL	\$ 47,495.62	Tax Service Fee	\$ _____
To: _____	\$ _____	Mortgage Recording Tax	\$ 470.00
Broker Fee	\$ _____	Flood Zone Search Fee	\$ _____
Subtotal Schedule A	\$ 47,544.62	Attorney's Fee	\$ 460.00
Check to you	\$ 14,203.38	Schedule B Total	\$ 1,437.00
Schedule A Total	\$ 61,748.00		

BROKER FEE - If an amount is entered above in Schedule A as a Broker Fee, that Fee has been paid to:

_____ (name) _____ for services rendered.
_____ (address)

NOTE

NOTICE: Default in the payment of this Note may result in the loss of the property securing the loan. Under federal law, you may have the right to cancel this Note, if you have this right, the Creditor is required to provide you with a separate written notice specifying the circumstances and times under which you can exercise this right.

\$ 63,185.00 Amount Financed plus \$ _____ Monthly Life Ins. Charge
 \$ 2,640.00 Loan Origination Fee plus \$ _____ Monthly Disability Ins. Charge
 \$ 175.00 Commitment Fee equals \$ 559.31 Monthly Installment (Monthly Insurance Charges, Interest and Principal)
 \$ 66,000.00 ACTUAL AMOUNT OF LOAN
 9.590 % Per Year - Rate of Charge

Rate at which Loan Origination Fee is calculated
4.000 % per day.

PROMISE TO PAY: You promise to pay us the Actual Amount of Loan shown above plus interest. You will pay a Monthly Installment on the 1st Due Date and on the same day of every month until the Final Due Date when you will pay the Final Installment. In any case, the Final Installment will include the unpaid balance of the Actual Amount of Loan plus interest that has become due.

EXHIBIT C: NOTE and MORTGAGE

Name of Borrower: CHRISTOPHER J. SCHUH
DIANE SCHUH

Account No.: 00090575

NOTE (continued)

INTEREST: The interest is calculated at the time of each payment on the then unpaid balance of the Actual Amount of Loan at the Rate of Charge shown on Page 2.

LOAN ORIGINATION FEE: You will pay a nonrefundable Loan Origination Fee. The Loan Origination Fee is calculated at the rate shown in the box on Page 2 on the Actual Amount of Loan for a period of one day only. This day is the day we extend credit to you.

INTEREST AFTER FINAL DUE DATE: If you have not paid the loan in full on the Final Due Date, you will pay interest at the Rate of Charge until payment in full.

LATE CHARGE: We will charge you a Late Charge if you do not pay a Monthly Installment within 15 days after its due date. The Late Charge is 2% of the Monthly Installment.

PAYMENT IN ADVANCE: Subject to the potential imposition of a Prepayment Charge, you may prepay the loan in full or in part at any time. If you do not prepay the loan in full, you will continue to pay Monthly Installments each month.

PREPAYMENT CHARGE: If you prepay this loan within 12 months of the Date of Loan by means other than refinancing with us, you will pay a Prepayment Charge. The Prepayment Charge is equal to 1% of the unpaid balance of the Actual Amount of Loan on the date of prepayment.

HAZARD INSURANCE: You will keep the real property insured against hazards. You are not required to obtain a policy in excess of the replacement cost of the improvements on the property securing the loan. We shall accept from you as evidence that you have procured hazard insurance coverage either a binder issued by an insurer or duly authorized representative licensed to do business in the state of New York or a loss payable endorsement showing us as the "mortgagee". If the Property includes a motor vehicle, you will insure the motor vehicle against loss by collision.

ADVANCES UNDER MORTGAGE: If we make payment for taxes, assessments, water or other charges or insurance premiums and you do not repay us at once, we may require you to pay interest on this amount at the Rate of Charge. We also may add this amount to the unpaid balance of the Actual Amount of Loan.

ATTORNEY'S FEES: If we refer this Note to an attorney for collection, we may collect a reasonable attorney's fee up to a maximum of 15% of the unpaid balance of the Actual Amount of Loan.

FEES FOR CHECK RETURNED UNPAID: If you give us a check that is returned unpaid, you will pay a fee of \$20.00.

DEFAULT: If you fail to make any payment within 30 days after it becomes due or fail to comply with the terms of the Mortgage, we can demand immediate payment of the entire amount you owe.

SECURITY: You are giving us a security interest in the real and personal property ("Property") shown in the Security section of the Disclosure of Credit Costs. The Property securing this loan is described in more detail in the Identification of Security form which is part of this Note.

APPLICABLE LAW: This loan is made under the Licensed Mortgage Bankers Law (LMBL), Article 12-D of the Banking Law of New York, and Part 80 of the Regulations of the Banking Board issued under the LMBL.

CREDIT INFORMATION: By applying for a loan, you authorize and instruct us to request and receive credit information about you from any credit reporting agency or third party and unless you object by calling toll free 1-800-848-3441, 8:00 AM to 8:00 PM, Eastern time, to transfer any credit information we may have about you to affiliates or their agents for solicitation purposes in order that you may learn about their credit or other offerings.

NOTICE TO BORROWER - LOANS WITH FINAL INSTALMENT MORE THAN MONTHLY INSTALMENT

THE TERM OF THE LOAN IS 15 YEARS. AS A RESULT, YOU WILL BE REQUIRED TO REPAY THE ENTIRE PRINCIPAL BALANCE AND ANY ACCRUED INTEREST THEN OWING 15 YEARS FROM THE DATE ON WHICH THE LOAN IS MADE.

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

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

Witness: [Signature] (Seal)
Original Signature of First Borrower: CHRISTOPHER J. SCHUH

Witness: [Signature] (Seal)
Signature of Second Borrower (if applicable): DIANE SCHUH

Witness: _____ (Seal)
Signature of Third Borrower (if applicable)

Witness: _____ (Seal)
Signature of Co-Owner of Property Securing this Loan (if applicable)

CREDIT PROTECTION INFORMATION

Credit Life and Disability Protection: The credit life and disability protection is written by First Central National Life Insurance Company of New York which is affiliated with us. We will not act as agent, broker or fiduciary for you on the loan and we may obtain some benefit from the sale of the credit protection.

EXHIBIT C: NOTE and MORTGAGE

May 15 07 11:16a

DISCLOSURE STATEMENT

NOTICE TO MORTGAGE LOAN APPLICANTS: THE RIGHT TO COLLECT YOUR MORTGAGE LOAN PAYMENTS MAY BE TRANSFERRED. FEDERAL LAW GIVES YOU CERTAIN RIGHTS. READ THIS STATEMENT AND SIGN IT ONLY IF YOU UNDERSTAND ITS CONTENTS.

You are applying for a mortgage loan covered by the Real Estate Settlement Procedures Act (RESPA) (12 U.S.C. subsection 2601 et seq.). You have certain rights under that Federal law. This Statement tells you about those rights. It also tells you what the chances are that the servicing for this loan may be transferred to a different loan servicer. "Servicing" refers to collecting your principal, interest and escrow account payments. If your loan servicer changes, there are certain procedures that must be followed. This Statement generally explains those procedures.

Transfer practices and requirements

If the servicing of your loan is assigned, sold or transferred to a new servicer, you must be given written notice of that transfer. The present loan servicer must send you notice in writing of the assignment, sale or transfer of the servicing not less than 15 days before the date of the transfer. The new loan servicer must also send you notice within 15 days after the date of the transfer. Also, a notice of prospective transfer may be provided to you at settlement (when title to your new property is transferred to you) to satisfy these requirements. The law allows a delay in the time (not more than 30 days after a transfer) for servicers to notify you under certain limited circumstances when your servicer is changed abruptly. This exception applies only if your servicer is fired for cause, is in bankruptcy proceedings, or is involved in a conservatorship or receivership initiated by a Federal agency.

Notices must contain certain information. They must contain the effective date of the transfer of the servicing of your loan to the new servicer, the name, address, and toll-free or collect call telephone number of the new servicer, and toll-free or collect call telephone numbers of a person or department for both your present servicer and your new servicer to answer your questions about the transfer of servicing. During the 60-day period following the effective date of the transfer of the loan servicing, a loan payment received by your old servicer before its due date may not be treated by the new loan servicer as late, and a late fee may not be imposed on you.

Complaint Resolution

Section 6 of RESPA (12 U.S.C. subsection 2605) gives you certain consumer rights, whether or not your loan servicing is transferred. If you send a "qualified written request" to your loan servicer concerning the servicing of your loan, your servicer must provide you with a written acknowledgment within 20 business days of receipt of your request. A "qualified written request" is a written correspondence, other than notice on a payment coupon or other payment medium supplied by the servicer, which includes your name and account number, and your reasons for a belief that your loan has been calculated in error or a request for other information. Not later than 60 business days after receiving your request, your servicer must make any appropriate corrections to your account, and must provide you with a written clarification regarding any dispute. During this 60-day period, your servicer may not provide information to a consumer reporting agency concerning any overdue payment related to such period or the qualified written request.

Damages and Costs

Section 6 of RESPA also provides for damages and costs for individuals or classes of individuals in circumstances where servicers are shown to have violated the requirements of that Section.

Servicing Transfer Estimates by Original Lender

The following is the best estimate of what will happen to the servicing of your mortgage loan:

We do not service any loans we originate and will transfer all loans (including yours). However, that may change in the future. For all the loans that we make in the 12-month period after your loan is funded, we estimate that the chance that we will transfer the servicing of those loans is between:

- 0 to 25%
- 26 to 50%
- 51 to 75%
- 76 to 100%

This is only our best estimate and it is not binding. Business conditions or other circumstances may affect our future transferring decisions.

This is our record of transferring the servicing of the loans we have made in the past:

Year	Percentage of Loans Transferred	(Rounded to nearest quartile - 5%, 25%, 50%, 75% or 100%)
1990	100 %	
1991	100 %	
1992	100 %	

In the future, if the servicing of your loan is transferred to an affiliate corporation, to which the estimate does not apply, you will be notified in accordance with RESPA.

PERSONAL MORTGAGE CORPORATION

By: _____
Manager

Date

ACKNOWLEDGMENT OF MORTGAGE LOAN APPLICANT

I/we have read the foregoing Disclosure Statement and understand its contents, as evidenced by my/our signature(s) below.

9-16-94
Date

Applicant's Signature
Diane Schuh
Co-Applicant's Signature

Ed. 6/93

EXHIBIT C: NOTE and MORTGAGE

MAY 15 02 11:18a

MORTGAGE

WORDS USED OFTEN IN THIS DOCUMENT

- (A) "Mortgage." This document, which is dated SEPTEMBER 16, 1994, will be called the "Mortgage."
- (B) "Borrower." CHRISTOPHER J. SCHUR, RESIDING AT 18 RIVER ROAD LUZERNE, NY 12846 will sometimes be called the "Borrower" and sometimes simply "I".
- (C) "Lender." PERSONAL MORTGAGE CORPORATION will be called the "Lender." Lender is a corporation or association which was formed and which exists under the laws of NEW YORK. Lender's address is 100 BUSINESS CTR DR HWY 22, BREWSTER, NEW YORK 10509.
- (D) "Note." The junior lien note signed by Borrower and dated SEPTEMBER 16, 1994, and extensions and renewals of that note, will be called the "Note." The Note shows that I owe Lender U.S. \$ 66,000.00 plus interest, which I have promised to pay in full by SEPTEMBER 21, 2009.
- (E) "Property." The property that is described below in the section titled "Description of the Property" will be called the "Property."

BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY

I mortgage, grant and convey the Property to Lender subject to the terms of this Mortgage. This means that, by signing this Mortgage, I am giving Lender those rights that are stated in this Mortgage and also those rights that the law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I do not:

- (A) Pay all the amounts that I owe Lender as stated in the Note;
- (B) Pay, with interest, any amounts that Lender spends under this Mortgage to protect the value of the Property and Lender's rights in the Property; and
- (C) Keep all of my promises and agreements under this Mortgage.

DESCRIPTION OF THE PROPERTY

I give Lender rights in the following Property:

- (A) The property which is located at 18 RIVER ROAD
(Town)
LUZERNE, NY 12846. This Property is in
(City) (State and Zip Code)
SARATOGA County in the State of New York. It has the following legal description:

SEE SCHEDULE "A" ATTACHED HERETO AND MADE A PART HEREOF.

DEFAULT IN THE PAYMENT OF THIS LOAN AGREEMENT MAY RESULT IN THE LOSS OF THE PROPERTY SECURING THE LOAN. UNDER FEDERAL LAW, YOU MAY HAVE THE RIGHT TO CANCEL THIS AGREEMENT. IF YOU HAVE THIS RIGHT, THE CREDITOR IS REQUIRED TO PROVIDE YOU WITH A SEPARATE WRITTEN NOTICE SPECIFYING THE CIRCUMSTANCES AND TIMES UNDER WHICH YOU CAN EXERCISE THIS RIGHT.

- (B) All buildings, structures and other improvements that are located on the property described in paragraph (A) of this section;
- (C) All rights in other property that I have as owner of the property described in paragraph (A) of this section. Those rights are known as "easements, rights and appurtenances attached to the property";
- (D) All rents or royalties from the property described in paragraph (A) of this section; and
- (E) All of the property described in paragraphs (B) through (D) of this section that I acquire in the future, and all rights described in paragraphs (B) through (D) of this section that I acquire in the future.

It may be that I do not own the Property but am a tenant under a lease. In that case, the rights I am giving to Lender by this Mortgage are rights in my tenancy.

LOAN ID: 00090575

NEW YORK
ALL NYMT 7.00 (1/05)

page 1 of 6

EXHIBIT C: NOTE and MORTGAGE

May 15 07 11:16a

BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY

I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property other than claims and charges of record.

I give a general warranty of title to Lender. This means that I am fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

UNIFORM PROMISES

I promise and I agree with Lender as follows:

1. BORROWER'S PROMISE TO PAY PRINCIPAL AND INTEREST UNDER THE NOTE AND TO FULFILL OTHER PAYMENT OBLIGATIONS

I will promptly pay to Lender when due principal and interest under the Note and late charges as stated in the Note.

2. AGREEMENTS ABOUT MONTHLY PAYMENTS FOR TAXES AND INSURANCE

(A) Borrower's Obligation to Make Monthly Payments to Lender for Taxes and Insurance

I will pay to Lender all amounts necessary to pay for taxes, assessments, ground rents (if any), and hazard insurance on the Property and mortgage insurance (if any). I will pay those amounts to Lender (i) unless Lender tells me, in writing, that I do not have to do so or (ii) unless the law requires otherwise. Also, I will not have to pay to Lender any amount for which I am already making monthly payments to the holder of any superior mortgage or deed of trust, if it is a savings or banking institution. I will make those payments on the same day that my monthly payments of principal and interest are due under the Note.

The amount of each of my payments under this Paragraph 2 will be the sum of the following:

- (i) One-twelfth of the estimated yearly taxes, assessments (including condominium and planned unit development assessments, if any) and ground rents (if any) on the Property which under the law may be superior to this Mortgage; plus
- (ii) One-twelfth of the estimated yearly premium for hazard insurance covering the Property; plus
- (iii) One-twelfth of the estimated yearly premium for mortgage insurance (if any).

Lender will determine from time to time my estimated yearly taxes, assessments, ground rents and insurance premiums based upon existing assessments and bills, and reasonable estimates of future assessments and bills. (Taxes, assessments, ground rents and insurance premiums will be called "taxes and insurance.")

The amounts that I pay to Lender for taxes and insurance under this Paragraph 2 will be called the "Funds." The Funds are additional protection for Lender in case I do not fulfill my obligations under the Note and under this Mortgage.

(B) Lender's Obligations Concerning Borrower's Monthly Payments for Taxes and Insurance

Lender will keep the Funds in a savings or banking institution the deposits or accounts of which are insured or guaranteed by a Federal or state agency. If Lender is such an institution then Lender may hold the Funds. Except as described in this Paragraph 2, Lender will use the Funds to pay taxes and insurance. Lender will give to me, without charge, an annual accounting of the Funds. That accounting must show all additions to and deductions from the Funds, and the reason for each deduction.

Lender may not charge me for holding or keeping the Funds on deposit, for using the funds to pay taxes and insurance, for analyzing my payments of Funds, or for receiving, verifying and totalling assessments and bills. However, Lender may charge me for those services if Lender pays me interest on the Funds and if the law permits Lender to make such a charge. Lender will not be required to pay me any interest or earnings on the Funds unless either (i) Lender and I agree in writing, at the time I sign this mortgage, that Lender will pay interest on the Funds; or (ii) the law requires Lender to pay interest on the Funds.

If Lender's estimates are too high or if taxes and insurance rates go down, the amounts that I pay under this Paragraph 2 will be too large. If this happens at a time when I am keeping all of my promises and agreements made in this Mortgage, I will have the right to have the excess amount either promptly repaid to me as a direct refund or credited to my future monthly payments of Funds. There will be excess amounts if, at any time, the sum of (a) the amount of Funds which Lender is holding or keeping on deposit, plus (b) the amount of the monthly payments of Funds which I still must pay between that time and the due dates of taxes and insurance, is greater than the amount necessary to pay the taxes and insurance when they are due.

If, when payments of taxes and insurance are due, Lender has not received enough Funds from me to make those payments, I will pay to Lender whatever additional amount is necessary to pay the taxes and insurance in full. I must pay that additional amount in one or more payments as Lender may require.

When I have paid all of the amounts due under the Note and under this Mortgage, Lender will promptly refund to me any Funds that are then being held or kept on deposit by Lender. If, under Paragraph 20 below, either Lender acquires the Property or the Property is sold, then immediately before the acquisition or sale, Lender will use any Funds which Lender is holding or has on deposit at that time to reduce the amount that I owe to Lender under the Note and under this Mortgage.

3. APPLICATION OF BORROWER'S PAYMENTS

Unless the law requires otherwise, Lender will apply each of my payments under the Note and under Paragraphs 1 and 2 above in the following order and for the following purposes:

LOAN ID:00090575

EXHIBIT C: NOTE and MORTGAGE

- (A) First, to pay the amounts then due to Lender under Paragraph 2 above;
(B) Next, to pay interest thereon due under the Note; and
(C) Next, to pay principal then due under the Note.

4. BORROWER'S OBLIGATION TO PAY PRIOR MORTGAGES, CHARGES AND ASSESSMENTS AND TO SATISFY CLAIMS AGAINST THE PROPERTY

I will keep all promises that I have made in any superior mortgage or deed of trust, including my promises to make payments when due. I will pay all taxes, assessments, and any other charges and fines that may be imposed on the Property and that may be superior to this Mortgage. I will see that any claim, demand or charge that is made against the Property because an obligation has not been fulfilled (known as "lien") is promptly paid or satisfied if the lien may be superior to this Mortgage. I will also make payments due under my lease if I am a tenant on the Property and I will pay ground rents (if any) due on the Property.

5. BORROWER'S OBLIGATION TO OBTAIN AND TO KEEP HAZARD INSURANCE ON THE PROPERTY

I will obtain hazard insurance to cover all buildings, structures and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies, and other hazards for which Lender requires coverage. The insurance must be in the amounts and for the periods of time required by Lender.

I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable. All of the insurance policies and renewals of those policies must include what is known as a "standard mortgage clause" to protect Lender. The form of all policies and the form of all renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals, subject to the terms of any superior mortgage or deed of trust.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim for insurance benefits, then Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the amount that I owe to Lender under the Note and under this Mortgage. The 30-day period will begin on the date the notice is mailed, or if it is not mailed, on the date the notice is delivered.

6. BORROWER'S OBLIGATION TO MAINTAIN THE PROPERTY AND TO FULFILL OBLIGATIONS IN LEASE AND CONDOMINIUM AND PUD DOCUMENTS

I will keep the Property in good repair. I will not destroy, damage or substantially change the Property, and I will not allow the Property to deteriorate. If I do not own but am a tenant on the Property, I will fulfill my obligations under my lease. If the Property is a unit in a condominium or in a planned unit development, I will fulfill all of my obligations under the declaration, by-laws, regulations and other documents that create or govern the condominium or the planned unit development.

7. LENDER'S RIGHT TO TAKE ACTION TO PROTECT THE PROPERTY

If: (A) I do not keep my promises and agreements made in this Mortgage, or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as, for example, a legal proceeding in bankruptcy, in probate, for condemnation, or to enforce laws or regulations), then Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions under this Paragraph 7 may include, for example, appearing in court, paying reasonable attorneys' fees, and entering on the Property to make repairs. Lender must give me notice before Lender may take any of these actions.

I will pay to Lender any amounts, with interest, which Lender spends under this Paragraph 7. This Mortgage will protect Lender in case I do not keep this promise to pay those amounts with interest.

I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the same rate stated in the Note. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in this paragraph.

Although Lender may take action under this Paragraph 7, Lender does not have to do so.

8. LENDER'S RIGHT TO INSPECT THE PROPERTY

Lender, and others authorized by Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times. However, before one of those inspections is made, Lender must give me notice stating a reasonable purpose for the inspection. That purpose must be related to Lender's rights in the Property.

9. AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY

A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to Lender my right: (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender, subject to the terms of any superior mortgage or deed of trust.

10. BORROWER'S OBLIGATIONS TO PAY MORTGAGE INSURANCE PREMIUMS

If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, I will pay the premiums for that mortgage insurance. I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law. Lender may require me to pay premiums in the manner described in Paragraph 2 above.

11. CONTINUATION OF BORROWER'S OBLIGATIONS

Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Mortgage. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Mortgage.

Lender may allow those delays or changes for a person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling obligations under the Note or under this Mortgage, even if Lender is requested to do so.

12. CONTINUATION OF LENDER'S RIGHTS

Even if Lender does not exercise or enforce any right of Lender under this Mortgage or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will still have the right, under Paragraph 20 below, to demand that I make Immediate Payment In Full (see Paragraph 20 for a definition of this phrase) of the amount that I owe to Lender under the Note and under this Mortgage.

13. LENDER'S ABILITY TO ENFORCE MORE THAN ONE OF LENDER'S RIGHTS

Each of Lender's rights under this Mortgage is separate. Lender may exercise and enforce one or more of those rights, as well as any of Lender's other rights under the law, one at a time or all at once.

14. OBLIGATIONS OF BORROWERS AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS

Subject to the terms of Paragraph 19 below, any person who takes over my rights or obligations under this Mortgage will have all of my rights and will be obligated to keep all of my promises and agreements made in this Mortgage. Similarly, any person who takes over Lender's rights or obligations under this Mortgage will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Mortgage. (In this Mortgage, the word "person" means any person, organization, governmental authority or any other party.)

If more than one person signs this Mortgage as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Mortgage. Lender may enforce Lender's rights under this Mortgage against each of us 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 the Note and under this Mortgage. However, if one of us does not sign the Note, then: (A) that person is signing this Mortgage only to give that person's rights in the Property to Lender under the terms of this Mortgage; and (B) that person is not personally obligated to make payments or to act under the Note or under this Mortgage. Any person signing this Mortgage but not signing the Note also agrees (i) that Lender may allow any other Borrower to delay or to change payments due under the Note or under this Mortgage and (ii) that Lender may make other accommodations under the Note or under this Mortgage. Lender may do this without obtaining anyone's consent and without modifying the effect of this Mortgage.

15. AGREEMENT ABOUT GIVING NOTICES REQUIRED UNDER THIS MORTGAGE

Unless the law requires otherwise, any notice that must be given to me under this Mortgage will be given by delivering it or by mailing it by certified mail addressed to me at the address stated in the section above titled "Description Of The Property." A notice will be delivered or mailed to me at a different address if I give Lender a notice of my different address. Any notice that must be given to Lender under this Mortgage will be given by mailing it by certified mail to Lender's address stated in paragraph (C) of the section above titled "Words Used Often In this Document." A notice will be mailed to Lender at a different address if Lender gives me a notice of the different address. A notice required by this Mortgage is given when it is mailed or when it is delivered according to the requirements of this Paragraph 15.

16. LAW THAT GOVERNS THIS MORTGAGE

The state and local law that applies in the place that the Property is located will govern this Mortgage. This will not limit Federal law that applies to this Mortgage. If any term of this Mortgage or of the Note conflicts with the law, all other terms of this Mortgage and of the Note will still remain in effect if they can be given effect without the conflicting term. This means that any terms of this Mortgage and the note which conflict with the law can be separated from the remaining terms, and the remaining terms will still be enforced.

As used in this Mortgage, the words "costs", "expenses" and "attorneys' fees" include all amounts not prohibited by applicable law or limited in this Mortgage.

17. BORROWER'S COPY OF THE NOTE AND OF THIS MORTGAGE

I will be given copies of the Note and of this Mortgage, those copies must show that the original Note and Mortgage have been signed. I will be given those copies either when I sign the Note and this Mortgage or after this Mortgage has been recorded in the proper official records.

18. REHABILITATION LOAN AGREEMENT

I will comply with all of the terms and conditions of any home rehabilitation, improvement, repair, modernization, remodeling or similar loan agreement I have with Lender. If Lender requests it, I will sign and give to Lender an assignment of any rights or claims I might have against persons who supply labor, material or services in connection with improving the Property. This assignment will be in a form acceptable to Lender.

19. AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS TRANSFERRED

If I sell or transfer all or part of the Property or any rights in the Property and if Lender requests it, I will see that Lender is given information necessary for Lender to evaluate the person to whom I am selling or transferring the Property. Lender will evaluate that person as if Lender were making a new loan. Lender may require Immediate Payment In Full, as that phrase is defined in Paragraph 20 below, if:

LOAN ID:00090575

EXHIBIT C: NOTE and MORTGAGE

- (i) Lender reasonably determines that Lender may not receive prompt payment of any amounts due under the Note and this Mortgage or that there is an unacceptable chance of some other default; or,
- (ii) Lender reasonably determines that Lender has unacceptable protection under this Mortgage; or,
- (iii) the required information is not submitted.

However, Lender will not have the right to require Immediate Payment In Full as a result of certain transfers. Those transfers are: (i) the creation of liens or other claims against the Property that are inferior to this Mortgage; (ii) a transfer of the Property to surviving co-owners, following the death of a co-owner, when the transfer is automatic according to law; or (iii) leasing the Property for a term of three years or less, as long as the lease does not include an option to buy.

If Lender requires Immediate Payment In Full under this Paragraph 19, Lender will send me a notice, in the manner described in Paragraph 15 above, which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered. If I do not make the required payment during that period, Lender may bring a lawsuit for "foreclosure and sale" under Paragraph 20 below without giving me any further notice or demand for payment. (See Paragraph 20 for a definition of "foreclosure and sale.")

NON-UNIFORM PROMISES

I also promise and agree with Lender as follows:

20. LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS

If all of the conditions stated in subparagraphs (A), (B), and (C) of this Paragraph 20 are satisfied, Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Mortgage. Lender may do this without making any further demand or payment. This requirement will be called "Immediate Payment In Full."

If Lender requires Immediate Payment In Full, Lender may bring a lawsuit to take away all of my remaining rights in the Property and to have the Property sold. At this sale Lender or another person may acquire the Property. This is known as "foreclosure and sale." If the proceeds of this sale are insufficient to repay Lender the amounts due to Lender from me under the Note and under this Mortgage, Lender may obtain a court judgment against me personally for the difference between all amounts due from me under the Note and this Mortgage and the sale proceeds. In any lawsuit for foreclosure and sale, Lender will have the right to collect all costs and expenses of the foreclosure and sale allowed by law.

Lender may require Immediate Payment In Full under this Paragraph 20 only if all of the following conditions are satisfied:

- (A) I fail to keep any promise or agreement made in this Mortgage, including the promises to pay when due the amounts that I owe to Lender under the Note and under this Mortgage; and
- (B) Lender gives to me, in the manner described in Paragraph 15 above, a notice that states:
 - (i) The promise or agreement that I failed to keep;
 - (ii) The action that I must take to correct that failure;
 - (iii) A date by which I must correct the failure. That date must be at least 10 days from the date on which the notice is mailed to me;
 - (iv) That if I do not correct the failure by the date stated in the notice, I will be in default and Lender may require Immediate Payment In Full, and Lender or another person may acquire the Property by means of foreclosure and sale;
 - (v) That if I meet the conditions stated in Paragraph 21 below, I will have the right to have any lawsuit for foreclosure and sale discontinued and to have the Note and this Mortgage remain in full force and effect as if Immediate Payment In Full had never been required; and
 - (vi) That I have the right in any lawsuit for foreclosure and sale to argue that I did not fail to keep any of my promises or agreements under the Note or under this Mortgage, and to present any other defenses that I may have; and
- (C) I do not correct the failure stated in the notice from Lender by the date stated in that notice.

21. BORROWER'S RIGHT TO HAVE LENDER'S LAWSUIT FOR FORECLOSURE AND SALE DISCONTINUED

Even if Lender has required Immediate Payment In Full, I may have the right to have discontinued any lawsuit brought by Lender for foreclosure and sale or for other enforcement of this Mortgage, I will have this right at any time before a judgment has been entered enforcing this Mortgage if I meet the following conditions:

- (A) I pay to Lender the full amount that would have been due under this Mortgage and the Note if Lender had not required Immediate Payment In Full; and
- (B) I correct my failure to keep any of my other promises or agreements made in this Mortgage; and
- (C) I pay all of Lender's reasonable expenses in enforcing this Mortgage including, for example, reasonable attorneys' fees; and
- (D) I do whatever Lender reasonably requires to assure that Lender's rights in the Property, Lender's rights under this Mortgage, and my obligations under the Note and under this Mortgage continue unchanged.

If all of the conditions in this Paragraph 21 are fulfilled, then the Note and this Mortgage will remain in full force and effect as if Immediate Payment In Full had never been required.

22. LENDER'S RIGHTS TO RENTAL PAYMENTS FROM THE PROPERTY AND TO TAKE POSSESSION OF THE PROPERTY

As additional protection for Lender, I give to Lender all of my rights to any rental payments from the Property. However, until Lender requires Immediate Payment in Full under Paragraphs 19 or 20 above, or until I abandon the Property, I have the right to collect and keep those rental payments as they become due. I have not given any of my rights to rental payments from the Property to anyone other than the holder of the Superior Mortgage, and I will not do so without Lender's consent in writing. If Lender requires Immediate Payment in Full under Paragraphs 19 and 20 above, or if I abandon the Property, the Lender, persons authorized by Lender, or a receiver appointed by a court at Lender's request may: (A) collect the rental payments, including overdue rental payments, directly from the tenants; (B) enter on and take possession of the Property; (C) manage the Property; and (D) sign, cancel and change leases. I agree that if Lender notifies the tenants that Lender has the right to collect rental payments directly from them under this Paragraph 22, the tenants may make those rental payments to lender without having to ask whether I have failed to keep my promises and agreements under this Mortgage.

If there is a judgment for Lender in a lawsuit for foreclosure and sale, I will pay to Lender reasonable rent from the date the judgment is entered for as long as I occupy the Property. However, this does not give me the right to be a tenant on the Property.

All rental payments collected by Lender or by a receiver, other than the rent paid by me under this Paragraph 22, will be used first to pay the costs of collecting rental payments and of managing the Property. If any part of the rental payments remains after those costs have been paid in full, the remaining part will be used to reduce the amount that I owe to Lender under the note and under this Mortgage. The costs of managing the Property may include the receiver's fees, reasonable attorneys' fees, and the cost of any necessary bonds. Lender and the receiver will be obligated to account only for those rental payments that they actually receive.

23. LENDER'S OBLIGATION TO DISCHARGE THIS MORTGAGE WHEN THE NOTE AND THIS MORTGAGE ARE PAID IN FULL

When Lender has been paid all amounts due under the Note and under this Mortgage, Lender will discharge this Mortgage by delivering a certificate stating that this Mortgage has been satisfied. I will not be required to pay Lender for the discharge, but I will pay all costs of recording the discharge in the proper official records.

24. AGREEMENTS ABOUT NEW YORK LIEN LAW

I will receive all amounts lent to me by Lender subject to the trust fund provisions of Section 13 of the New York Lien Law. This means that if, on the date this Mortgage is recorded in the proper official records, construction or other work on any building or other improvement located on the Property has not been completed for at least four months, I will: (A) hold all amounts which I receive and which I have a right to receive from Lender under the Note as a "trust fund"; and (B) use those amounts to pay for that construction or the work before I use them for any other purpose. The fact that I am holding those amounts as a "trust fund" means that I have a special responsibility under the law to use the amounts in the manner described in this Paragraph 24.

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

Borrower and Lender request the holder of any superior mortgage or deed of trust to notify Lender in writing, at Lender's address on page 1 of this Mortgage, if the Borrower is required to make "Immediate Payment in Full" and if there is "foreclosure and sale" under that superior mortgage or deed of trust.

By signing this Mortgage I agree to all of the above.

Witness

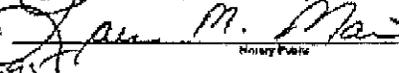



CHRISTOPHER J. SCHUH

State of New York, County of: _____
On this 16th day of SEPTEMBER, 19 94, before me personally came CHRISTOPHER J. SCHUH

to me known and known to me to be the individual(s) described in and who executed the foregoing instrument, and HE HE executed the same. I am known and known to me that HE executed the same.

LAURA M. MARRO
Notary Public, State of New York
No. 4666212
Qualified in Albany County


Notary Public

Commission Expires 09/30/97 (This Line Reserved For Lender and Recorder)

LOAN ID: 00090575
RECORD & RETURN TO:
PERSONAL MORTGAGE CORP
100 BUSINESS CENTER DR
BREWSTER, NY 10809

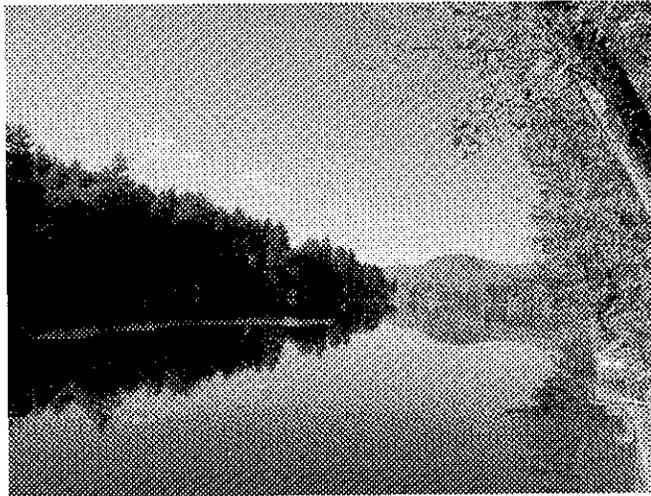


EXHIBIT D: Plaintiff's Home

Table of Contents**PART I****Item 1. Business**

We are a holding company that is a provider, through its subsidiaries, of title insurance, specialty insurance, and claims management services. We are one of the nation's largest title insurance companies through our title insurance underwriters, with an approximately 29.0% national market share. We also provide flood insurance, personal lines insurance, and home warranty insurance through our specialty insurance subsidiaries. In addition, we are a leading provider of outsourced claims management services to large corporate and public sector entities through our minority-owned subsidiary, Sedgwick CMS ("Sedgwick").

Prior to October 17, 2005, we were known as Fidelity National Title Group, Inc. ("FNT") and were a wholly-owned subsidiary of another publicly traded company, also called Fidelity National Financial, Inc. ("Old FNF"). On October 17, 2005, Old FNF distributed to its shareholders a minority interest in FNT, making it a majority-owned, publicly traded company. On October 24, 2006, Old FNF transferred certain assets to us in return for the issuance of 45,265,956 shares of our common stock to Old FNF. Old FNF then distributed to its shareholders all of its shares of our common stock, making FNT a stand alone public company. Old FNF was then merged with and into another of its subsidiaries, Fidelity National Information Services, Inc. ("FIS"), after which our name was changed to Fidelity National Financial, Inc. ("FNF" or the "Company"). Under applicable accounting principles, following these transactions, Old FNF's historical financial statements, with the exception of equity and earnings per share, became our historical financial statements, including the results of FIS through the date of our spin-off from Old FNF. Our historical equity has been derived from FNT's historical equity and our historical basic and diluted earnings per share have been calculated using FNT's basic and diluted weighted average shares outstanding.

FNF currently has three reporting segments as follows:

- *Fidelity National Title Group.* This segment consists of the operation of FNF's title insurance underwriters — Fidelity National Title, Chicago Title, Ticor Title, Security Union Title and Alamo Title — which together issued approximately 29.0% of all title insurance policies issued nationally during 2005. This segment provides core title insurance and escrow and other title related services including collection and trust activities, trustee's sales guarantees, recordings and reconveyances.
- *Specialty Insurance.* The specialty insurance segment, consisting of FNF's various non-title insurance subsidiaries, issues flood, home warranty, homeowners, automobile and certain niche personal lines insurance policies.
- *Corporate and Other.* The corporate and other segment consists of the operations of the FNF parent holding company, certain other unallocated corporate overhead expenses, and the Company's share in the operations of certain equity investments, including Sedgwick and Fidelity National Real Estate Solutions.

Prior to October 24, 2006, through FIS, old FNF provided industry leading data processing, payment and risk management services to financial institutions and retailers. Through October 23, 2006, the Company's results also included the operations of FIS as a separate segment. This segment provided transaction processing services, consisting principally of technology solutions for banks and other financial institutions, credit and debit card services and check risk management and related services for retailers and others. This segment also provided lender processing services, consisting principally of technology solutions for mortgage lenders, selected mortgage origination services such as title agency and closing services, default management and mortgage information services. FIS's credit and debit card services and check risk management services were added through its merger with Certegy, Inc. ("Certegy"). This merger closed in February 2006 and as a result these businesses are not included in FNF's financial information prior to the closing.

EXHIBIT E: Excerpt from FNF 10K (2006)

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Our title insurance and specialty insurance subsidiaries must comply with state laws which require them to maintain minimum amounts of working capital, surplus and reserves, and place restrictions on the amount of dividends that they can distribute to us. Compliance with these laws will limit the amounts our regulated subsidiaries can dividend to us. During 2007, our title insurers will be able to pay dividends or make distributions to us without prior regulatory approval of approximately \$264.8 million.

Our specialty insurance segment is a smaller, growing operation and, as a result, it will likely be difficult under current circumstances for it to be a significant source of cash to us.

We could have conflicts with FIS, and our chief executive officer and chairman of our board of directors is also the chairman of the board of directors of FIS.

Conflicts may arise between FIS and us as a result of our ongoing agreements and the nature of our respective businesses. We will seek to manage any potential conflicts through our agreements with FIS and through oversight by independent members of our board of directors. However, there can be no assurances that such measures will be effective or that we will be able to resolve all potential conflicts.

Some of our executive officers and directors own substantial amounts of FIS stock and stock options. Such ownership could create or appear to create potential conflicts of interest when our directors and officers are faced with decisions that involve FIS.

William P. Foley, II, is our chief executive officer and the chairman of our board of directors and the executive chairman of the board of FIS. As a result of his roles, he has obligations to us and to FIS and may have conflicts of interest with respect to matters potentially or actually involving or affecting our and FIS's respective businesses. In addition, Mr. Foley may also have conflicts of time with respect to his multiple responsibilities. If his duties to either of these companies require more time than Mr. Foley is able to allot, then his oversight of that company's activities could be diminished. Finally, five of our directors, including Mr. Foley, are also directors of FIS.

If the 2006 Distribution does not constitute a tax free distribution under Section 355 of the Internal Revenue Code or the Old FNF-FIS merger does not constitute a tax free reorganization under Section 368(a) of the code, then we may have to indemnify FIS or Old FNF for payment of taxes and tax-related losses.

Under a tax disaffiliation agreement, which we were required to enter into with Old FNF and FIS as a condition to the closing under the SEDA, we are required to indemnify Old FNF and FIS for taxes and tax-related losses (including stockholder suits) if the 2006 Distribution were determined to be taxable either to Old FNF or the Old FNF stockholders or both, unless such adverse determination were the result of a breach by FIS of its agreement not to take any action within its control that would cause the 2006 Distribution to be taxable or the result of an acquisition of FIS stock within the control of FIS or an FIS subsidiary. Old FNF estimated that the amount of our indemnification obligation for the amount of tax on Old FNF's transfer of our stock in the distribution could be in the range of \$150 million and possibly greater depending on, among other things, the value of our stock at the time of the 2006 Distribution. In addition, we are required under the tax disaffiliation agreement to indemnify Old FNF and FIS for taxes and tax-related losses (including stockholder suits) in the event the Old FNF-FIS merger were determined to be taxable. Old FNF estimated that the amount of our indemnification obligation for the amount of tax on Old FNF's transfer and retirement of its FIS stock in the merger could be in the range of \$1 billion and possibly greater depending on, among other things, the value of FIS's stock at the time of the merger.

FNF may be affected by significant restrictions following the merger with respect to certain actions that could jeopardize the tax free status of the distribution or the merger.

Even if the 2006 Distribution otherwise qualifies as a spin-off under Section 355 of the Internal Revenue Code of 1986, as amended, which we refer to as the Internal Revenue Code, the distribution of our common stock to the Old FNF stockholders may not qualify as tax free to Old FNF (or its successor upon the consummation of the merger, FIS) under Section 355(e) of the Internal Revenue Code, if 50% or more of our stock is acquired as part of a plan or series of related transactions that

EXHIBIT E: Excerpt from FNF 10K (2006)

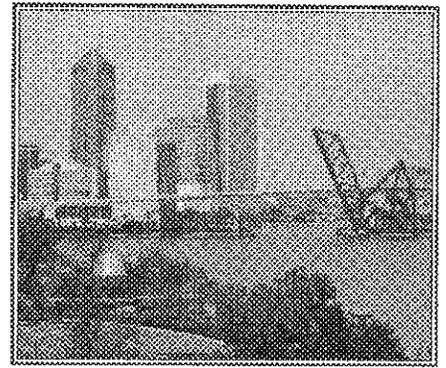
FIDELITY INFORMATION

Fidelity National Foreclosure Solutions, Inc.

A Division of Fidelity National Default Solutions



The Jacksonville offices of Fidelity National Foreclosure Solutions, NewTrak, NewImage Express, and NewInvoice relocated to a new office on the Fidelity corporate campus in downtown Jacksonville this July. The new workspace provides a positive environment with additional amenities and room for continued growth.



Fidelity National Foreclosure Solutions, Inc. (FNFS) provides loan servicers with single-source solutions for managing foreclosures, bankruptcies, and related matters on a nationwide basis.

Possessing the expertise to manage diverse loan procedures and credit types, FNFS helps clients realize consistent pricing for default management services as well as reductions in the cost per loan serviced.

When clients refer a loan to FNFS, we manage and report on the loan until resolution. The individual requirements of each loan are identified and processed to ensure the most efficient outcome. Stringent internal time limits are placed on every important event and active monitoring is conducted to minimize the overall timeframe. This loan level data is reported to Fidelity partners on a daily basis using NewTrak, Fidelity's web-based default management tool. NewTrak allows Fidelity and its clients to view status from the lowest level of detail on a case all the way up to an aggregated view of the statewide and nationwide performance of the vendor. It provides unparalleled efficiency by delivering critical case and management data at the fingertips of vendors, clients, and Fidelity employees.

NewImage Express (NIE) is another collaborative technology product offered by FNFS. NIE assists Fidelity clients and vendors with the expanding document retention requirements they face today. It is a secure, stand-alone scanning and document management system that reduces manual servicing requirements by transitioning hard copied documents to an electronic, indexed format for easy filing, retrieval, and storage. Once information has been transferred to electronic format,

it becomes a more valuable strategic resource. The integration of NewTrak and NIE allows users to manage their files along with the variety of documents associated with those files. The system offers a secure 128-bit encrypted bidirectional conduit for transmission of documents between FNFS and our clients' offices. Stored documents can be viewed, searched, and printed worldwide from any computer through a secure password-authenticated Internet connection. An NIE user can easily find and send a document created years ago without rummaging through endless filing cabinets, making copies, and paying for the postage to mail it.

NewInvoice 5.0 is an important tool for the mortgage community that provides the most complete vendor management solution for B2B electronic invoice submission and processing in the industry. NewInvoice has made a significant investment in enhancing the

ability to create, present, and process the many thousands of invoices received daily by clients. Using approved stage pricing, NewInvoice has made the invoice approval process fully automated, allowing focus to be limited to exceptions.

From referral to invoice, Fidelity National Foreclosure Solutions, Inc. provides unique, money-saving solutions for the mortgage community.

FIDELITY'S FIVE FUNDAMENTAL PRECEPTS

- Autonomy and Entrepreneurship
- Bias for Action
- Employee Ownership
- Minimize Bureaucracy
- Close Customer Relationships

FLORIDA OFFICE

601 Riverside Ave.
Building 5, 3rd Floor
Jacksonville, FL 32204
904.470.7700
904.470.7800 fax

MINNESOTA OFFICE

1270 Northland Drive
Suite 200
Mendota Heights, MN 55120
651.234.3500
651.234.3600 fax

DEPARTMENT SPOTLIGHT: DOCUMENT EXECUTION

by Dory Goebel and Chrys Houston

Fidelity National Foreclosure Solutions, Inc.'s Document Execution teams are responsible for facilitating requests between attorneys and clients for documents that need to be executed. FNFS has signing authority for a number of our clients. Any documents that can be executed by FNFS are executed and returned to attorneys, while those that must be executed by clients are forwarded to clients or investors and are tracked through a process within NewTrak called "Signature Required."

In January 2006, FNFS introduced Signature Required into NewTrak. This feature provides the opportunity for the attorney, FNFS and the client to communicate regarding the execution of documents relating to the foreclosure or bankruptcy. When attorneys click on the Signature Required Button in NewTrak, a pop-up window opens for them to identify the process for which the document needs to be executed. Once the process is selected, a signature required process is opened for attorneys to provide the document that needs to be executed through a step in NewTrak. When the document is loaded into NewTrak, it automatically prints in Minnesota for the Document Execution team to work.

The Document Execution team in Minnesota manages the execution of documents through Signature Required while our Client Document Execution team in Jacksonville works with the clients and 3rd party investors on documents that FNFS is not able to execute. In Minnesota, Dory Goebel manages the Document Execution team with the assistance of supervisors Holly Farley and Bethany Hood.

In Jacksonville, Chrys Houston manages the Client Document Execution team with the assistance of supervisor Reginald Lynch.

The Document Execution team is set up like a production line, ensuring that each document request is resolved within 24 hours. On average, the team will execute 1,000 documents per day. The Document Execution department, totaling 18 associates, is divided into 2 areas, the Routing team and the Document Review team. The routing team distributes documents between internal team members and to signors. The teams work hand-in-hand to get the documents signed and returned to the attorneys. (See Diagram on page 17).

The Client Document Execution team is made up of 8 associates who work to obtain signatures on all documents where FNFS does not have authority to sign. They work not only with the clients but also with their investors to secure signatures and ensure they are returned to the firms. The timeframe for forwarding a document to a client or investor is within 24 hours of the MN team launching the document forward process. The only exception is if the

investor is unable to be located – in these cases the team will perform detailed research in an attempt to obtain a contact by utilizing various resources that are available to them.

With the introduction of Signature Required, we have the ability to track documents and identify documents that may have been misplaced and need to be re-executed. Documents are sent via next day air, so attorneys should receive documents within 48 hours of their request when signed in-house. Any document that is not reflecting as returned to the attorney within 48 hours is re-executed that

"DOCUMENTS ARE SENT VIA NEXT DAY AIR, SO ATTORNEYS SHOULD RECEIVE DOCUMENTS WITHIN 48 HOURS OF THEIR REQUEST WHEN SIGNED IN-HOUSE."

CONTINUED ON NEXT PAGE



REVIEW AND QC TEAM

REVIEW AND QC: BACK (L TO R) Holly Farley (sup), Amy McBain, Allen LeTourneau, Christopher Fyhr, Alfonso Greene.
MIDDLE (L TO R) Seema Menon, Kimberley Anoka, Blong Yang.
FRONT (L TO R) Laura Hescott (lead), Elizabeth Milburn, Michael Thomas, Carmela Lagatile, Dory Goebel (mgr).

ROUTE AND ENTER: BACK (L TO R) Jim Morris, Christina Seabright (lead), Valarie Crawford, Andre Friedman.
FRONT (L TO R) Shannon James, Amber Kaiser, Paris Jackson, Bethany Hood (sup), Dory Goebel (mgr).



ROUTE AND ENTER TEAM

same day. Additionally, the Signature Required process allows for all users to view the status of the requested document. Documents that have been forwarded to clients show their status in the "document forward" process. The next goal for document execution is to set the standard for any requests that are received prior to 2:00 CT to be mailed to attorneys the same day.

Sig Req

Document requested in NewTrak through Signature Required. Document is auto-printed, stapled and routed to the Review Team.

Document is reviewed based on FNFS' signing authority and attorney comments. If the document can be executed by Fidelity, the review team updates NewTrak and the "Printed for Execution" process is initiated. If a document cannot be executed, the "Doc Forward" process will be initiated for the Client Document Execution team.

Executable documents are returned to the route team to be routed to a signor or notary. The document is placed in an interoffice envelope and passed out to the signors.

After the document is signed and notarized, the document is sent to the Quality Control team. This team reviews the document to ensure that proper signing authority has been utilized, all information is filled out, and proper signature and notary is completed.

Document is returned to the attorney. The Enter Team will complete the step "Document Notarized and Sent to Attorney." The document is sent by the mailroom via overnight UPS.



CLIENT DOCUMENT EXECUTION TEAM

CLIENT DOCUMENT EXECUTION:

Matthew Terrell
Angie Smith
Maurice Bottoriss
Alberta Milligan
Chris Houston (mgr)

Reginald Lynch (mgr)
Angie Brown-Wilbers
Christopher Stroudman
Chella Knox (lead)

Mortgage Servicers- Three Ranking classifications

Primary Servicer

- Monitors loan Agreement compliance/asset performance
- Payment processing
- Early stage collections
- May perform trustee/investor reporting
- Direct borrower contact

Master Servicer

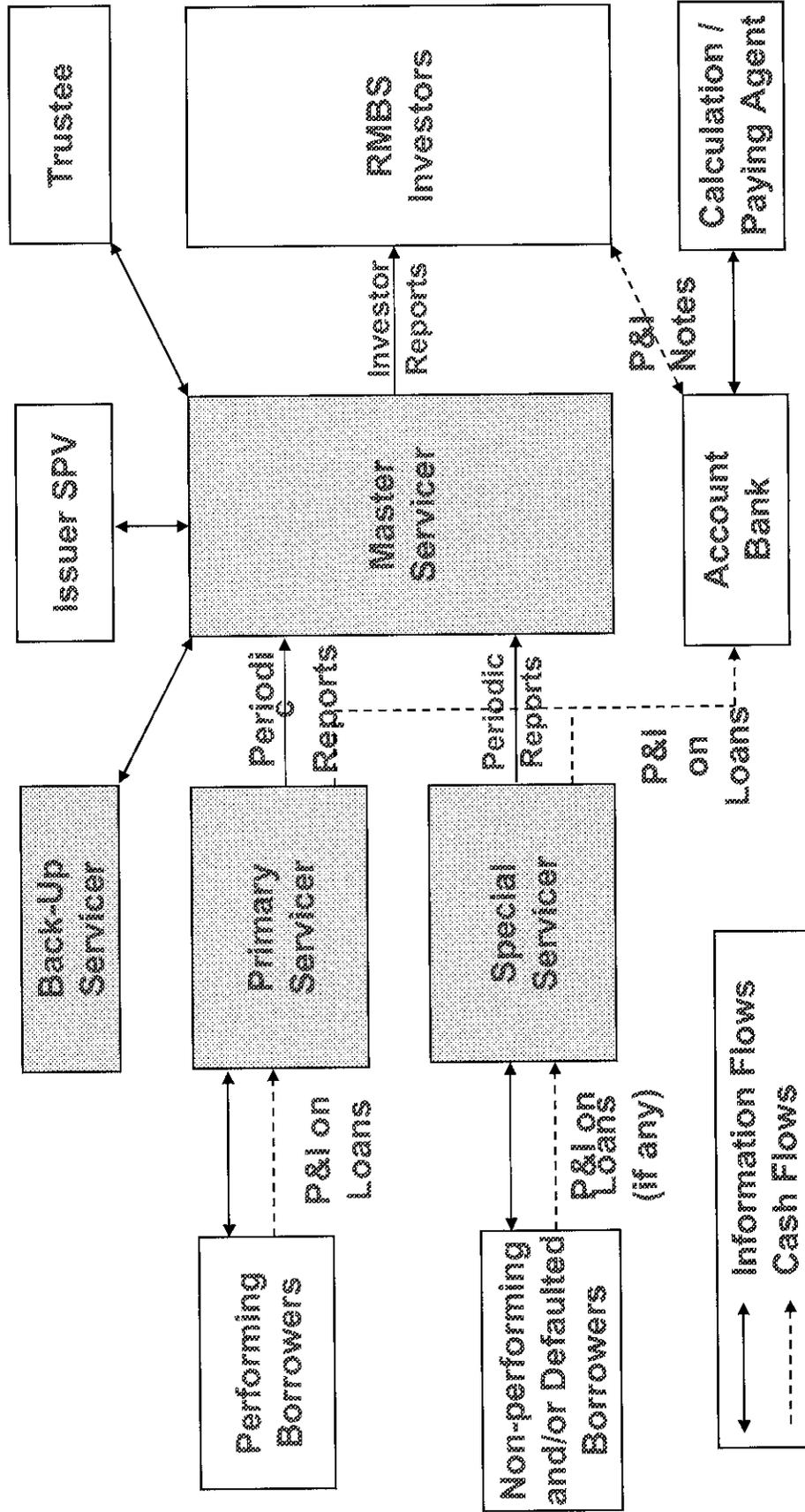
- Oversees sub-servicers
- Principal & Interest advancing
- Pooling & Servicing agreement compliance
- Trustee/investor reporting & portfolio management

Special Servicer

- Handles loans 60+ Days past due (loan workouts, foreclosure management, non-performing asset dispositions)

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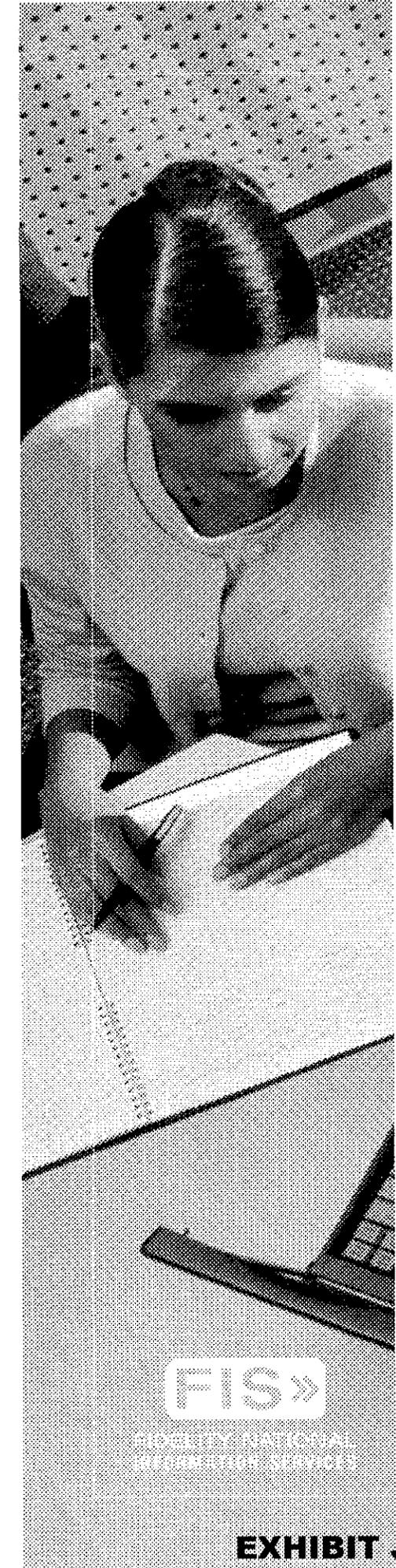
RMBS Servicing Process Diagram



STANDARD & POOR'S

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EXHIBIT I: Standard & Poor's Chart of Servicing Process



➤ Private Label Servicing

As part of its Hire Intelligence suite of services, Fidelity National Information Services (FIS) has established a seasoned team of skilled professionals to develop and implement customer-specific private label servicing (PLS) strategies, offering a comprehensive range of PLS capabilities. While PLS is a great opportunity to increase market share for many servicers, it can present the servicer with various new challenges. FIS can work with you as a partner on your PLS strategy to ensure your success.

What is Private Label Servicing?

PLS is a growing trend in the mortgage industry. A number of servicers are choosing to outsource their mortgage operation to another mortgage servicer while maintaining their branding identity with their customers.

The private label servicer assumes the identity of the responsible servicer both for the borrower-facing activities (customer service, correspondence, etc.), as well as their third-party interaction, regulatory reporting and potentially investor reporting. Private label servicers will integrate and/or adopt processes and specific business operational models of responsible servicer.

The private label servicer can use existing resources to leverage their economies of scale.

How FIS Can Help in the PLS Market

Given its experience with PLS customers, FIS is positioned to:

- Assist existing clients who are new to private label servicing by analyzing and integrating PLS business processes and technologies into their current servicing operation.
- Assist existing private label servicers by streamlining their operations and implementing best practices.

FIS' Mortgage Servicing Package (MSP) system supports the PLS strategy by servicing loan-level data for multiple entities. This, coupled with MSP's flexibility, enables private label servicers to offer standard or custom service offerings by function, resources, services and locations.

Developing and Executing a Customized PLS Strategy

A strong PLS strategy is critical to a successful market entry, operational transition and industry acceptance. FIS can provide clients with in-depth business and system expertise in creating their PLS strategy. Clients that use FIS' PLS consulting services are able to gain a quicker insight into the details necessary for a smooth launch of services.

Analyzing and Reducing Risk

Entering into the PLS environment can be risky if you do not currently have efficient processes and technologies. FIS consultants can assist in mitigating

FIS ➤

FIDELITY NATIONAL
INFORMATION SERVICES

EXHIBIT J: FIDELITY GROUP'S Private Label Servicing

this risk and help you develop a cost effective PLS environment. In addition, they will help you leverage your system, operations and resources to maximize your margins and reduce costs. FIS can also perform due diligence and gap analysis.

Setting up Customer Touch Points

The main objective of a PLS environment ensures client branding at customer touch points, such as correspondence, Web interaction and telephone support calls. FIS consultants can assist you in building the processes coupled with technology to ensure the integrity of client branding is maintained.

Values and Benefits

- Reduced overall servicing costs and increased revenue
- Appropriate PLS strategy defined
- Flexible PLS offerings
- Increased portfolio capacity by leveraging economies of scale
- Transparent branding through the customer touch points
- Increased portfolio growth
- Minimized margin erosion
- Increased market share
- Leveraged secondary market GSE ratings and relationships
- Increased product offering
- Increased cross-selling opportunities
- Improved customer relations

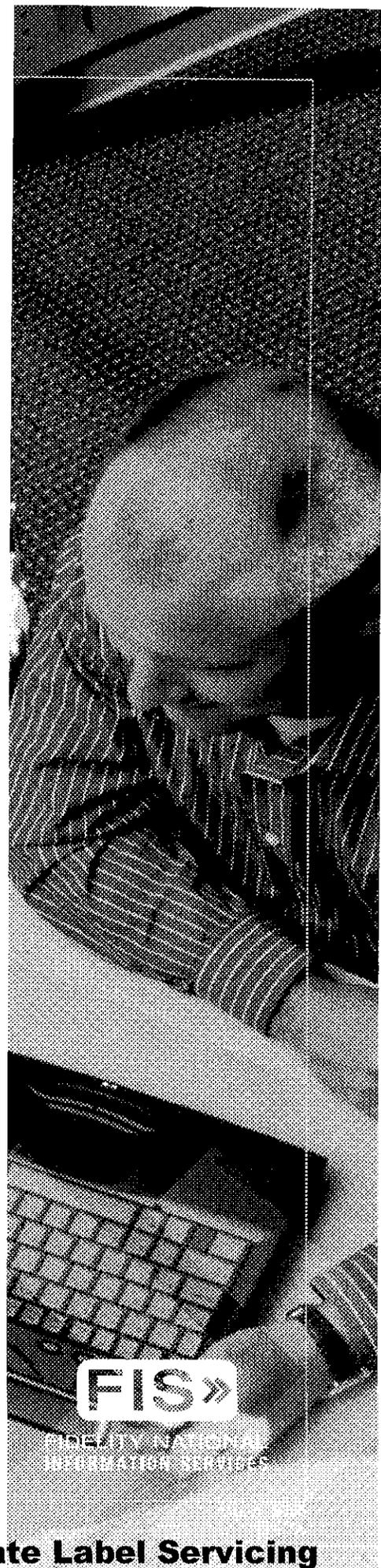
Customer Specific PLS Strategy Services

FIS offers the following services through its Private Label Servicing package:

1. Perform a business operations review, due diligence and gap analysis.
2. Quantify risks and define, modify or expand the PLS strategy.
3. Identify all customer touch points, and develop strategies for privatizing each touch point.
4. Provide project management oversight for system enhancement implementations, conversions and support system integrations.
5. Deliver PLS training tools, programs and documentation and strategies for leveraging GSE ratings.

About FIS' Hire Intelligence Services

FIS' Hire Intelligence suite of services provides your company with trainers and consultants to maximize your employees' effectiveness. FIS' skilled professionals work together to provide you with customized training and consulting solutions that best fit your company, your current needs and your cost limitations. By utilizing FIS' Hire Intelligence offerings, your company will maximize efficiencies, improve productivity and reduce costs.



FILED 09/19/94 12:07 PM

STATE OF NEW YORK)
COUNTY OF PUTNAM)

ss:

ASSIGNMENT

For Value Received, PERSONAL MORTGAGE CORPORATION, 100 Business Center Drive, Highway 22, Brewster, New York, 10509, a Delaware corporation qualified to do business in New York, herewith assigns, conveys and sets over unto BENEFICIAL MORTGAGE CORPORATION, 100 Business Center Drive, Brewster, NY 10509, a Delaware corporation, without recourse, the items hereinafter described.

The items conveyed by this assignment are a Note, dated, SEPTEMBER 16TH 19 94 executed by CHRISTOPHER J. SCHUH in the amount of \$ 66,000.00, payable to PERSONAL MORTGAGE CORPORATION, together with a Mortgage securing the said Note herein assigned, which Mortgage is dated SEPTEMBER 16TH, 19 94, executed by CHRISTOPHER J. SCHUH, to PERSONAL MORTGAGE CORPORATION, and recorded in the Office of the COUNTY CLERK in SARATOGA County, BALLSTON SPA, NY 12020 in Book 1858, at Page 483.

This 16TH day of SEPTEMBER 19 94.

"That the assignee is not acting as a nominee of the mortgagor and that the mortgage continues to secure a bona fide obligation."

"This assignment is not subject to the requirements of section 275 of the Real Property Law because it is an assignment within the secondary mortgage market."

PERSONAL MORTGAGE CORPORATION

By: [Signature]
JOHN J. O'BRIEN, District Manager

STATE OF NEW YORK)
COUNTY OF PUTNAM)

ss:

On the 16TH day of SEPTEMBER in the year 1994 before me personally came JOHN J. O'BRIEN, to me known, who, being by me duly sworn, did depose and say that he resides in Poughkeepsie, New York that he is the District Manager of the PERSONAL MORTGAGE CORPORATION, the corporation described in and which executed the above instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the board of directors of said corporation, and that he signed his name thereto by like authority.

[Signature]
NOTARY PUBLIC

JEAN MAHONY
Notary Public, State Of New York
No. 01MA5030008
Qualified in Dutchess County
Term Expires July 5, 1996

PLEASE RECORD AND RETURN TO:
Personal Mortgage Corporation
100 Business Center Drive
P.O. Box 808
Brewster, New York 10509
LOAN ID#: 00090575



contact is that office

Date	Effective Date	Payment	Late fees assessed	Late fees paid	Prin Paid	Int Paid	Actual fee	Bal	Int Short	Acc.Int Short	Unapplied funds	Tsg/Ins Advances	Fees	Comments
Oct-94	10/21/1994	\$ 598.31			\$ 31.28	\$ 627.45		\$ 65,060.00						
Nov-94	11/21/1994	\$ 598.31			\$ 32.12	\$ 627.19		\$ 65,962.14						
Dec-94	12/21/1994	\$ 598.31			\$ 14.91	\$ 644.60		\$ 65,936.02						
Jan-95	01/20/1995	\$ 598.31			\$ 97.61	\$ 491.70		\$ 65,921.21						
Feb-95	02/13/1995	\$ 600.00			\$ 9.91	\$ 590.09		\$ 65,833.60						
Mar-95	03/05/1995	\$ 600.00			\$ 3.64	\$ 596.36		\$ 66,843.69						
Apr-95	04/22/1995	\$ 570.49			\$ 15.60	\$ 654.89		\$ 65,046.05						
May-95	05/20/1995	\$ 598.31			\$ 4.63	\$ 654.78		\$ 65,024.45						
Jun-95	06/21/1995	\$ 1,180.00			\$ 79.27	\$ 1,080.73		\$ 65,819.90						
Jul-95	07/06/1995	\$ 600.00			\$ 10.91	\$ 589.09		\$ 65,740.65						
Aug-95	08/07/1995	\$ 600.00			\$ 182.04	\$ 1,546.70		\$ 66,729.72						
Nov-95	11/07/1995	\$ 1,727.74			\$ 1.11	\$ 1,139.67		\$ 65,947.68						
Jan-96	02/28/1996	\$ 1,140.00			\$ 13.63	\$ 667.37		\$ 65,532.94						
Mar-96	03/01/1996	\$ 570.49			\$ 11.86	\$ 656.63		\$ 65,521.09						
Jun-96	06/13/1996	\$ 1,558.98			\$ 372.98	\$ 1,186.00		\$ 65,143.10						
Aug-96	08/26/1996	\$ 1,200.00			\$ 8.79	\$ 1,191.21		\$ 65,134.31						
Sep-96	09/24/1996	\$ 600.00			\$ 10.24	\$ 683.76		\$ 65,116.07						
Oct-96	10/12/1997	\$ 600.00			\$ 11.37	\$ 686.63		\$ 65,105.70						
Nov-96	11/13/1997	\$ 600.00			\$ 5.30	\$ 694.70		\$ 65,104.40						
	08/11/1997				\$ (573.00)			\$ 65,674.40						force placed ins
Feb-97	02/10/1997	\$ 1,180.00			\$ 18.77	\$ 1,063.23		\$ 65,657.63						
Jul-97	07/23/1997	\$ 600.00			\$ 21.64	\$ 588.36		\$ 65,645.99						Payment due. One date advanced
	06/26/1997	\$ 573.00			\$ 573.00			\$ 65,072.98						
Oct-97	10/10/1997	\$ 1,200.00			\$ 0.60	\$ 1,199.40		\$ 65,063.49						
Nov-97	11/13/1998	\$ 600.00			\$ 16.66	\$ 583.34		\$ 65,046.63						
Dec-97	12/12/1998	\$ 600.00			\$ 17.01	\$ 612.99		\$ 65,029.62						
Jan-98	01/13/1998	\$ 600.00			\$ 17.16	\$ 582.84		\$ 65,012.46						
May-98	05/11/1998	\$ 600.00			\$ 6.10	\$ 593.67		\$ 65,005.33						
Jun-98	06/29/1998	\$ 600.00			\$ 11.22	\$ 588.78		\$ 64,995.11						
	12/01/1997	interest paid to date when transferred						\$ 64,995.11						
	00/22/1998							\$ 64,995.11						
	10/22/1998							\$ 64,995.11			\$ (2,705.90)			
Aug-98	11/02/1998		\$ 11.19					\$ 64,995.11					\$ (205.00)	foreclosure fees
Aug-98	12/07/1998		\$ 11.19					\$ 64,995.11						
Aug-98	12/08/1998	\$ 507.00		\$ 10.69		\$ 553.31	\$ 6,321.64	\$ 64,995.11	\$ 5,012.23	\$ 5,812.23				
Sep-98	12/28/1998	\$ 571.00				\$ 571.00	\$ 346.28	\$ 64,995.11	\$ (213.00)	\$ 5,599.20				
Jan-99	12/29/1998							\$ 64,995.11						
Jan-99	02/05/1999							\$ 64,995.11						
Jan-99	03/03/1999							\$ 64,995.11						
Jan-99	04/05/1999							\$ 64,995.11						
Jan-99	04/09/1999	\$ 559.31				\$ -	\$ 559.31	\$ 2,112.30	\$ 64,995.11	\$ 1,352.59			\$ 7,152.30	
Feb-99	01/30/1999	\$ 559.31				\$ -	\$ 559.31	\$ -	\$ 64,995.11	\$ (593.31)			\$ 6,592.63	
Mar-99	03/06/1999			\$ 11.19		\$ -	\$ -	\$ 64,995.11					\$ 6,592.63	
Mar-99	03/27/1999	\$ 570.00		\$ 24.00		\$ 656.31	\$ 194.70	\$ 64,995.11	\$ 74.59	\$ 6,516.27				
Mar-99	04/01/1999	\$ 570.00		\$ 24.00		\$ 656.31	\$ 194.70	\$ 64,995.11	\$ 74.59	\$ 6,516.27				
Mar-99	05/28/1999	\$ 98.00				\$ 16.62	\$ -	\$ 64,995.11	\$ (16.62)	\$ 5,842.44				
May-99	05/07/1999							\$ 64,995.11						
May-99	05/20/1999	\$ 559.31				\$ 559.31	\$ 600.00	\$ 64,995.11	\$ 341.02	\$ 6,283.46				
Jun-99	07/01/1999	\$ 85.31				\$ 68.01	\$ -	\$ 64,995.11	\$ (68.01)	\$ 6,215.15				

W!

M
S-I

EXHIBIT L: Spreadsheet from DRUCKMAN FIRM



65182 Schuh
 T-181 P. 03/005
 T-181 P. 03/005
 +8135710648
 PRM-HSBC Mortgage Services
 08:40
 MAY-17-05

Date	Effective Date	Payment	Late fees assessed	Late fees paid	Prin Paid	Int Paid	Actual Int	Bal	Int Short	Acc Int Short	Unapplied funds	Tax/ins Advances	Fees	Comments
Jun-99	07/31/1999	\$ 559.31			\$ -	\$ 559.31	\$ 190.45	\$ 64,995.11	\$ (368.69)	\$ 6,849.29				
Jul-99	07/31/1999	\$ 40.69			\$ -	\$ 40.69	\$ -	\$ 64,995.11	\$ (40.69)	\$ 5,805.60				
Jul-99	08/05/1999				\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 5,805.60				
Jul-99	09/07/1999				\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 5,805.60				
Jul-99	09/18/1999	\$ 591.89		\$ 22.38	\$ -	\$ 591.89	\$ 779.10	\$ 64,995.11	\$ 218.82	\$ 6,025.42				
Aug-99	09/18/1999	\$ 559.31			\$ -	\$ 559.31	\$ -	\$ 64,995.11	\$ (659.31)	\$ 5,466.11				
Sep-99	09/18/1999	\$ 59.00			\$ 88.00	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 5,466.11				
Sep-99	10/08/1999		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 5,466.11				was did principle go down
Sep-99	10/30/1999	\$ 570.50		\$ 11.19	\$ -	\$ 559.31	\$ 781.12	\$ 64,995.11	\$ 201.81	\$ 5,667.92				
Oct-99	11/30/1999	\$ 559.31			\$ -	\$ 559.31	\$ -	\$ 64,995.11	\$ (559.31)	\$ 6,108.61				
Jan-00	12/30/1999	2 payments delayed						\$ 64,995.11	\$ -	\$ 5,108.61				
Jan-00	02/07/2000	\$ 11.19			\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 5,108.61				
Jan-00	03/07/2000		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 5,108.61				
Jan-00	03/24/2000	\$ 592.88		\$ 32.67	\$ -	\$ 559.31	\$ 2,468.95	\$ 64,995.11	\$ 1,931.84	\$ 7,040.25				
Feb-00	03/24/2000	\$ 7.12			\$ 7.12	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 7,040.25				
Feb-00	04/05/2000		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 7,040.25				
Feb-00	04/10/2000	\$ 570.50		\$ 11.19	\$ -	\$ 559.31	\$ 276.74	\$ 64,995.11	\$ (282.67)	\$ 6,757.68				
Mar-00	04/10/2000	\$ 559.31			\$ -	\$ 559.31	\$ -	\$ 64,995.11	\$ (559.31)	\$ 6,199.37				
Apr-00	05/07/2000		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,199.37				
Apr-00	05/09/2000	\$ 559.31			\$ -	\$ 559.31	\$ 501.59	\$ 64,995.11	\$ (67.72)	\$ 6,140.66				
May-00	05/09/2000	\$ 90.88			\$ 90.88	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,140.66				
May-00	06/05/2000		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,140.66				
May-00	06/07/2000	\$ 680.50		\$ 22.38	\$ -	\$ 599.31	\$ 483.62	\$ 64,995.11	\$ (75.89)	\$ 6,064.97				
Jan-00	05/07/2000	\$ 18.31			\$ 18.31	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,064.97				
Jun-00	07/05/2000		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,064.97				
Jun-00	08/07/2000		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,064.97				
Jun-00	08/23/2000	\$ 581.69		\$ 22.38	\$ -	\$ 599.31	\$ 1,312.30	\$ 64,995.11	\$ 793.01	\$ 6,817.98				
Jul-00	09/23/2000	\$ 559.31			\$ -	\$ 559.31	\$ -	\$ 64,995.11	\$ (559.31)	\$ 6,288.67				
Aug-00	09/23/2000	\$ 559.31			\$ -	\$ 559.31	\$ -	\$ 64,995.11	\$ (559.31)	\$ 5,699.36				
Sep-00	10/08/2000		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 5,699.36				
Sep-00	07/18/2000	\$ 610.80			\$ -	\$ 610.80	\$ 966.97	\$ 64,995.11	\$ 356.97	\$ 6,096.33				
Oct-00	11/08/2000		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,096.33				
Oct-00	12/04/2000	\$ 559.31			\$ -	\$ 559.31	\$ 777.03	\$ 64,995.11	\$ 217.72	\$ 6,274.05				
Nov-00	12/04/2000	\$ 51.69			\$ -	\$ 51.69	\$ -	\$ 64,995.11	\$ (51.69)	\$ 6,224.36				
Nov-00	01/05/2001		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,224.36				
Nov-00	01/22/2001	\$ 507.62			\$ -	\$ 507.62	\$ 628.80	\$ 64,995.11	\$ 321.21	\$ 6,649.57				
Dec-00	01/22/2001	\$ 92.38			\$ -	\$ 92.38	\$ -	\$ 64,995.11	\$ (92.38)	\$ 6,451.19				
Feb-01	01/30/2001	2 payments delayed						\$ 64,995.11	\$ -	\$ 6,451.19				
Feb-01	02/22/2001	\$ 468.83			\$ 468.83	\$ 518.02	\$ 64,995.11	\$ 51.09	\$ 6,502.28					
Mar-01	02/22/2001	\$ 133.07			\$ 133.07	\$ -	\$ -	\$ 64,995.11	\$ (133.07)	\$ 6,369.21				
Mar-01	04/05/2001		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,369.21				
Mar-01	04/06/2001	\$ 428.24			\$ 428.24	\$ 759.75	\$ 64,995.11	\$ 333.52	\$ 6,702.73					
Apr-01	04/06/2001	\$ 173.76			\$ 173.76	\$ -	\$ -	\$ 64,995.11	\$ (173.76)	\$ 6,528.97				
Apr-01	05/07/2001	\$ 146.52		\$ 11.19	\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,528.97				
Apr-01	05/17/2001	\$ 385.55			\$ 385.55	\$ 787.96	\$ 92,419.99	\$ 322.41	\$ 6,851.38					
Apr-01	05/17/2001	\$ 244.45			\$ 244.45	\$ -	\$ -	\$ 64,995.11	\$ (244.45)	\$ 6,606.93				
May-01	06/05/2001		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,606.93				
May-01	07/06/2001		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 6,606.93				
Jun-01	07/17/2001	\$ 256.14			\$ 256.14	\$ -	\$ -	\$ 64,995.11	\$ (256.14)	\$ 7,072.97				
Jun-01	08/09/2001		\$ 11.19		\$ -	\$ -	\$ -	\$ 64,995.11	\$ -	\$ 7,072.97				

EXHIBIT L: Spreadsheet from DRUCKMAN FIRM



Mo	Da	Refective Date	Payment	Late fees assessed	Late fees paid	Prin Paid	Int Paid	Actual Int	Bal	Int Short	Acc Int Short	Unapplied funds	Tax/Ins Advances	Fees	Comments
Jan-01	08/20/2001		\$ 304.17				\$ 304.17	\$ 509.82	\$ 84,819.99	\$ 285.65	\$ 7,338.52				
Jul-01	08/20/2001		\$ 256.53				\$ 286.53	\$ -	\$ 84,819.99	\$ (295.63)	\$ 7,042.78				
Jul-01	09/03/2001		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 7,042.79				
Jul-01	09/10/2001		\$ 263.48				\$ 263.48	\$ 500.75	\$ 84,819.99	\$ 237.27	\$ 7,280.06				
Aug-01	09/10/2001		\$ 636.52				\$ 636.52	\$ -	\$ 84,819.99	\$ (936.52)	\$ 6,343.54				
Sep-01	10/08/2001		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 6,343.54				
Sep-01	10/15/2001		\$ 699.00				\$ 699.00	\$ 449.95	\$ 84,819.99	\$ (141.05)	\$ 6,202.49				
Oct-01	11/05/2001		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 6,202.49				
Oct-01	11/05/2001		\$ 599.40				\$ 599.40	\$ 327.16	\$ 84,819.99	\$ (182.65)	\$ 6,020.64				
Nov-01	12/06/2001		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 6,020.64				
Nov-01	12/18/2001		\$ 800.00				\$ 800.00	\$ 890.67	\$ 84,819.99	\$ 90.67	\$ 6,100.31				
Dec-01	01/07/2002		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 6,100.31				
Dec-01	01/12/2002		\$ 596.31				\$ 596.31	\$ 496.22	\$ 84,819.99	\$ (93.68)	\$ 6,007.22				
Jan-02	01/22/2002		\$ 46.88				\$ 46.88	\$ -	\$ 84,819.99	\$ (46.88)	\$ 5,960.33				
Jan-02	02/05/2002		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 5,960.33				
Jan-02	02/19/2002		\$ 518.62				\$ 518.62	\$ 483.46	\$ 84,819.99	\$ (36.13)	\$ 5,924.20				
Feb-02	02/19/2002		\$ 40.69				\$ 40.69	\$ -	\$ 84,819.99	\$ (40.69)	\$ 5,883.51				
Feb-02	03/05/2002		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 5,883.51				
Feb-02	03/12/2002		\$ 518.62				\$ 518.62	\$ 431.58	\$ 84,819.99	\$ (87.11)	\$ 5,806.39				
Mar-02	03/19/2002		\$ 61.38				\$ 61.38	\$ -	\$ 84,819.99	\$ (61.38)	\$ 5,745.01				
Mar-02	04/03/2002		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 5,745.01				
Mar-02	04/17/2002		\$ 447.93				\$ 447.93	\$ 621.82	\$ 84,819.99	\$ 173.89	\$ 5,671.12				
Apr-02	04/17/2002		\$ 712.07				\$ 712.07	\$ -	\$ 84,819.99	\$ (712.07)	\$ 5,159.05				
May-02	06/03/2002		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 5,159.05				
May-02	06/27/2002		\$ 760.73				\$ 760.73	\$ 1,122.38	\$ 84,819.99	\$ 361.65	\$ 5,815.86				
Jun-02	06/27/2002		\$ 559.31				\$ 559.31	\$ -	\$ 84,819.99	\$ (288.31)	\$ 4,859.35				
Jul-02	07/27/2002		\$ 886.00				\$ 886.00	\$ 621.62	\$ 84,819.99	\$ 21.62	\$ 4,977.07				
Aug-02	09/03/2002		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 4,977.07				
Aug-02	09/09/2002		\$ 600.00				\$ 600.00	\$ 673.40	\$ 84,819.99	\$ 73.40	\$ 5,051.47				
Sep-02	10/04/2002		\$ 650.00				\$ 650.00	\$ 890.76	\$ 84,819.99	\$ (240.76)	\$ 4,962.18				
Oct-02	11/05/2002		\$ 569.31				\$ 569.31	\$ 635.29	\$ 84,819.99	\$ (265.98)	\$ 4,938.13				
Oct-02	11/05/2002		\$ 50.69				\$ 50.69	\$ -	\$ 84,819.99	\$ (50.69)	\$ 4,887.44				
Nov-02	12/28/2002		\$ 508.62	\$ 11.19			\$ 508.62	\$ 932.44	\$ 84,819.99	\$ 423.82	\$ 5,311.26				
Nov-02	12/28/2002		\$ 61.38				\$ 61.38	\$ -	\$ 84,819.99	\$ (61.38)	\$ 5,250.87				
Dec-02	01/18/2003		\$ 844.56	\$ 11.19	\$ 85.24		\$ 929.80	\$ 346.36	\$ 84,819.99	\$ (216.89)	\$ 5,033.97				
Jan-03	02/18/2003		\$ 570.49	\$ 11.19	\$ 11.19		\$ 581.68	\$ 518.02	\$ 84,819.99	\$ (236.34)	\$ 4,974.62				
Feb-03	03/02/2003		\$ 569.31	\$ 11.19			\$ 580.50	\$ 589.82	\$ 84,819.99	\$ 10.61	\$ 4,935.15				
Mar-03	03/12/2003		\$ 830.89	\$ 11.19	\$ 71.28		\$ 902.17	\$ -	\$ 84,819.99	\$ (817.32)	\$ 4,425.82				history fee
Apr-03	04/12/2003		\$ 600.00	\$ 11.19	\$ 29.51		\$ 629.51	\$ 660.83	\$ 84,819.99	\$ 321.32	\$ 4,747.14				
May-03	05/28/2003		\$ 599.31				\$ 599.31	\$ 278.26	\$ 84,819.99	\$ (280.93)	\$ 4,466.11				
Jun-03	06/28/2003		\$ 40.69				\$ 40.69	\$ -	\$ 84,819.99	\$ (40.69)	\$ 4,425.41				fees paid
Jun-03	07/05/2003		\$ 600.00	\$ 11.19	\$ 11.19		\$ 611.19	\$ 660.89	\$ 84,819.99	\$ 131.38	\$ 4,556.79				
Jul-03	08/12/2003		\$ 559.31	\$ 11.19			\$ 570.50	\$ 587.09	\$ 84,819.99	\$ 27.78	\$ 4,673.27				
Aug-03	09/12/2003		\$ 40.69				\$ 40.69	\$ -	\$ 84,819.99	\$ (40.69)	\$ 4,632.57	\$ 40.69			
Aug-03	09/26/2003		\$ 559.31	\$ 11.19			\$ 570.50	\$ 587.09	\$ 84,819.99	\$ 27.78	\$ 4,591.79				
Sep-03	10/13/2003		\$ 559.31				\$ 559.31	\$ 687.00	\$ 84,819.99	\$ 127.69	\$ 4,557.96				
Oct-03	11/13/2003		\$ 11.19				\$ -	\$ -	\$ 84,819.99	\$ -	\$ 4,557.96	\$ 11.19			
Nov-03	11/23/2003		\$ 569.31				\$ 569.31	\$ -	\$ 84,819.99	\$ (569.31)	\$ 4,130.03				
Nov-03	07/27/2003								\$ 84,819.99	\$ -	\$ 4,130.03				history fee

late July flow

EXHIBIT L: Spreadsheet from DRUCKMAN FIRM



85102 Schyh

F-21C

to Date	Effective Date	Payment	Late fees assessed	Late fees paid	Prin Paid	Int Paid	Actual Int	Out	Int Short	Acc Int Short	Unapplied Funds	Tax/fee Advances	Fees	Comments
	12/01/2003					\$		\$ 64,819.99	\$ -	\$ 4,130.03	\$ (93.74)	\$ 93.74		
	04/21/2004							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (100.00)	lmo fee
	08/21/2004							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	10/21/2004							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	11/01/2004							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	11/05/2004							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	11/13/2004							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (100.00)	lmo fee
	11/22/2004							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	12/10/2004							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	01/12/2005							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	02/15/2005							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	03/11/2005							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp
	04/09/2005							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (100.00)	lmo fee
	04/19/2005							\$ 64,819.99	\$ -	\$ 4,130.03			\$ (8.50)	property insp

7-181 P.005/435

#8135718649

PRDN-HSBC MORTGAGE SERVICES

MAY-17-05 08:40

470
date

still
68%
68%

EXHIBIT L: Spreadsheet from DRUCKMAN FIRM

ASSIGNMENT OF MORTGAGE

FOR GOOD AND VALUABLE CONSIDERATION, the sufficiency of which is hereby acknowledged, the undersigned, BENEFICIAL HOMEOWNER SERVICE CORPORATION, a Delaware Corporation, whose address is 577 Lamont Road, Elmhurst, IL 60126, (assignor), by these presents does convey, grant, sell, assign, transfer and set over the described mortgage together with the certain note(s) described therein together with all interest secured thereby, all liens, and any rights due or to become due thereon to MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC., a Delaware Corporation, its successors or assigns, c/o 64318 Miller Dr. PO Box 2026, Flint, MI 48501-2026, as nominee for HOUSEHOLD FINANCIAL SERVICES, INC., a Michigan Corporation; 961 Weigel Dr., Elmhurst, IL 60103, (assignee). Mortgage dated 09/16/94, made by CHRISTOPHER J SCHUH to PERSONAL MORTGAGE CORPORATION in the principal sum of \$66,000.00 and recorded on 09/19/94 in Liber 01858 page 00483, Doc# 9504268 in the office of the Registry of SARATOGA County, N.Y. Prop Addr: 18 RIVER ROAD LUZERNE, NY 12846

This Assignment is not subject to the requirements of section 275 of the Real Property Law because it is an assignment within the secondary mortgage market.

Dated: 05/02/01

BENEFICIAL HOMEOWNER SERVICE CORPORATION

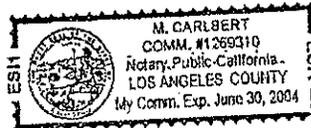
BY: [Signature]
 ELSA MCKINNON
 VICE PRESIDENT

[Signature]
 J. TUCUX witness

State of CALIFORNIA County of LOS ANGELES
 On this 2nd day of May in the year, 2001, before me, the undersigned, personally appeared ELSA MCKINNON personally known to me or proved to me on the basis of satisfactory evidence to be the individual whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her capacity, that by his/her signature on the instrument, the individual, or the person upon behalf of which the individual acted, executed the instrument, and that such individual made such appearance before the undersigned in LOS ANGELES State of CALIFORNIA

[Signature]
 M. Carlbert Notary Public
 My commission expires: 06/30/2004

prepared by:
 D. Colon/NTC, 101 N. Brand #1800, Glendale, CA 91203 (800)346-9152
 Property ID(S/B/L):
 Return by Mail to:
 Nationwide Title Clearing
 101 N. Brand #1800
 Glendale, CA 91203



MIN 100046000010851826 HFSMS CM 672CM MERS PHONE 1-888-679-MERS

Filed 05/12/2001 1:39 PM
 Volume 00146 Page 00246
 2001050554
 Saratoga County Clerk

Press Releases

Office of the New York State Attorney General

Department of Law
120 Broadway
New York, NY 10271

Department of Law
The State Capitol
Albany, NY 12224

For More Information:
(518) 473-5525

For Immediate Release
October 11, 2002

NEW YORK REACHES UNPRECEDENTED, \$484 MILLION AGREEMENT WITH PREDATORY LENDER

Household to Refund Consumers Nationwide and Reform its Business Practices

State Attorney General Eliot Spitzer, Governor George E. Pataki and Superintendent of Banking Elizabeth McCaul today announced an historic agreement with Household International ("Household"), the parent company of Household Finance Corporation and Beneficial Finance Corporation – two of the country's largest sub-prime mortgage lenders. Household will pay \$484 million dollars in restitution to consumers nationwide – the largest restitution fund in American history established for consumers who were victims of "predatory" lending.

The restitution fund will be divided among the participating states based on their proportionate loan volume. New York's portion is expected to exceed \$37 million.

Spitzer was joined by attorneys general and banking regulators from 20 states to negotiate a settlement that fundamentally alters the way a major player in the sub-prime home loan industry conducts its business. Under the terms of the agreement, Household will be limited to charging 5% in fees for making a loan for home financing, lower than the average 7.25 % it has charged consumers.

"This landmark settlement will usher in a new era in sub-prime mortgage lending in which all consumers are treated with honesty and fairness. For far too long, the sub-prime market has been a feeding ground for unscrupulous lenders looking to gouge the most vulnerable consumers. This settlement should send a message to the rest of the industry that predatory practices will not be tolerated," Spitzer said.

"This historic settlement will send a clear message across the State and throughout the nation – predatory lending is wrong, it's illegal and it will not be tolerated," Governor Pataki said. "This agreement will provide major benefits to thousands of New Yorkers, while also raising industry standards, enhancing consumer protections and changing the way mortgage lending is conducted. I am proud of the Banking Department's record of protecting New Yorkers and their families from lenders that violate our consumer laws and regulations."

The Attorney General's office commenced an investigation into Household's practices in September 2001 after receiving numerous complaints by consumers who had been duped into

refinancing existing, often unsecured, debt with Household. Household failed to disclose material information to consumers or misrepresented the terms of loans. For example, Household gave consumers loan proposals that omitted taxes and closing costs that the consumers would be required to pay. Consumers did not realize until after the closing that these costs were not included in the monthly payment amounts presented to them in the loan proposals. In other instances, consumers who applied for a single loan received two loans, were charged closing costs and fees on both loans, and unknowingly faced interest rates on the second loan that exceeded 21%. Spitzer's investigation charged that these practices violated state and federal consumer protection laws and New York Banking Department regulations.

EXHIBIT N: Household Fraud Settlement

New York State Superintendent of Banks Elizabeth McCaul said: "In addition to the monetary portion of the settlement, the injunctive relief provisions will significantly change the manner in which Household conducts business in the future. This agreement demonstrates the democratic process and the cooperation across the states to significantly change Household's corporate conduct. State banking regulators and state attorneys general worked together to fashion a nationwide agreement that will benefit consumers across the country."

Household is one of the largest sub-prime lenders in the country. While sub-prime lenders provide credit to borrowers with damaged credit, some of these lenders have engaged in predatory practices whereby consumers – even those with good credit – are targeted to borrow money on disadvantageous terms, including high interest rates, steep bank fees and payments for undisclosed insurance products. The high costs serve to increase the consumer's debt burden and reduce the equity in the consumer's home. Often, the consumer winds up with a loan that has a higher rate than was originally disclosed.

Under terms of the settlement, Household immediately will cease engaging in practices that the states alleged were unlawful. Household will also be required to improve its disclosures to ensure that consumers better understand the terms of their loans and the nature of their transactions.

The agreement requires Household to:

- Limit its fees for making a loan to 5% of the loan amount;
- Limit the extent to which it can charge points or fees for refinancing a Household loan made within the previous year (a form of loan flipping);
- Reform and improve disclosures to consumers, including providing accurate disclosure of discount fees on loans;
- Ensure that each loan provides a tangible benefit to the consumer;
- Stop making more than one mortgage loan to a consumer within a ninety day period of time;
- Stop selling or financing single premium credit insurance on real estate loans;
- Provide an independent loan closer, with no financial interest in the loan, to ensure that consumers understand the terms of the loan; and
- Appoint an independent monitor to oversee the implementation and enforcement of these and other provisions for a period of five years.

The settlement covers Household's residential lending practices from January 1, 1999 to the present. Household is one of the largest consumer lending companies in the country. During the three-and-a-half year period covered by the agreement, Household made more than \$30 billion worth of home loans to consumers nationwide. Approximately 8% of those loans were made to New York consumers.

The Attorney General expressed gratitude for the leadership that ACORN has provided to bring attention to the effects of predatory lending on communities nationwide.

Bertha Lewis, Executive Director of the New York chapter of ACORN, said: "We applaud Attorney General Spitzer for working with ACORN and others to bring the issue of predatory lending to light and to stop the offending behavior. We think this is a great start. We look forward to working with the Attorney General to ensure that Household does not continue its predatory practices, and ACORN will continue to fight against these illegal practices on all fronts."

This case is being handled in Spitzer's office by Assistant Attorney General Benjamin Bruce of the Rochester Regional office, Assistant Attorney General Mark Fleischer of the Consumer Frauds and Protection Bureau, and Assistant Attorneys General Lisa Landau and Tynia Richard of the Civil Rights Bureau. Christopher Holland, Senior Investigator in the Rochester regional office, handled the investigation.

EXHIBIT N: Household Fraud Settlement

Statement for

HOUSEHOLD

CHRISTOPHER SCHUH
DIANE SCHUH

Loan Number: 1085182
Statement Date: 01/03/04
Payment Due Date: 01/21/04

Customer Service Number: 1-800-333-7023

Website: HouseholdMortgageServices.com 088108

Account Summary							
Current Payment Amount	Principal & Interest	Escrow/Advance	Optional Insurance/Products	Past Due Payment Amount	Late Charges	Miscellaneous/Other	Total Due
559.31	559.31	0.00	0.00	559.31	44.72	5.00	1,168.34
Principal Balance		Escrow/Advance Balance		Unapplied Funds Balance		Unpaid Interest	
84,819.93		0.00		0.00		4,138.05	

Transaction Summary Since Last Statement								
Date	Effective Date	Total Amount	Interest	Principal	Escrow	Optional Insurance/Products	Late Charges/Miscellaneous	Unapplied Funds
12/23							5.00	
	PAYMENT HISTORY FEE							
12/30	12/30	93.74						
	RECOV OF FEES ADVANCED							
12/30	12/30	93.74 -						
	PAYMENT							
A \$11.18 late charge will be due if payment is received after 01/05/04.								

Important Messages

Save time and money with EZ Pay Plus, our automatic payment plan. Enroll today. It's easy, smart and convenient! See the enclosed brochure for more details.

Log on to HouseholdMortgageServices.com and enjoy the convenience of managing your account online. Review your account information, make secure online payments, enroll in EZ Pay Plus and more!

Your 2003 tax forms, 1098 and 1099 (if applicable), will be mailed to you by January 31, 2004. If you do not receive your tax form(s) by February 15, 2004, please contact Customer Care at 1-800-333-7023 Monday through Friday 8:00 a.m. to 8:00 p.m. Eastern time.

In New York, loans are owned and/or serviced by Household Finance Realty Corporation of New York. Registered Mortgage Banker - NYS Banking Department.

00421 **Make checks payable to: Household Mortgage Services. Always write your account number on your check.** Page 1 of 1
Please enclose the bottom portion of your statement with your payment so that our address appears through the window.

Loan Number: 1085182
Total Amount Due: \$ 1,168.34
Additional Principal: \$ _____
Late Charges: \$ _____
Other: \$ _____

HOUSEHOLD

Amount Enclosed \$

Current Due Date:	01/21/04
Payment:	\$ 559.31
Past Due Payment:	\$ 559.31
Unpaid Late Charges:	\$ 44.72
Other Fees:	\$ 5.00
Total Amount Due:	\$ 1,168.34

Household Mortgage Services
P.O. Box 17580
Baltimore, MD 21297-1580

CHRISTOPHER SCHUH
DIANE SCHUH
P O BOX 668
LAKE LUZERNE NY 12046



088 0001085182 0117952 0116834

HOUSEHOLD

Mortgage Services
P.O. Box 2369
Brandon, FL 33509

NOTICE TO CURE AND INTENT TO ACCELERATE

02/05/04

CHRISTOPHER SCHUH
DIANE SCHUH
P O BOX 668

LAKE LUZERNE NY 12846

Re: Loan Number 0001985182
Property Location: 18 OLD RIVER RD

CORINTH NY 12822

Dear Mortgagor:

This is a formal notice that your agreement to pay as outlined in the terms of your Note and Mortgage/Deed of Trust has been breached by your failure to make such payments that were due on and after 12/21/03

To correct this breach of agreement, the total amount of \$ 8091.55 must be received in our office by the last business day of this month. If such payment is not received in our office by the last business day of this month, add an additional \$ 559.31 for the next month's payment, which must be received within thirty (30) days from the date of this letter. Due to the delinquency of the mortgage, all payments must be received in CERTIFIED FUNDS until the account has been fully redeemed. All additional late charges and payments due after this notice must be included in your payment. ONLY THE FULL AMOUNT DUE WILL BE ACCEPTED.

It is our intent to declare your loan past due and payable immediately if the above mentioned breach is not remedied as outlined by this letter.

We would like to inform you that you have the right to reinstate after acceleration and to bring court action to assert the non-existence of a default or any other defense you may have to acceleration and sale of your property.

Please contact me to discuss this urgent matter. If you have made arrangements to cure the delinquency of your mortgage and the agreement is kept, you may disregard this notice. If the arrangements are broken, this breach will be enforced.

I will be glad to discuss any questions you may have regarding this notice.

Mailed by regular and certified mail on this day 02/05/04.

Sincerely,

HOUSEHOLD MORTGAGE SERVICES

Default Department Telephone: 1-866-265-7066
Mon.-Thurs. 8am-11pm, Fri. 8am-5pm, Sat. 8am-2pm (Eastern Time) 06:19 (Regular Mail)

HOUSEHOLD

Mortgage Services
P.O. Box 2369
Brandon, FL 33509

03/11/04

Re: Account #0001085182

CHRISTOPHER SCHUH
DIANE SCHUH
P O BOX 668

LAKE LUZERNE NY 12846

Property Location:
18 OLD RIVER RD

CORINTH NY 12822

Dear Customer,

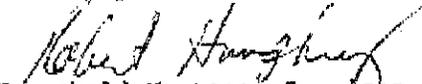
Our records indicate that the above referenced account is seriously delinquent. If the total amount of \$ 4543.17 is not received by 03/17/04, we will refer your account to an attorney to initiate foreclosure.

As stated in the Mortgage/Deed of Trust, you will be responsible for all of the legal expenses we incur as a result of protecting our interest. Failure to cure the default will result in acceleration of the sums secured by the Mortgage/Deed of Trust, which may lead to a foreclosure sale of the property and a deficiency judgment against you.

To avoid legal action and these additional expenses, it is imperative that you remit payment as outlined above. We urge you to give this matter your immediate attention, as your course of action will determine our recommendation.

If you have any questions regarding this matter, please contact us at (800)365-6730, ext. 03/17/04 Monday through Friday between 8 a.m. and 5 p.m. Eastern time.

Sincerely,


Household Mortgage Services

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

6.05

2-22-03

Household Mortgage Services
PO Box 2369
Brandon Florida 33509

Dear Sirs,

This letter is to address your Letter dated 2-5-03 yet not received until 2-21-03.

The letter I reference herein is "NOTICE TO CURE AND INTENT TO ACCELERATE".

This is Formal Notice that the amounts claimed owed to your company are in DISPUTE.

We have requested the complete payment and fee schedule from your company and as of this date, your company has failed to respond. We herein again formally request ALL records, and documents of any kind related or addressing the Loan number 0001085182 and used to determine your demand.

Though we may owe this amount, until the records are verified as true and accurate, CEASE AND DESIST all collection activities.

It appears that payments may not have been credited properly, among other things.

We look forward to successfully resolving this conflict.

Sincerely,

Christopher Schuh
Diane Schuh
PO Box 668
Lake Luzerne, NY 12846

(Certified Mail Number _____)

March 18, 2004

Household Mortgage Services

PO Box 2393

Brandon Fl 33509

Certified Number# 7003 2260 0002 1353 3456

Dear Folks,

Regarding your account number 0001085182:

Information related to this account was requested yet a mishmash of various programs, driving computer generated documents, were sent, all this is totally unintelligible and useless in the format sent to an unsophisticated person like myself. In order to avoid your continuous barrage of annoying phone calls I must address this issue under The Fair Debt Collections Practices Act. It is not now, nor has it ever been my intention to avoid paying any obligation which I may owe, please document and verify the "debt" by complying in good faith with this request for validation and notice that I dispute part of, or all of the alleged debt. As I may need to address this account with the State of New York Attorney General in the interest of justice and

In order for me to truly understand this account please provide the following:

1. Please furnish a copy of the original promissory note redacting my social security number to prevent identity theft and state under penalty of perjury that you are the holder in due course of the promissory note and will produce the original document for my own and the judges inspection should there be a trial to contest these matters.
2. Please produce the account and general ledger statement showing the full and detail accounting of the alleged obligation that you are attempting to collect.
3. Please identify by name and address all persons, corporations, associations or any other parties having an interest in legal proceedings regarding the alleged debt.
4. Please verify under penalty of perjury, that you have not purchased this debt and are proceeding with collection activity as "the" or in the name of the original maker of this note.
5. Please verify under penalty of perjury that you know and understand that certain clauses in a contract of adhesion, such as a so called forum selection clause, are unenforceable unless the party to whom the contract extended could have rejected the clause without impunity.
6. Please verify that you know and understand that contacting me again after receipt of this notice without providing procedurally proper validation of the debt constitutes the use of interstate communications in a scheme of fraud by advancing a writing, which you know is false with the intention that others rely on the written communication to their detriment.
7. I also request that the "debt" be fully extinguished in the event that I have, or will pay off the note by returning the original to me marked paid in full and signed by an officer of the holder in due course.

Disputing the "debt".

Sincerely and without prejudice,

Christopher Schuh - Diane Schuh PO Box 668 Lake Luzerne, NY 12846

EXHIBIT P: Plaintiffs' Request for Clarification

HOUSEHOLD



Mortgage Services
Policy and Compliance Support
636 Grand Regency Boulevard
Brandon, FL 33510

800 333 7023 Telephone

April 13, 2004

Christopher Schuh
Diane Schuh
P.O. Box 668
Lake Luzerne, NY 12846

Re: Household Account 1085182

Dear Christopher Schuh and Diane Schuh:

This letter is in reply to your correspondence to Household Mortgage Services (Household) dated March 18, 2004.

In your correspondence you commented that information you had received from Household was "totally unintelligible and useless in the format sent to an unsophisticated person like myself". A spreadsheet detailing your loan payment history is enclosed for your review. The spreadsheet reflects payments received, all late charges assessed and/or paid and all fee activity. The payment history also reflects the dates and months interest was deferred, along with fees and charges associated with the loan.

In your correspondence you states that "I must address this issue under The Fair Debt Collections Practices Act". As a point of information, Household is not a debt collector as defined in the Fair Debt Collection Practices Act ("FDCPA"). Household is excluded from the definition of "debt collector" under FDCPA 15 USC 1692(a)(6)(A) and/or (B). According to the Fair Debt Collection Practices Act a debt collector is any person who regularly collects debts owed to others. Household is not acting in the capacity of a debt collector since your loan is not owed to a third party.

In your correspondence you place a request for information detailed in a series of seven points. Household would like to respond to each of those points.

In your point number one you request a copy of the original promissory note and request that Household state under penalty of perjury that it is the holder in due course of the promissory note and that the original will be available for your review in the event there should be a trial to contest your loan. Please refer to the enclosed document entitled "Disclosure of Credit Costs". This is the loan agreement that you executed at the time this loan was consummated. The

Household Account No. 1085182

EXHIBIT Q: Household/HSBC Letter to Plaintiffs (04/13/04)

D 3

original will be available for review in the event that you choose to request a trial. Additionally, in the event you wish to personally review the original note you may schedule a visit to our Document Custodian. Your file is located in Elmhurst, IL and may be reviewed by appointment between the hours of 9 a.m. and 3 p.m. on any day that is not a federal or Illinois holiday. You may contact the undersigned to schedule such an appointment.

In your point number two you request an account and general ledger statement detailing your account history. As previously indicated, a spreadsheet detailing your loan payment history is enclosed.

In your point number three you request the name and address of "all persons, corporations, associations, or any other parties having an interest in legal proceedings regarding the alleged debt". Your question is not applicable, as Household is unaware of any legal proceedings involving your account.

In your point number four your request that Household "verify under penalty of perjury, that you have not purchased this debt and are proceeding with collection activity as 'the' or in the name of the original maker of this note". As a point of information, your loan was originated by Personal Mortgage Corporation. The servicing of the loan was transferred to Beneficial Homeowner Serv. Corp. Please find enclosed a copy of the Notice of Assignment, Sale or Transfer of Servicing Rights signed by you. Household merged with Beneficial on June 30, 1998. Please refer to the statement given earlier in this letter regarding Household's status relating to the collection of your loan.

In your point number five you request that Household "verify under penalty of perjury that you know and understand that certain clauses in a contract of adhesion, such as a so called forum selection clause, are unenforceable unless the party to whom the contract extended could have rejected the clause without impunity. Please consult with your legal counsel.

In your point number six you request that Household "verify that you know and understand that contacting me again after receipt of this notice without providing procedurally proper validation of the debt constitutes the use of interstate communication is a scheme of fraud by advancing in writing, which you know is false with the intention that others rely on the written communication to their detriment". Household fully believes that the information enclosed, including but not limited to the copy of your loan agreement and payment history, constitute proof of your obligation as required at this time.

In your point number seven you request that the "'debt' be fully extinguished in the event that I [you] have, or will pay off the note by returning the original to me marked paid in full and signed by an officer of the holder in due course". Household would like to inform you that in the event that your loan is paid in full,

Household Account No. 1085182

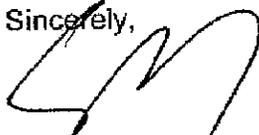
2

EXHIBIT Q: Household/HSBC Letter to Plaintiffs (04/13/04)

all steps required by the governing statutes of your state would be followed to evidence that your obligation has been satisfied.

Should you have any questions or require any additional information, please contact me directly at (813) 571-8472.

Sincerely,



Sean Rockway
Asst. Vice President – HMS Compliance

jrm

Enclosures

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SARATOGA

-----x
MORTGAGE ELECTRONIC REGISTRATION
SYSTEMS, INC,

Plaintiff,

-against-

SUMMONS

Index No..

2004 1221

Filed:

CHRISTOPHER SCHUH; DIANE SCHUH; IRS
Department of Treasury; Joseph A. Paoloni, "JOHN
DOE 1 to JOHN DOE 25", said names being
fictitious, the persons or parties intended being the
persons, parties, corporations or entities, if any,
having or claiming an interest in or lien upon the
mortgaged premises described in the complaint,

Defendants.
-----x

2004 MAY -4 PM 2:56
SARATOGA COUNTY
CLERK'S OFFICE
BALLSTON SPA, NY

FILED

TO THE ABOVE NAMED DEFENDANTS:

YOU ARE HEREBY SUMMONED to answer the complaint in this action, and to serve a copy of your answer, or, if the complaint is not served with this summons, to serve a notice of appearance on the plaintiff's attorney within 20 days after the service of this summons, exclusive of the day of service or within 30 days after completion of service where service is made in any other manner than by personal delivery within the State. In case of your failure to appear or answer, judgment will be taken against you by default for the relief demanded in the complaint.

Saratoga County is designated as the place of trial on the basis of the fact that the real property affected by this action is located wholly within said County.

Dated: Westbury, New York
April 28, 2004


KAREN B. MIGDAL-DRUCKMAN, ESQ.
DRUCKMAN & SINEL, LLP
Attorneys for Plaintiff
242 Drexel Avenue
Westbury, New York 11590
(516) 876-0800

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SARATOGA

-----x
MORTGAGE ELECTRONIC REGISTRATION
SYSTEMS, INC,

Plaintiff,
-against-

VERIFIED COMPLAINT

Index No.. 2004 1221

CHRISTOPHER SCHUH; DIANE SCHUH; IRS
Department of Treasury; Joseph A. Paoloni, "JOHN
DOE 1 to JOHN DOE 25", said names being
fictitious, the persons or parties intended being the
persons, parties, corporations or entities, if any,
having or claiming an interest in or lien upon the
mortgaged premises described in the complaint,

2004 MAY -4 PM 2:56
SARATOGA COUNTY
CLERK'S OFFICE
BALLSTON SPA. NY

FILED

Defendants.
-----x

Plaintiff, by its attorneys Druckman & Sinel, LLP, complaining of the defendants,
alleges:

1. At all times hereinafter mentioned plaintiff was and still is a corporation
having an office or the conduct of business at 636 Grand Regency Boulevard, Brandon
FL 33510.

2. On or about September 16, 1994, Christopher Schuh and Diane Schuh duly
executed and delivered to Personal Mortgage Corporation a note whereby they bound
themselves to pay the sum of \$66,000.00 with interest at the rate of 9.59 per cent per
annum, or if applicable subject to changes according to the terms of the note and
mortgage, and to pay to mortgagee, its successors and assigns, this sum together with the
interest due as follows: By payments on the first day of each subsequent month,
commencing with the second month after closing, until the principal and interest are paid
in full, except that the final payment of the entire indebtedness shall be due and payable
on September 21, 2009.

3. As security for the payment of said note, Christopher Schuh and Diane Schuh
executed, acknowledged and delivered to Personal Mortgage Corporation a mortgage that

EXHIBIT R: Summons & Complaint

was recorded in the Office of the Clerk or Register of Saratoga County on September 19, 1994 in liber or reel 1858 of mortgages at page 483 and the mortgage tax was paid, whereby they mortgaged the hereinafter described real property to Personal Mortgage Corporation.

3A. The note and mortgage were thereafter duly assigned to plaintiff by an assignment to be recorded.

4. The plaintiff is still the owner and holder of the note and mortgage.

5. The mortgage provides that in addition to principal and interest, the mortgagor will deposit with the holder thereof monthly installments for the payment of taxes, water, sewer charges and insurance premiums; and that a late charge may be assessed if any payments are late.

6. The note provides that in the event borrower fails to make timely payments, the borrower will be in default, and that if the holder has required immediate payment in full, the holder will have the right to be reimbursed for all of its costs and expenses in enforcing the note including reasonable attorneys' fees.

7. The mortgage contains the same conditions as the note in case of default and provides that, at the option of the mortgagee, the unpaid principal balance together with accrued interest and all other amounts due pursuant to the terms of the note and mortgage shall become due, and that plaintiff is empowered to sell said real property in one parcel and out of the moneys generated from the sale to pay the amount due for principal, interest, and all other amounts due pursuant to the terms of the note and mortgage together with the costs and expenses of this action.

8. The mortgagors have failed to comply with the terms and conditions of said note and mortgage and have defaulted by failing to pay \$559.31 which became due on December 21, 2003 and by failing to pay the monthly payments which became due each month thereafter. These amounts remain unpaid and plaintiff has declared the entire amount due.

EXHIBIT R: Summons & Complaint

9. There is now due plaintiff the principal amount of \$64,819.99 with interest thereon at the rate of 9.59 per cent per annum from November 21, 2003, along with all other all other amounts due pursuant to the terms of the note and mortgage, together with the costs and expenses of this action.

10. No other action or proceeding at law, in equity or otherwise was completed for the recovery of any part of the principal or interest, secured by said note and mortgage.

11. Said premises and the title thereto are subject to any state of facts an accurate survey would show; to all covenants, restrictions, easements, agreements, reservations, and prior liens, if any, of record and to any violations thereof; to the physical condition of any building or structure as of the date of sale hereunder; to building restrictions and zoning ordinances and to any violations of the same.

12. The plaintiff shall not be deemed to have waived, altered, released or changed its demand for payment in full by reason of payment, after the date of the commencement of this action, of any of the defaults mentioned herein; and such demand shall continue and remain effective until the costs and disbursements of this action and any and all future defaults under the note and mortgage occurring prior to a discontinuance of this action are fully paid.

13. The premises affected by and described in said mortgage are known as 18 Old River Road, Corinth, New York 12822 as more fully described in SCHEDULE "A" annexed hereto.

WHEREFORE, plaintiff demands judgment:

1. That the defendants herein and all persons claiming under them, subsequent to the commencement of this action and the filing of a notice of pendency, be barred and foreclosed of all estate, right, title, interest, claim, lien and equity of redemption to the said mortgaged real property; except the right of the United States of America and/or its political subdivisions, if it be a party defendant to this action, to redeem as provided for

EXHIBIT R: Summons & Complaint

by applicable law.

2. That the said real property may be decreed and ordered to be sold in one parcel according to law, subject to the provisions of paragraph "12" above; that the moneys generated from the sale be disbursed as follows: to the plaintiff the amount due on said note and mortgage, with interest as set fourth above to the time of such payment, together with any amount advanced for taxes, water charges, sewer rent, insurance or to protect the validity mortgage or the condition of the property; together with the costs and expenses of such sale; the costs, allowances and disbursements of this action; reasonable attorneys' fees; and, and all other charges and liens thereon to be paid, with interest from the dates of the respective payments and advances, so far as the amount of such moneys properly applicable thereto will pay the same, together with reasonable attorney's fees.

3. That the defendants Christopher Schuh and Diane Schuh be adjudged to pay any deficiency, which may remain after applying, all of said moneys so applicable thereto, so long as said deficiency was not discharged in bankruptcy.

4. That during the pendency of this action, a Receiver of rents, issues and profits of the said mortgaged premises be appointed with the usual powers of such Receivers.

5. That the plaintiff be awarded such other, further and different relief in the real property and otherwise as may be just and equitable.

DRUCKMAN & SINEL, LLP
Attorneys for Plaintiff
242 Drexel Avenue
Westbury, New York 11590
(516) 876-0800

EXHIBIT R: Summons & Complaint

WEBTITLE 2000, INC.

SCHEDULE A

DESCRIPTION OF MORTGAGED PREMISES

Title No.: 4040062

ALL THAT TRACT OR PARCEL OF LAND, with the buildings and improvements thereon erected, situate in the Town of Corinth, County of Saratoga, and State of New York, bounded and described as follows:

Beginning at an iron pipe on the southeasterly bounds of a right-of-way which runs along the rear of the lots fronting on the Hudson River, said point being S 57 degrees 56' 30" W 194.67 feet from the most northerly corner of Roberts (Book 1073 cp 515) and being also the most northerly corner of the herein described parcel; running thence along said right-of-way bounds S 57 degrees 56' 30" W 8.01 feet to an iron bolt and S 62 degrees 40' 30" W 106.51 feet to a point, said point being on the division line between the lands now or formerly of R.J. Kennedy and the herein described parcel; running thence S 31 degrees 41' 15" E 85.35 feet to a point on the seawall on the northwesterly bank of the Hudson River, said point being the most southerly corner of the herein described parcel; running thence generally northeasterly along said seawall to an iron pipe found in the Hudson River, being the most easterly corner of the herein described parcel; running thence N 32 degrees 02' 50" W 99.37 feet along a new division line between Roberts and the herein described parcel to the point of beginning, passing 6.76 feet northeasterly from the southeasterly corner and 5.18 feet northeasterly from the northwesterly corner of the camp on the herein described parcel.

STATE OF NEW YORK)
COUNTY OF NASSAU) SS.:

The undersigned, an attorney admitted to practice in the courts of New York State, shows:

Affirmant is associated with the firm of DRUCKMAN & SINEL, LLP, the attorneys of record for the plaintiff in the within action; that affirmant has read the foregoing summons and verified complaint and knows the contents thereof; that the same is true to affirmant's own knowledge, except as to the matters therein stated to be alleged on information and belief, and that as to those matters affirmant believes it to be true. Affirmant further states that the reason this affirmation is made by affirmant and not by the plaintiff is the fact that the plaintiff does not maintain its place of business within the county wherein affirmant maintains his office.

The grounds of affirmant's belief as to all matters not stated upon affirmant's knowledge are as follows: Memoranda, bills and papers within affirmant's file, including the note, mortgage and assignments if any.

The undersigned affirms that the foregoing statements are true, under the penalties of perjury.

Dated: Westbury, New York
April 28, 2004


KAREN B. MIGDAL-DRUCKMAN

EXHIBIT R: Summons & Complaint

Supreme Court of the State of New York
County of Saratoga

Index # 2004-1221

Mortgage Electronic Registration Systems, Inc.
Plaintiff

Reply

Against

Christopher Schuh, Diane Schuh and others;
Defendants

To: Karen B. Migdal-Druckman, Esq.
Druckman & Sinel LLP
242 Drexel Avenue
Westbury NY 11590

CERTIFIED MAIL # 7003 3110 0005 0961 4282

GREETINGS;

Sir or Madam:

It is not now, nor has it ever been my intention to avoid paying any obligation that I lawfully owe. In order that I can make arrangements to pay an obligation which I may owe, please document and verify your claims by complying in good faith with this request for validation and notice that I dispute part of, or all of the alleged debt. As I have no knowledge of your company and know of no debt I owe Mortgage Electronic Registration Systems, Inc. and or Druckman & Sinel LLP and thereby deny your claims.

1. Please furnish a copy of the original promissory note redacting my social security number to prevent identify theft and state under penalty of perjury that your client named above is the holder in due course of the promissory note and will produce

EXHIBIT S: Plaintiffs Response to the Complaint

the original for my own and a judge's inspection should there be a trial to contest these matters.

2. Please produce the account and general ledger statement showing the full accounting of the alleged obligation that you are now attempting to collect.

3. Please identify by name and address all persons, corporations, associations, or any other parties having an interest in legal proceedings regarding the alleged debt.

4. Please verify under penalty of perjury, that as a debt collector, you have not purchased evidence of debt and are proceeding with collection activity in the name of the original maker of the note.

5. Please verify under penalty of perjury that you know and understand that certain clauses in a contract of adhesion, such as a so-called forum selection clause, are unenforceable unless the party to whom the contract is extended could have rejected the clause without iniquity.

6. Please provide verification from the stated creditor that you are authorized to act for them.

7. Please verify that you know and understand that contacting me again after receipt of this notice without providing procedurally proper validation of the debt and your claims constitutes the use of interstate communications in a scheme of fraud by advancing a writing, which you know is false with the intention that others rely on the written communication to their detriment.

8. Any request for validation of the debt and claims in whole confers no jurisdiction upon any court. All rights to challenge, jurisdiction, among other things, preserved at all times. Disputing the "debt" and denying your claims.

9. Provide all request validation within 30 days of receipt of this reply.

As Christopher Schuh and Diane Schuh are not sophisticated in these matters and do not make this a practice, All rights reserved, including yet not limited to, answer and counterclaim(s), and the right to time;

Christopher Schuh
Diane Schuh

May 25, 2004

U.S. Postal Service
REGISTERED MAIL RECEIPT
 (For Mail Classifications Registered Mail and Registered Mail Restricted)

OFFICIAL USE

7003 3330 0005 0963 4262

Postage \$	37	Postmark	VOID
Contract Fee	2.00		
Return Receipt Fee (underpayment required)	1.75		
Registered Delivery Fee (underpayment required)			
Total Postage & Fees	4.12		

NAME: Karen Migdal Druckman
 STREET ADDRESS: 242 Drexel Ave
 CITY/STATE/ZIP: Westbury NY 11590

HAND TO THE ADDRESSEE ONLY

Complete this form if you are a sample letter or if the addressee is deceased.
 Fill in the name and address on the reverse of this envelope if you are the addressee.
 Attach this card to the back of the envelope, using the perforations on the right.

Addressed to:

Karen Migdal Druckman
 242 Drexel Ave
 Westbury NY 11590

COMPLETE THIS SECTION OF THE ENVELOPE

Recipient's Name: *Migdal*

Address: *242 Drexel Ave*

City/State/Zip: *Westbury NY 11590*

Registered Mail (underpayment required) Registered Mail Restricted
 Return Receipt for Merchandise Yes
 No

Certified Mail Express Mail
 Registered Mail Return Receipt for Merchandise
 Registered Delivery (underpayment required) Yes
 No

7003 3330 0005 0963 4262

PS Form 3811, August 2001

UNITED STATES POSTAL SERVICE

First-Class Mail
 Postage & Fees Paid
 USPS
 Permit No. G-10

* Sender, Please print your name, address, and ZIP+4 in this box *

C. Schah
 Po Box 688
 Lake Luzerne NY 12846-0688

62

EXHIBIT S: Plaintiffs Response to the Complaint

kept in the ordinary course of business.

2. This affidavit is submitted in support of Plaintiff's Motion for Summary Judgment dismissing the Answer of Christopher Shuh and Diane Shuh (hereafter Defendants), and appointing a Referee to compute the sums due to Plaintiff under the Note and Mortgage.

3. On or about September 16, 1994, Defendants Christopher Schuh and Diane Schuh borrowed the principal sum of \$66,000.00, including interest at a rate of 9.59% from Personal Mortgage Corporation, and secured said obligation with a Note and Mortgage dated September 16, 1994, duly recorded on the Office of the Saratoga County Clerk on September 19, 1994, in Liber/Book/Reel/Vol 1858, Page 483. (A copy of the note and recorded mortgage are attached hereto as Exhibits 1 and 2 respectively.)

4. Personal Mortgage Corporation subsequently transferred all its rights and obligations under the Note and Mortgage, for good and valuable consideration to Beneficial Homeowner Service Corporation by an Assignment of Mortgage. (A copy of the assignment from Personal Mortgage Corporation to Beneficial Homeowner Service Corporation is attached hereto as Exhibit 3.)

EXHIBIT T: Chris Anderson Affidavit

5. Beneficial Homeowner Service Corporation subsequently transferred all its rights and obligations under the Note and Mortgage, for good and valuable consideration to Plaintiff by an Assignment of Mortgage. (A copy of the assignment from Beneficial Homeowner Service Corporation to plaintiff is attached hereto as Exhibit 4.)

6. Pursuant to said Note and Mortgage, Defendants agreed to pay \$559.31 per month to Plaintiff as a required monthly installment on the principal. The Note and Mortgage provided that in the event of Defendants' default on any of their monthly installments, the entire principal would become due and payable at the option of the holder of the mortgage.

7. Beginning on or about December 21, 2003, Defendants failed to pay to Plaintiff the required monthly installments on the principal. Said failure to pay the required monthly installments amounted to a default under the Note and Mortgage.

8. In response to Defendants' default on the Note and Mortgage, Plaintiff first demanded payment and then when the Defendants failed to pay, commenced this foreclosure action, in order to collect the balance of the principal, as is the option

of the holder of the Mortgage.

9. The unpaid principal balance of the loan is Forty Two Thousand Eight Hundred Twenty Three and 63/100's (\$64,819.99) Dollars.

10. I am advised by my attorney that Summary Judgment is the proper resolution of a case in which an Answer is interposed and there are no material questions of fact. I believe that Plaintiff has established its right to foreclose due to Defendants' default, and that Defendants have no valid defense to this action.

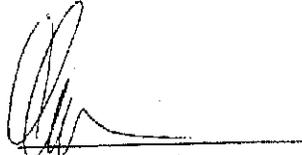
11. Defendants have issued a general denial of the allegations. It suffices to say that the complaint clearly sets forth the facts upon which Plaintiff is entitled to relief. The execution of the note and mortgage, the Defendant's default, and Plaintiff's demand for payment and acceleration are all described in detail. Defendant makes no assertions which could refute those allegations. (A copy of the complaint is attached to the affirmation of David S. Lee in support of this motion for summary judgment and reference as Exhibit A.)

12. Based on the foregoing, I respectfully request that

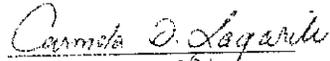
EXHIBIT T: Chris Anderson Affidavit

Plaintiff's Motion for Summary Judgment dismissing the Answer of the Defendants be granted, and that an Order be entered Appointing a Referee to compute sums due to Plaintiff.

WHEREFORE, deponent prays that the relief requested in the Notice of Motion be in all respects granted, together with the costs of this motion, and for such other relief as the Court deems just and proper.


Chris Anderson

Sworn to before me this
3rd day of June, 2004.


Notary Public

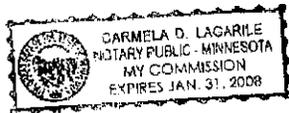
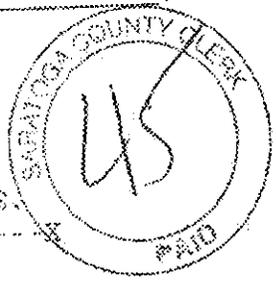


EXHIBIT T: Chris Anderson Affidavit

09/22/04

At an IAS Motion Part ____ of
the Supreme Court of the
State of New York, held in
and for the County of
Saratoga at the Courthouse
thereof, 30 McMaster Street,
Ballston Spa, New York 12020
on the ____ day of
____, 2004.



P R E S E N T :

HON. **Stephen A. Ferradino**

JUSTICE

MORTGAGE ELECTRONIC REGISTRATION
SYSTEMS, INC.,

Plaintiff(s),

-against-

Index No. 1221/04

Order for
Summary Judgment
and Reference

CHRISTOPHER SCHUH, DIANE SCHUH, IRS
Department of Treasury, Joseph A.
Paoloni, "JOHN DOE 1 to JOHN DOE 25",
said names being fictitious, the
persons or parties intended being the
persons, parties, corporations or
entities, if any, having or claiming
an interest in or lien upon the
mortgaged premises described in the
complaint,

Defendants.

-----X

Upon the Summons, Complaint and Notice of Pendency of
Action, all duly filed in the Office of the Clerk of the County
of Saratoga on May 4, 2004; upon the affidavits of service of
the Summons and Complaint all duly filed with this Court, and

EXHIBIT U: Summary Judgment

206/357

2004 7285

2004 JUL -5 AM 8:45
SARATOGA COUNTY CLERK
OFFICE OF THE CLERK
BALLSTON SPA, NY

2004 OCT -5 AM 9:33
SARATOGA COUNTY CLERK
OFFICE OF THE CLERK
BALLSTON SPA, NY

REC'D

FILED

upon reading and filing the Affirmation of David S. Lee, dated July 5, 2004; the affidavit of Chris Anderson sworn to July 5, 2004, upon the Affidavits in Opposition to said motion, if any, and upon all the pleadings and proceedings heretofore had in this action, from all of which it appears to the satisfaction of this Court that this action was brought to foreclose a mortgage on real property situated in the County of Saratoga, State of New York, and that this action was brought for defaults in the payments due under the note on bond and mortgage held by the plaintiff, and that by reason thereof, said mortgage is now due and payable; and it further appearing that all the defendants have been duly served with the Summons and Complaint and that the time to answer or move with respect to the Complaint has expired and has not been extended; that no defendant is an infant, an incompetent or an absentee nor has any defendant been proceeded against as such; and it further appearing that a notice of Pendency of this action containing correctly and truly all the particulars required by law to be stated in such notice was filed in the Office of the Clerk of the County of Saratoga, and upon all the proceedings heretofore had in this action.

NOW, on notice of BRUCEMAN & STINEL, LLP, attorneys for the plaintiff: it is

ORDERED, that Summary Judgment is hereby granted to plaintiff, and the Answer and Counterclaims of defendant be and the same hereby is dismissed, and the appearance of such defendant be limited to a notice of appearance and waiver of

1358

service of all papers and of notice of all proceedings in said action, except copy of Referee's Oath and Report of Amount due, Copy of Judgment of Foreclosure and Sale, Notice of Referee's Hearing, Notice of Sale, and a copy of Referee's report of sale and notice to obtain surplus monies; and it is further

ORDERED, that the defendants, "JOHN DOE ONE" through and including "JOHN DOE TWENTY-FIVE" be deleted from the caption of this action; and it is further

ORDERED, that the correct caption of this action shall appear as follows:

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SARATOGA

-----X
MORTGAGE ELECTRONIC REGISTRATION
SYSTEMS, INC,

Index No. 1221/04

Plaintiff,

-against-

CHRISTOPHER SCHUH, DIANE SCHUH, IRS
Department of Treasury, Joseph A.
Paoloni,

Defendant(s).

-----X
and; it is further

ORDERED, that the referee appointed herein is subject to the requirements of Rule 36.2(c) of the Chief Judge, and if the referee is disqualified from receiving an appointment pursuant to the provisions of that Rule, the referee shall notify the

Appointing Judge forthwith; and it is further

ORDERED, that this action be referred to

Stephan Rodriguez of
Rodriguez & Deacon, P.L.L.C. ~~100 West Ave~~ Saratoga Springs, NY, New York,

as Referee to ascertain and compute the amount due to plaintiff for principal and interest on the note or bond and mortgage set forth in the Complaint for taxes, assessments, water rates and/or fire insurance premiums, and late charges, to examine and report whether the mortgaged premises can be sold in parcels and that immediately upon the coming in of the report of said Referee, and without further notice, plaintiff may apply for the usual Judgment of Foreclosure and Sale, and for the relief demanded in the Complaint besides costs and extra allowances provided by law; and it is further

ORDERED, that if there be any infant or absentee defendants the Referee shall also take proof of the facts and circumstances stated in the complaint, and examine the plaintiff(s) or plaintiff's agent under oath, as to any payments which have been made.

E N T E R :

9/20/04 [Signature]
Justice of the Supreme Court

RECEIVED
CLERK OF THE SUPREME COURT
SARATOGA COUNTY
OCT - 5 AM 9:34

ENTERED

KATHLEEN J. MARCHIONE, SARATOGA COUNTY CLERK

[Signature]
WILLIAM R. WILKINS
DEPUTY COUNTY CLERK

EXHIBIT U: Summary Judgment

1200

10/22/03

AFFIDAVIT

-against-

INDEX NO.

CHRISTOPHER SCHUH; DIANE SCHUH, et al.

Defendants,

STATE OF MN
COUNTY OF Dakota) ss.:

Dory Goebel being duly sworn, deposes and says:

I am the Attorney in Fact, of HOUSEHOLD FINANCIAL REALTY

CORPORATION, the servicing agent for plaintiff in the within action and am in charge of all delinquent mortgage accounts, and affirm that the figures contained in the following statement have been taken from records in my office.

I am familiar with the facts and circumstances concerning the mortgage under foreclosure herein. The said mortgage covers one parcel of real property.

The owners have failed to comply with the terms and conditions of the said bond and mortgage by failing and omitting to pay \$559.31, which sum represents the installment of principal and interest and the installment of taxes and other escrow amounts which became due on December 21, 2003, all as provided for in the said bond and mortgage, and also by failing and omitting to pay all installments which became due on the first day of each and every month thereafter. The owners are in default, and the plaintiff declared the balance of the mortgage to be due and payable.

Said premises consist of a one family dwelling and in my opinion the real property cannot be sold in more than one parcel.

EXHIBIT V: Affidavit of Dory Goebel

RECORDED & INDEXED
COUNTY OF DAKOTA
REGISTERED MAIL

2005 JAN 21 PM 4:08

FILED

The total amount due plaintiff at this time is as follows:

S T A T E M E N T

Principal Balance: \$64,819.99

Interest at 9.59% from November 21, 2003 to August 23, 2004 \$ 8,792.23

Plaintiff's Escrow Advances:

Taxes	\$
Water/Sewer	\$
Hazard Insurance	\$
EMI/MIP Insurance	\$
Property Maintenance/	
Inspections/Winterizing	\$
Appraisal	\$100.00
Late Charges Prior to Acceleration	\$134.16
Other (specify _____)	\$ _____

SUBTOTAL: \$73,846.38

Less Escrow Balance:

TOTAL DUE PLAINTIFF AS OF August 23, 2004 \$73,846.38

HOUSEHOLD FINANCIAL REALTY CORPORATION

BY: Dory Goebel

Signed this 4 day of October, 2004.

Stacie M. Waters
Notary Public



EXHIBIT V: Affidavit of Dory Goebel

12/10/24

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SARATOGA

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS,
INC,

Plaintiff,

SUPPLEMENTAL AFFIRMATION
OF REGULARITY

-against-

INDEX NO. 1221/2004

CHRISTOPHER SCHUH; DIANE SCHUH, et al.

Defendants,

RECEIVED
JAN 21 PM 4:03
CLERK OF COURT
SARATOGA COUNTY
NEW YORK

Edward C. Klein, Esq., an attorney admitted to practice in the State of New York, does hereby affirm to be true, under the penalties of perjury as follows:

1. I am associated with the law firm of Druckman & SineI, LLP, attorneys for the plaintiff, and as such I am fully familiar with the facts herein stated.

2. Since July 5, 2004, the date of the affirmation of David S. Lee with respect to the regularity of the proceedings, there has been no change in the status of the case and there have been no additional proceedings herein other than the order of this Court dated July 9, 2004 appointing a referee to compute, the hearing before the Referee appointed herein to compute and the Referee's Report dated November 29, 2004 and filed herein.

3. None of the defendants have served an answer to the complaint, nor have they made any motion with respect thereto and none of the defendants have appeared, except:

(a) Defendant(s) CHRISTOPHER SCHUH; DIANE SCHUH interposed and answer which answer was stricken by prior order of this court, and who appeared by their attorneys and waived service of all papers upon this application.

4. The time for all other defendants to appear, answer or move with respect to the complaint has fully expired and their time to do so has not been extended by stipulation, order of this Court, or otherwise and the defendants are now in default in appearing.

5. No other defendant is entitled to notice of this application.

6. None of the defendants is an infant, incompetent, absentee or in military service.

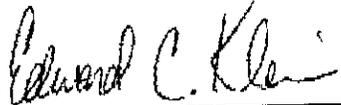
7. All of the proceedings have been regular and in accordance with the rules and practices of this court.

8. No previous application has been made for the relief requested herein.

9. This affirmation is submitted on the motion for confirmation of the Referee's Report filed herein as aforesaid and for judgment of foreclosure and sale as submitted to the court herein.

WHEREFORE, affirmitant on behalf of the plaintiff respectfully asks that the plaintiff have judgment of foreclosure and sale in the usual form, together with the costs, disbursements and extra allowance as provided by the Civil Practice Law and Rules and such other and further relief as may be just and proper.

Dated: Westbury, New York
December 10, 2004



Edward C. Klein, Esq.

90771

DEC 21 2004
By _____ of the

01/11/05

At an IAS Part _____ of the Supreme Court of the State of New York held in and for the County of Saratoga at the Court House thereof at 30 McMaster Street, Ballston Spa, NY 12020 on _____, 2004.

PRESENT:

HON. STEPHEN A. FERRADINO

Justice

MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC,

Plaintiff,

-against-

CHRISTOPHER SCHUH; DIANE SCHUH, IRS Department of Treasury; Joseph A. Paoloni, JOHN DOE name refused

Defendants.



2004 DEC 21 PM 12:07

RECORD PAYMENT

JUDGMENT OF FORECLOSURE AND SALE

INDEX NO. 122172004

JAN 21 PM 4:03

Handwritten signature

Upon the Summons and Verified Complaint filed May 4, 2004 and Notice of Pendency of Action filed May 4, 2004; the bond/note dated September 16, 1994 and the mortgage recorded in the Office of the Clerk or Register of the County of Saratoga on September 19, 1994 in liber or reel 1858 of mortgages at page 483; and on all of the papers and proceedings heretofore filed or had herein, and on reading and filing the affirmation of regularity of David S. Lee dated July 5, 2004 and showing that each and all of the defendants herein have been personally served within this State with the summons in this action, as appears from the affidavits of service now on file in the office of the Clerk of this Court; and

Upon the supplemental affirmation of Edward C. Klein, Esq. dated December 10, 2004 and the annexed Exhibits; and

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Upon proving that more than the statutory required days have elapsed since said defendants were so served as aforesaid; and That none of the other defendants have appeared, served any answer to the complaint, except CHRISTOPHER SCHUH; DIANE SCHUH, who interposed an answer, which said answer has been stricken by this court;

That none of the defendants is an infant, incompetent, absentee or in military service; and

That the complaint herein and due notice of the pendency of this action, containing all the particulars required to be stated therein, were duly filed in the office of the Clerk of the County of Saratoga on May 4, 2004 and May 4, 2004 respectively; and

An Order of Reference dated July 9, 2004 having been duly made to compute the amount due to the plaintiff upon the bond or note and mortgage set forth in the complaint and to examine and report whether the mortgaged premises can be sold in one parcel; and

Upon reading and filing the report of Stephen Rodriguez, the referee appointed herein, dated November 29, 2004 from which it appears that the sum of \$69,743.33 was due thereon as of August 23, 2004; and that the mortgaged premises should be sold in one parcel; and

NOW, on motion of Druckman & Sinel, LLP, attorneys for plaintiff, it is

ORDERED, ADJUDGED AND DECREED that the said report of the said Referee dated November 29, 2004 be, and the same is hereby in all respects ratified and confirmed; and it is further

ORDERED, ADJUDGED AND DECREED that the plaintiff is hereby awarded judgment herein for the sum of \$69,743.33 together with interest at the

rate set forth in the note and mortgage from the date specified in the referee's report, together with legal interest from the date of entry hereof, together with advances from the date specified in said report, plus the sum of \$ One thousand three hundred + ninety three dollars ^{sq} 1,393.00 as taxed by the Clerk of the Court and hereby adjudged to the plaintiff for costs and disbursements of this action, with interest thereon from the date of entry hereof, ~~together with and additional allowance of \$300.00 hereby awarded to plaintiff in addition to costs and disbursements,~~ with interest thereon from the date of entry hereof; and it is further

ORDERED, ADJUDGED AND DECREED that plaintiff is hereby awarded attorney's fees in the amount of \$ Two thousand and seventy five dollars ^{sq} 2,075.00; and it is further

ORDERED, ADJUDGED AND DECREED that the mortgaged premises described in the complaint in this action and as hereinafter described, or such part thereof as may be sufficient to discharge the mortgage debt, the expense of the sale and the costs of this action as provided by the Real Property Actions and Proceedings Law be sold in one parcel at public auction at

the Lobby of the Saratoga County Courthouse in the Village of Ballston Spa;

in the County of Saratoga, State of New York by and under the direction of Stephen Rodriguez, who is hereby appointed Referee for that purpose; that the said Referee give public notice of the time and place of such sale according to law and the practice of this Court in

The Saratogian

That the plaintiff or any other parties to this action may become the

purchaser or purchasers at such sale; that in case the plaintiff shall become the purchaser at the said sale he shall not be required to make any deposit thereon; that said referee execute to the purchaser or purchasers on such sale a deed of the premises sold and that the purchaser shall be required to pay the real estate transfer tax; that in the event the premises are located in a city having a population of 300,000 or more any liens or encumbrances placed by a city agency which have priority over the foreclosed mortgage shall be paid out of the proceeds of the sale in accordance with their priority according to law with such interest or penalties which may have lawfully accrued thereon to the date of payment; and it is further

ORDERED, ADJUDGED AND DECREED, that said Referee then deposit the balance of said proceeds of sale in his own name as Referee in

his IOLA Account

and shall thereafter make the following payments and his/her checks drawn for that purpose shall be paid by the said depository:

1. The statutory fees of said Referee in the sum of \$500.
2. The expenses of the sale and the advertising expenses as shown on the bills presented, and certified by said Referee to be correct, duplicate copies of which shall be left with said depository.
3. The amounts hereinabove adjudged due to the plaintiff, \$69,743.33, plus costs and disbursements as taxed by the Clerk of the Court and additional allowance together with the interest thereon or so much thereof as the purchase money of the mortgaged premises will pay of the same together with any advances as provided for in the

note and mortgage which plaintiff has paid for taxes, insurance, principal and interest and any other charges due to prior mortgages, or to maintain the premises pending consummation of this foreclosure sale, not previously included in the computation and upon presentation of receipts for said expenditures to the referee, all together with interest thereon pursuant to the note and mortgage.

4. \$ 2,075.00 ^{Two thousand and seventy five dollars} the attorneys' fees hereinabove awarded to plaintiff.

5. If such Referee intends to apply for a further allowance for his fees, he may leave upon deposit such amount as will cover such additional allowance to await the further order of the Court thereon after application duly made.

That in case the plaintiff be the purchaser of said mortgaged premises at said sale, or in the event that the rights of the purchaser at said sale and the terms of sale under this judgment shall be assigned to and be acquired by the plaintiff, and a valid assignment thereof filed with said referee, said referee shall not require the plaintiff to pay in cash the entire amount bid at said sale, but shall execute and deliver to the plaintiff a deed or deeds of the premises sold upon the payment to said referee of the amounts specified above in items marked "1" and "2" and the amounts of the aforesaid taxes, assessments, water charges or sewer rents, and interest or penalties thereon, or in lieu of the payment of said last mentioned amounts, upon filing with said referee receipts of the proper municipal authorities showing the payment thereof; that the balance of the amount bid, after deducting therefrom the aforesaid amounts paid by the plaintiff, for referee's fees, advertising expenses, and taxes,

assessments, water charges or sewer rents, shall be allowed to the plaintiff and applied by said referee upon the amounts due to the plaintiff as specified above in item marked "3," and that if after so applying the balance of the amount bid, there shall be a surplus over and above the said amounts due to the plaintiff, the plaintiff shall pay to said referee, upon delivery to plaintiff of said referee's deed, the amount of such surplus; that said referee on receiving said several amounts from plaintiff shall forthwith pay therefrom said taxes, assessments, water charges and sewer rents with interest and penalties thereon, unless the same have already been paid, and shall then deposit the balance.

That said referee take the receipt of the plaintiff or plaintiff's attorney for the amounts paid as hereinbefore directed in item marked "2" and file it with his report of sale; that he deposit the surplus moneys, if any, with the Saratoga County Treasurer within five days after the same shall be received and be ascertainable to the credit of this action, to be withdrawn only on the order of the Court, signed by a Justice of the Court; that the said referee make his report of such sale under oath showing the disposition of the proceeds of the sale and accompanied by the vouchers of the persons to whom payments were made and file it with the Clerk of the County of Saratoga within thirty days after completing the sale and executing the proper conveyance to the purchaser; and that if the proceeds of such sale be insufficient to pay the amount reported due to the plaintiff with interest and costs as aforesaid, the plaintiff recover of the defendant Christopher Schuh and Diane Schuh the whole deficiency or so much thereof as the Court may determine to be just and equitable of the residue of the mortgage debt remaining unsatisfied after a sale of the

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mortgaged premises and the application of the proceeds thereof, provided a motion for a deficiency judgment shall be made as prescribed by Section 1371 of the Real Property Actions and Proceedings Law within the time limited therein, and the amount thereof is determined and awarded by an order of this Court as provided for in said section; and it is further

ORDERED that the purchaser or purchasers at said sale be let into possession on production of the referee's deed or deeds;

AND IT IS FURTHER ORDERED, ADJUDGED AND DECREED, that each and all of the defendants in this action and all persons claiming under them, or any or either of them, after the filing of such notice of pendency of this action, be and they are hereby forever barred and foreclosed of all right, claim, lien, title, interest and equity of redemption in the said mortgaged premises and each and every part thereof.

THE FOLLOWING is a description of the said mortgaged premises hereinbefore mentioned: **SEE SCHEDULE "A" ANNEXED**

Known as 18 Old River Road, Corinth, New York 12822

SUBJECT TO any state of facts an accurate survey may show; covenants, easements, agreements, and restrictions of record and to any violations thereof; to the physical condition of any building or structure on the premises as of the date of sale hereunder; to zoning ordinances, restrictions and regulations; to regulations of and to orders and violations filed in any governmental departments or agencies; to possible rights of holders of security agreements and financing statements, if any, of record; to all filed and unfiled liens and claims of any governmental agency having jurisdiction over the premises; to the right of redemption of the United States of America for 120 days from the date of sale.

E N T E R

1/11/03 *Ag. C. B.*
HON. STEPHEN A. FERRADINO, S.J.C.

RECORDED
JUN 21 PM 4:03
CLERK

KATHLEEN A. MARCHIONE, SARATOGA COUNTY CLERK

BY: *Dolores R. Wilkins*
DOLORES R. WILKINS
DEPUTY COUNTY CLERK

EXHIBIT X: Judgment of Foreclosure

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WEBTITLE 2000, INC.

SCHEDULE A

DESCRIPTION OF MORTGAGED PREMISES

Title No.: 4040062

ALL THAT TRACT OR PARCEL OF LAND, with the buildings and improvements thereon erected, situate in the Town of Corinth, County of Saratoga, and State of New York, bounded and described as follows:

Beginning at an iron pipe on the southeasterly bounds of a right-of-way which runs along the rear of the lots fronting on the Hudson River, said point being S 57 degrees 56' 30" W 194.67 feet from the most northerly corner of Roberts (Book 1073 cp 515) and being also the most northerly corner of the herein described parcel: running thence along said right-of-way bounds S 57 degrees 56' 30" W 8.01 feet to an iron bolt and S 62 degrees 40' 30" W 106.51 feet to a point, said point being on the division line between the lands now or formerly of R.J. Kennedy and the herein described parcel; running thence S 31 degrees 41' 15" E 85.35 feet to a point on the seawall on the northwesterly bank of the Hudson River, said point being the most southerly corner of the herein described parcel; running thence generally northeasterly along said seawall to an iron pipe found in the Hudson River, being the most easterly corner of the herein described parcel; running thence N 32 degrees 02' 50" W 99.37 feet along a new division line between Roberts and the herein described parcel to the point of beginning, passing 6.76 feet northeasterly from the southeasterly corner and 5.18 feet northeasterly from the northwesterly corner of the camp on the herein described parcel.



Countrywide

HOME LOANS

500 BROADWAY DRIVE
SUITE 508
WANTHAU, MA 01880
(781) 213-2979 LOCAL
1800-641-6366 TOLL FREE
(781) 246-0728 FAX

May 2, 2005

Christopher and Diane Schuh.

This letter is in reference to the current problems we are facing trying to get a loan for Christopher Schuh. I represent Mr. Schuh and have spent many hours trying to ascertain the location and financial institution responsible for carrying this loan. The loan was originated by HSBC-Mortgage Services and the loan number is 1085192.

We would like to pay off this loan for Christopher but many irregularities are apparent on the credit report and on phone conversations I have personally made to HSBC. First, the credit report shows HSBC with the same account number listing this loan as (Paid Account/Zero Balance). Secondly, an outside credit reporting company called Landstar Credit Co. They work with the major reporting bureaus including Experian, Transunion, and Equifax to determine a borrower's responsibility to debt claimed on a credit report. The report they sent to me dated 2/24/2005 shows a balance and payment both at zero - minus indicating payments that have previously been made.

Without a Notice of default or any other documentation given to my client we are in unfamiliar territory. We call and are given no help or assistance. I personally was directed to call six different 1-800 numbers just to talk to someone with a clue about my client's account, getting answers should not be so hard. From Countrywide Home Loans and Christopher and Diane Schuh, we are not asking for that much, just some answers on the following questions:

1. Who are we supposed to be paying? What Amount would be necessary to end this struggle?
2. Why is HSBC so unsure about the location of this loan?
3. Why is my client not being contacted by a manager or executive at this point to prevent the inevitable legal action?

Thanks, for any help you can provide

Matthew Waters
Home Loan Consultant

FRANK A. ROMANO, ESQ.
P. O. Box 9
Hadley, New York 12835
(518) 696-3068
Fax: 518-696-4434
E-Mail: RomanoFrankA@AOL.com

Service by facsimile or e-mail will not be accepted

By Fax: 518-0825; and Overnight Mail

May 16, 2005

Ann Crowell, Esq.
Law Secretary
P.O. Box 2380
Malta, New York 12020

Re: Mortgage Electronic Registration
Systems, Inc. v Schuh
Index No. 1221/04

Dear Ms. Crowell:

I represent defendants, Christopher and Diane Schuh, in the above-entitled action, with regard to their instant motion to vacate the September 22, 2004 order for summary judgment and reference, and the January 11, 2005 judgment of foreclosure and sale, brought on by order to show cause dated February 23, 2005. This is being submitted to apprise Justice Ferradino, in advance of the scheduled May 18th conference, of the status of the defendants' efforts to resolve the pending proceeding without further litigation, and to request that the conference be cancelled and the relief now requested be granted for the reasons stated herein.

At the last conference on May 4th, Mr. Bass, an associate attorney in the firm of Druckman & Sinel, attorneys for plaintiff, stated he would submit to the Court and me an affidavit detailing the method by which plaintiff computed the amount it claimed was due and owing upon the mortgage, and that I would have an opportunity to pose questions to Mr. Bass regarding that computation. Instead, this past Friday afternoon, I received a copy of a May 11, 2005 standard payoff statement issued by HSBC, apparently the holder of the mortgage, a copy of which is submitted herewith.

Disregarding, for the moment, the failure of plaintiff to submit the agreed-upon documentation, the payoff statement, both on its face and in relation to other documents, raises, *inter alia*, the following questions or issues:

1. The principal balance claimed as of May 17, 2005 is \$64,819.99. Yet, the principal amount financed by note dated September 16, 1994 [Romano Affm., 02/19/05, Exh. D], is stated to be \$61,748.00, with fees and charges of \$1,437.00, making a total of \$63,185.00.

- COPY
2. Defendants made payments on the mortgage for many years, as shown by plaintiff's own account documentation [Spreadsheet, Romano Affin., 02/19/05, Exh. M]. However, the principal balance was not reduced over long periods of time.
 3. The May 11, 2005 payoff statement shows a total amount due of \$81,635.55, as of May 17, 2005, including interest and other charges. Yet, HSBC provided defendants' present mortgage consultant with a payoff statement dated March 9, 2005, claiming the sum of \$87,352.13 as due and owing through April 1, 2005. A copy of the March 9, 2005 payoff statement is submitted herewith.
 4. The continuing discrepancy in the amount alleged to be due and owing highlights the problem facing defendants in seeking to resolve this matter by refinancing the mortgage, especially in view of plaintiff's unwillingness or inability to detail its practices and procedures regarding this mortgage account.
 5. As evidenced upon the defendants' motion to vacate, the purported assignment(s) allegedly vesting plaintiff with an interest in and to the mortgage debt, are patently defective. This fact, together with two mortgage payoff statements being issued in the name of HSBC, substantiates defendants' claim that plaintiff does not have legal capacity to prosecute this lawsuit.

As previously argued to this Court, the January 11, 2005 judgment of foreclosure and sale fixed defendants' indebtedness at \$69,743.33 as of August 23, 2004, a sum which defendants dispute and which they never had the opportunity to challenge in the foreclosure action. Defendants have attempted to arrive at a true and accurate figure due and owing so that they can refinance the existing mortgage. But, again, plaintiff has provided no information regarding their internal practices and procedures so that defendants can comprehend the manner in which plaintiff computes the amount claimed in this action.

By reason of the foregoing, it is being requested that Justice Ferradino cancel the May 18th conference and issue an order, as follows:

1. Granting defendants' motion in its entirety.
2. Alternatively, (a) directing a hearing on the motion; (b) in advance of the hearing, permitting defendants to serve written interrogatories regarding (i) the method by which plaintiff computed the claimed indebtedness; and (ii) the identity of the true party in interest; (c) in advance of the hearing, permitting defendants to conduct discovery

FRANK A. ROMANO, Esq.

and inspection of any and all necessary and relevant documents; and
(d) directing plaintiff's attorneys to timely respond to the
interrogatories and to provide such documents as may be requested.

Respectfully submitted

FRANK A. ROMANO

cc.: Vladimir Bass, Esq.
Druckman & Sinef, LLP
Attorneys for Plaintiff
(By Fax [516-876-0883] and regular mail)

Christopher & Diane Schuh
(By regular mail)

FAX SERVER

5/13/2008 0:55 AM PAGE 2/001 FAX SERVER



13126

HSBC Mortgage Services
P.O. Box 2008
Bronx, NY 10468-0208

05/13/08

Mr. Frank Romano
Investor 4800

CALL CENTER 30min
10 0 000 000
LAWYER 1000000 00 10000

To: 4800
Fax: 212-220-2000
Phone: 212-220-2000

Loan Origination: 05/13/08

Property Location:
100 W 11th St
New York NY
10003

Rate highlighted figure drawn from a member bank of the Federal Reserve System may be subject for the amount on the above referenced account. The figure below was paid through 05/17/08.

This table is due for the 05/21/08 payment.	
Loan Interest Payment	05000.00
Total Interest Due:	10000.00
Note: This amount may include rollover interest payments.	
Current Interest Rate:	2.0000%
Prepayment Penalty:	0.00
Origination Fee:	200.00
Annual Fee:	0.00
Monthly Maintenance Fee:	0.00
Annual Fee:	0.00
Property Taxes Fee:	0.00
TOTAL AMOUNT DUE TO PAY LOAN IN FULL:	10200.00

These figures are subject to final verification by the Issuer.

Please read carefully your loan:

HSBC Mortgage Services
Attention: Loan Dept.
P.O. Box 2008
Bronx, NY 10468

Loans originated after 05/27/08 may require an additional 1% of 2002 use also.

The figure may be adjusted if any previously received check or money order is rejected by the institution upon which it is

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SARATOGA**

----- X
**MORTGAGE ELECTRONIC REGISTRATION SYSTEMS,
INC.**

Index No. 1221/2004

Plaintiff(s)

TERMS OF SALE

Premise 18 Old River Road
Corinth, New York 12822

- against -

CHRISTOPHER SCHUH; DIANE SCHUH, IRS
Department of Treasury; Joseph A. Paoloni,
JOHN DO, name refused.

Defendant(s)

----- X
The premises described in the annexed advertisement of sale (the "Premises"), will be sold under the direction of Stephen Rodriguez, Esq., Referee, upon the following terms:

FIRST Ten (10%) percent of the purchase price of said premises based on the struck down bid at the auction (the "Purchase Price") will be required to be paid in cash, bank or certified check payable to the order of Stephen Rodriguez, Esq., Referee, or such other form acceptable to the Referee, ("Bid Deposit") at the time and place of sale, and for which the Referee's receipt will be given EXCEPT that Plaintiff or any party designated by plaintiff as their successor or assign shall not be required to pay any Bid Deposit should the Plaintiff or such successor or assign be the highest bidder at sale.

SECOND The residue of said purchase money will be required to be paid by bank or certified check payable to the order of the Referee or such other form acceptable to the Referee, at the Referee's office at 100 West Avenue, Saratoga Springs, NY 12866, at 10:00 a.m. on April 24, 2006 when the referee's deed will be ready for delivery (hereinafter the "Closing Date"). Except as provided for herein, TIME IS OF THE ESSENCE with respect to the Closing Dates as to the Purchaser only.

THIRD The Referee is not required to send any notice to the Purchaser and if Purchaser neglects to call or fails to appear, ready, willing and able to complete the purchase at the time and place above specified to receive the deed, the Purchaser will be in default of its obligations hereunder and will be charged with interest thereafter on the whole amount of the purchase, unless the Referee shall deem it proper to extend the time for the completion of said purchase.

FOURTH In the event that the Plaintiff shall in its sole and absolute discretion, agree to extend the Closing Date, it shall not be extended for more than thirty (30) calendar days (hereinafter referred to as the "Extended Date") and such extension shall be granted only on the following terms and

EXHIBIT AA: Terms of Foreclosure Sale

conditions: (a) Purchaser shall pay to Plaintiff in cash, bank or certified check interest at the rate of nine percent (9%) per annum on the total Purchase Price during the period of such extension (in no event shall the rate of interest charged hereunder be in excess of the maximum rate provided by applicable law); (b) Purchaser shall pay all costs and expenses incurred by the Plaintiff in connection with the granting of said extension; (c) Purchaser shall assume all responsibility for the common charges, taxes, insurance and other costs of payments of any kind required to be paid by the Referee herein and the risk of loss or damage from any cause whatsoever during the period of such extension; (d) TIME SHALL BE OF THE ESSENCE with respect to the Extended Date as to the Purchaser only.

FIFTH All taxes, assessments, water rates and other encumbrances which, as of the time of the public auction, are due and payable, will be paid by the Referee or will be allowed to the Purchaser, provided the Purchaser shall previous to the delivery of the deed, produce to the Referee proof of payment of such liens, and shall not otherwise be apportioned. In the event that the plaintiff advanced monies for taxes, assessments, statutory liens, water charges, sewer rents or hazard insurance covering a period which is later in time than the time of the public auction, purchaser agrees to adjust with plaintiff on a pro rata basis through the date of closing all such advances.

SIXTH The Purchaser of said premises, or any portion thereof, will, at the time and place of sale, sign a memorandum of his purchase, and an agreement to comply with the terms and conditions of sale herein contained.

SEVENTH The biddings will be kept open after the property is struck down and in case any purchaser shall fail to comply with any of the conditions of sale set forth herein, the premises so struck down to purchaser will be again put up for sale under the direction of the Referee under these same terms of sale, without application to the Court, unless the plaintiff's attorney(s) shall elect to make such application; and such purchaser will be held liable for any deficiency there may be between the sum for which said premises shall be struck down upon the sale, and that for which they may be purchased on the resale, and also for any costs or expenses occurring on such resale, including but not limited to Plaintiff's reasonable attorney's fees, disbursements and advertising costs.

EIGHTH In the event the Purchaser failed for any reason to comply in any way with these Terms of Sale, then the Purchaser shall have no further rights to any monies (including without limitation the Initial Payment and any payment made in connection with an extension) deposited with the Referee (the "Partial Payment"), and the Referee is directed to tender the Partial Payment to plaintiff within ten (10) days of the date of Purchaser's default, which sum shall reduce the amount which defendant Mortgagor owes to the Plaintiff, including but not limited to any and all additional expenses arising out of Purchaser's failure to comply with these Terms of Sale.

NINTH In event that the plaintiff or any successor at law or assignee of the plaintiff shall be the purchaser, or in the event that the rights of the purchaser shall be assigned to and be acquired by the plaintiff, and the valid assignment thereof filed with the Referee, the provisions of the judgment of foreclosure and sale entered herein insofar as the same relate to such purchase by or assignment to plaintiff shall be deemed included in these terms of sale with the same force and effect as if fully set forth at length.

EXHIBIT AA: Terms of Foreclosure Sale

TENTH Notwithstanding any provision contained herein to the contrary, in the event the Plaintiff is unable to deliver marketable title for whatever reason whatsoever, except for the default of the Purchaser, the Purchaser's sole remedy shall be a return of the Initial Payment or Partial Payment. In the event, the Purchaser shall have no further rights against the Referee or the Plaintiff.

ELEVENTH The Purchaser will execute any and all documents required by the Referee in connection with this transfer, including, without limitation, Real Property Transfer Tax forms, New York State Transfer Gains Tax forms, New York State Equalization forms and indemnity agreements.

TWELFTH All deed stamps, transfer taxes, recording or registration fees, if any, shall be paid by the Purchaser.

THIRTEENTH The Premises are sold "AS IS" as of the date of the later to occur of the Closing Date or the Extended Date. Neither the Referee nor the Plaintiff have authority to or will permit access to the Premises for an purpose whatsoever prior to delivery of the deed nor shall Referee or Plaintiff be obligated to deliver any keys to Purchaser.

FOURTEENTH The property will be sold subject to:

- (a) The state of facts an accurate survey will show;
- (b) All covenants, restrictions, easements, declarations, rights of way, agreements and reservations, if any, of record and to any and all violations thereof;
- (c) Any and all building and zoning regulations, restrictions, ordinances and amendments thereof of the municipality, the State, the Federal Government, or any agency, bureau, commission or department in which said premises are situated, and to any violations or notices of violations of the same, including, but not limited to reapportionment of lot lines, and unit charges, if any;
- (d) Any and all orders or requirements issued by any governmental body having jurisdiction against or affecting said premises and violations of the same;
- (e) Rights of tenants or persons in possession, if any;
- (f) Prior mortgages and judgments, if any, now liens of record;
- (g) The right of redemption of the United States of America to redeem the property within 120 days from date of sale, if any;
- (h) Rights of any defendants pursuant to CPLR Section 317, CPLR Section 2004 and CPLR Section 3015, if any; and
- (i) Outstanding condominium charges, if any.

FIFTEENTH The Referee and/or the Plaintiff have not made and do not make any representations as to the physical condition, rents, leases, expenses, operation or any other matter or thing affecting or relating to the premises, except as herein specifically set forth, and the Purchaser hereby expressly acknowledges that no representations have been made.

EXHIBIT AA: Terms of Foreclosure Sale

SIXTEENTH Neither the Referee nor the Plaintiff herein are in legal title, actual nor constructive possession of the property. Risk of any loss from hazard, condemnation or any other cause shall pass to the Bidder with execution hereof an abatement of the purchase price. If all or any part thereof is destroyed without fault of the vendor or is taken by eminent domain, the purchaser is not thereby relieved from a duty to pay the price, nor is he thereby entitled to recover any portion thereof that he has paid.

SEVENTEENTH Unless expressly stated in the Judgment, the loan being foreclosed herein is not a "High-Cost Home Loan" as such term is defined by Banking Law §§595-a and/or 6-1 and Plaintiff was not obligated to plead or prove compliance with Banking Law §§595-a and/or 6-1 pursuant to RPAPL §1302.

EIGHTEENTH The Referee and/or the Plaintiff shall not be liable or bound by any verbal or written statements, representations, promises, statements or guaranties, real estate broker's "set-ups" or information pertaining to the premises furnished by any real estate broker, agent, employee or any other person except as specifically set forth herein. The Referee and/or the Plaintiff IS NOT LIABLE FOR ANY EXPRESS OR IMPLIED WARRANTIES, GUARANTIES, PROMISES OR STATEMENTS OF ANY KIND RELATING IN ANY MANNER TO THE PREMISES. All understandings and agreements heretofore had between the parties are merged in these Terms of Sale, which fully and completely express their agreement. These Terms of Sale cannot be changed or terminated orally and cannot be waived orally. These terms of sale shall be binding on the Purchaser(s) and any heirs, successors and assigns thereof.

NINETEENTH Any errors or omissions in computing apportionments and/or allocation of closing costs at closing shall be corrected and the Purchaser agrees to execute any documents and/or reimburse any additional funds forthwith upon presentment. This provision shall survive the CLOSING and delivery of the Referee's Deed.

Dated: March 13, 2006

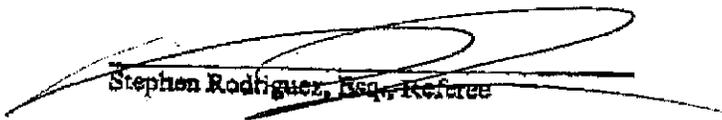

Stephen Rodriguez, Esq., Referee

EXHIBIT AA: Terms of Foreclosure Sale

Premise 1# Old River Road
Carmel, New York 12822

MEMORANDUM OF SALE The undersigned has on March 23, 2006 purchased the premises described in the annexed printed advertisement of sale, for the sum of One Hundred Forty One Thousand Two Hundred Fifty One ^{00/100} Dollars (\$141,251.00) and hereby promises and agrees to comply with the terms and conditions of the sale of said premises as above mentioned and set forth in the Terms of Sale and the Judgment of Foreclosure and Sale in this action.

Dated: March 23, 2006

Purchaser:

Christopher Schuh

Address:

PO Box 429 Lake Luzerne NY 12846

Telephone:

696-2468

all rights reserved
(Purchaser) Christopher Schuh

COMPLETE ONE (1) ONLY OF THE FOLLOWING:

1) Received from Christopher Schuh purchaser, the sum of Fourteen Thousand one Hundred twenty Six Dollars, (\$14,126.00), being ten percent on the amount bid by the Purchaser for property sold by me under judgment in the above entitled action.

Dated: March 23, 2006


Stephen Rodriguez, Esq., Referee

2) Purchaser by Plaintiff, their successor or assign, Bid Deposit waived

Dated: March 23, 2006

~~Stephen Rodriguez, Esq., Referee~~

**COPY 1 FOR REFEREE
MUST BE ORIGINAL SIGNATURE**

EXHIBIT BB: Receipt for \$14,126 Partial Payment

10/10/2006 18:58 FAX

DRUCKMAN & SINEL, LLP

10/10/2006

DRUCKMAN & SINEL, LLP
Attorneys at Law
242 Drexel Avenue, Suite 2
Westbury, New York 11590
Phone: (516) 876-0800 Fax: (516) 876-0888

October 10, 2006

Via Fax: 781-213-3447
And First Class Mail

Countrywide Home Loans
Attn: Matt Waters
500 Edgewater Drive
Suite 568
Wakefield, MA 01880

**RE: MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC v.
CHRISTOPHER SCHUH; DIANE SCHUH**
Premises: 18 Old River Road Corinth, New York 12822
Index No. 1221/2004

Dear Mr. Waters:

Please be advised that all requests to adjourn the closing of October 6, 2006 were denied.

Please be guided accordingly.

Very truly yours,
DRUCKMAN & SINEL, LLP



By: Maria T. Olivari, Esq.
MTO:hs
cc. Stephen Rodriguez, Esq., Referee
(518) 583-9053

EXHIBIT CC: Letter cancelling closing

Fax Server

10/24/2006 1:05 PM PAGE 2/003

Fax Server



HSBC Mortgage Services
P.O. Box 1100
Columbus, GA 31904

10/24/06

Re: Account #00G1085182
Investor: 40001

CHRISTOPHER SCHUH
DIANE SCHUH
P O BOX 668

LAKE LUZERNE NY 12846

Property Location:
20 OLD RIVER RD

CORINTH NY
12522

Attention: DRUCKMAN & SINEI, LLP
Facsimile number: 516-876-0888

Only certified funds drawn upon a member bank of the Federal Reserve System will be accepted for the payoff on the above referenced account. The figures below are good through 11/13/06.

If your account is a line of credit, receipt of the payoff amount below will automatically close the credit line.

This loan is due for the 12/21/03 payment.

Total Unpaid Principal Balance:	\$	64819.99
Total Interest Due:	\$	22606.09
Note: This amount may include deferred interest payments.		
Current Interest Rate:		9.5900%
Principal and Interest Advance:	\$	0.00
Prepayment Penalty/Early Closure Fee:	\$	0.00
Escrow/Overdraft:	\$	436.02
Unpaid Late Charges:	\$	0.00
Unpaid NSF Fees:	\$	16959.89
Unpaid Other Fees:	\$	38.50
Recording/Reconveyance Fees:	\$	0.00
Demand Fee:	\$	0.00
Payoff Quote Fax Fee:	\$	0.00
TOTAL AMOUNT REQUIRED TO PAY LOAN IN FULL:	\$	104860.49

These figures are an estimation only and, as such, are subject to final verification by the Note holder.

Please remit CERTIFIED payoff funds to:

HSBC Mortgage Services
ATTN: PAYOFF DEPARTMENT
636 Grand Regency Blvd.
Brandon, FL 33510

Funds received after 11/13/06 will require an additional \$ 17.2673 per diem.

EXHIBIT DD: Pay-off letter of 10/24/06

11/29/2006 12:00 FAX

DRUCKMAN&SINEL, LLP

001/002

Law Offices of
DRUCKMAN & SINEL, LLP
242 Druseel Avenue
Westbury, NY 11590
(516) 876-0800
Fax (516) 876-0808

November 29, 2006

VIA FACSIMILE 866-634-5116

Attn: Theresa Giannavola, Esq.
c/o Christopher Schuh

RE: Loan No. 0001085182

MORTGAGE ELECTRONIC REGISTRATION
SYSTEMS, INC

VS.

CHRISTOPHER SCHUH; DIANE SCHUH, et al.
18 Old River Road
Corinth, New York 12822

Premises:

Dear Sir or Madam:

Please be advised that the following are payoff figures good through December 15, 2006:

- 1) Certified or bank check payable to HSEC Mortgage Services in the amount of \$111,938.66 (see attached schedule)
- 2) Certified or bank check payable to Druckman & Sinel, LLP in the amount of \$13,250.00 which includes outstanding legal fees and disbursements and the discontinuance of the action.

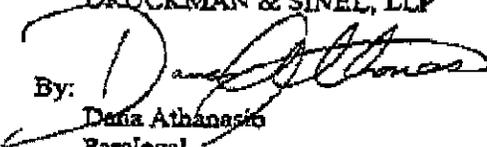
Please note that both payments must be received by our office no later than December 14, 2006.

Please note Attorney account/ola checks and personal checks will NOT be accepted

We are attempting to collect a debt and any information obtained will be used for that purpose.

THE FIGURES QUOTED IN THIS STATEMENT ARE NOT TO BE CONSIDERED AN ESTOPPEL AND MUST BE VERIFIED PRIOR TO ACCEPTANCE OF ANY PAYMENT

Very truly yours,
DRUCKMAN & SINEL, LLP

By: 
Dana Athanasio
Paralegal

11/29/2006 12:00 FAX

DRUCKMAN&SINEL,LLP

002/002

Fax Server

11/26/2006 1:47 PM PAGE 2/002



HSBC Mortgage Services
P.O. Box 9058
Brandon, FL 33509-9058

11/28/06

Sec Account #0001089182
Investor: 40031

CHRISTOPHER SCHUM
DIANE SCHUM
P O BOX 668
LAKE LUZERNE

NY 12846

Property Location:
28 OLD RIVER RD
LORINTH NY
12822

Attention: DRUCKMAN & SEANAL
Facsimile number: 816-876-0888

Only certified funds drawn upon a member bank of the Federal Reserve System will be accepted for the payoff on the above referenced account. The figures below are good through 12/15/06. If your account is a line of credit, receipt of the payoff amount below will automatically close the credit line.

This loan is due for the 12/21/03 payment.

Total Unpaid Principal Balance:	\$	64875.98
Total Interest Due:	\$	23158.66
Note: This amount may include deferred interest payments.		
Current Interest Rate:		5.99000%
Principal and Inflation Adjusted		
Prepayment Penalty/Early Closure Fee:		156.00
Escrow/Overdraft:		0.00
Unpaid Late Charges:		23764.89
Unpaid NSF Fees:		38.50
Unpaid Other Fees:		0.00
Recording/Reconveyance Fees:		0.00
Demand Fee:		0.00
Payoff Quote Fax Fee:		0.00
TOTAL AMOUNT REQUIRED TO PAY LOAN IN FULL:	\$	111938.55

These figures are an estimation only and, as such, are subject to final verification by the Note holder.

Funds received after 12/15/06 will require an additional \$ 17,2573 per line.

Officers Check

No. 833040

50-91
213

Date 12/14/2006

\$106,000.00



Your Home Town Bank
P.O. Box 1082 • Schenectady, New York 12301

TRUSTCO BANK VOID OVER \$106,000.00
One Hundred Six Thousand Dollars and No Cents

Pay

To The
Order
Of

DOUGLAS V. WOOD AND
IRENE A. WOOD

The purchase of an Indemnity Bond will be required before any Officers Check of this bank will be replaced or refunded in the event it is lost, mislaid or stolen.

[Handwritten Signature]
AUTHORIZED SIGNATURE

⑈833040⑈ ⑆021300912⑆

0010430⑈

2006 DEC 15 PM 2:14
SARATOGA COUNTY
CLERK'S OFFICE
BALLSTON SPA, NY

REC'D

EXHIBIT FF: Deposit with the Court (12/15/06)

Pay to the order of A

Kathleen A. Marchione, Saratoga County Clerk

Taxlot # 2004-1221
on Behalf of Christy W. +

Diane Schiavone

[Handwritten signature]

[Handwritten signature]

**DOROTHY C. SCHUH
DBA DOROTHY C. SCHUH LICENSED R.E.**

4322

6400 RT. 2N
P.O. BOX 429 LAUREL
LUZERNE, NY 12846

50-256/213
17

DATE: 1/9/07

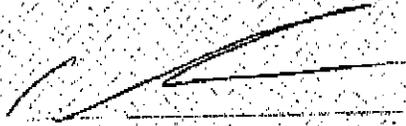
PAY TO THE ORDER OF

No. 1200
CERTIFIED
 payable and originally
 drawn and properly endorsed
 1/9/07
 AMOUNT 7500.00
 ONE SEVEN THOUSAND AND NO/100 DOLLARS
 AUTHORIZED SIGNATURE
 DO NOT DESTROY

Ky Clark
Five Hundred

00
00

\$7500.00
DOLLARS



FOR

⑆021302554⑆

REC'D

2007 JAN 10 PM 12:18

SARCOGRAPH COMPANY
RECORDS CENTER
3411 N. 10TH AVE., ITT

=====

Create Time: 1/10/2017 12:15:30 PM
 RECEIPT # 280721149866

Kathleen A. Marchione, County Clerk

Recording Clerk: BONDROBT
 Accounts: cash:
 Agent: CHRISTOPHER SCHMIDT

PAY_TO_COURT		63.00
Payment into Court	1	
Receipt Summary		63.00
NET RECEIPT: --->		63.00
TOTAL RECEIVED: --->		63.00
Cash back		
PAYMENTS		63.00
Over ->		

=====

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF SARATOGA



-----X
MORTGAGE ELECTRONIC REGISTRATION
SYSTEMS, INC,

Plaintiff,

Index No. 1221/04

-against-

Notice of Motion

CHRISTOPHER SCHUH, DIANE SCHUH, IRS
Department of Treasury; Joseph A.
Paoloni, "JOHN DOE 1 to JOHN DOE 25",
said names being fictitious, the
persons or parties intended being the
persons, parties, corporations or
entities, if any, having or claiming
an interest in or lien upon the
mortgaged premises described in the
complaint,

Defendants.

-----X

2004 OCT -5 AM 9:34
SARATOGA COUNTY
CLERK'S OFFICE
BALLSTON SPA NY

FILED

S I R S :

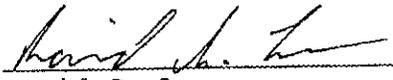
PLEASE TAKE NOTICE, that upon the annexed Affidavit of
Chris Anderson, sworn to June 30, 2004, the Affirmation of
Regularity of David S. Lee, dated July 5, 2004, and upon all the
pleadings and prior proceedings had herein, the undersigned will
move this Court at an IAS ___, to be held in and for the County
of Saratoga, at the Supreme Courthouse thereof, 30 McMaster
Street, Ballston Spa, New York 12020, on July 26, 2004, at 9:30
o'clock in the forenoon of that day, or as soon thereafter as
counsel can be heard, for an Order:

A. Granting plaintiff summary judgment dismissing

- the Defendant's answer; and
- B. Appointing a Referee to compute the amount due to plaintiff under the note and mortgage; and
 - C. Amending the caption; and
 - D. For such other and further relief as the Court deems just and proper.

Dated: Westbury, New York
July 5, 2004

Yours, etc.
DRUCKMAN & SINEL, LLP


by: David S. Lee
Attorneys for Plaintiff
242 Drexel Avenue
Westbury, New York 11590
(516) 876-0800

TO: Christopher Schuh
Diane Schuh
18 Old River Road
Corinth, NY 12822

Joseph A. Paoloni
211 Pleasant View Drive
Lake Luzerne, NY 12846

IRS Department of Treasury
U.S. Attorneys Office
James T. Foley Court House
445 Broadway
Albany, NY 12207