0000103448

Transcript Exhibit(s)

Docket #(s): S-20669A-09-0187

Exhibit # : See attached Exhibit List for the Status of each Exhibit.

Arizona Corporation Commission
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MAIN (602) 274-9944
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To: Docket Control

Date: February 11, 2010

Re: Robert Mangold
S-20669A-09-0187
Volumes I and II, Concluded
January 25 and 28, 2010

STATUS OF ORIGINAL EXHIBITS

FILED WITH DOCKET CONTROL

Securities Division (S Exhibits)

1 through 9, 10a-c, 11, 12, 13a-b, 14 through 27, 28a-b, 29 through 32, 32a, 33, 33a-c, 34 through 42, 43a-b, 44 through 49, 50a-c, 51a-c, 54 through 60

EXHIBITS RETURNED TO PARTIES

Securities Division (S Exhibits)

28c Withdrawn

EXHIBITS NEVER GIVEN TO THE REPORTER
No physical copies existed as of the conclusion of the hearing

Securities Division (S Exhibits)

52 and 53

Copy to:

Marc E. Stern, ALJ
Phong Paul Huynh, Esq. – Securities Division

BADE & BASKIN
ATTORNEYS AT LAW

Alan S. Baskin
E-mail: baskin@badebaskin.com

October 10, 2008

VIA HAND DELIVERY

Paul Huynh
Securities Division
Arizona Corporation Commission
1300 W. Washington, 3rd Floor
Phoenix, AZ 85007

Re: Subpoenas to Money Mastery Advisors, L.L.C., One Source Mortgage & Investments, Inc. and Strategic Equity Investments, L.L.C.

Dear Mr. Huynh:

Enclosed are the following documents responsive to the above subpoenas:

1. **Money Mastery Advisors, L.L.C.:** Enclosed are Money Mastery's incorporating documents and website. (M000001 through M000020.) We do not have any additional responsive documents. Money Mastery's website has been removed from the internet.

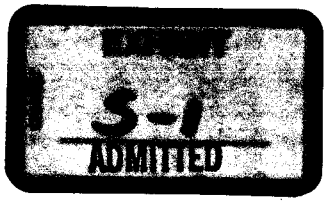
Mr. Mangold is the managing member of Money Mastery. His address is 17470 N. Pacesetter Way, Suite 106, Scottsdale, AZ 85255.

2. **One Source Mortgage & Investments, Inc.:** Enclosed is a copy of One Source's Articles of Incorporation. (M000021 through M000024.) Mr. Mangold is the only officer and director of One Source. His address is provided above.

One Source has the following bank accounts which are all at Wells Fargo:

0245
9059
3585
0864

ACC000017
FILE #7920



BADE & BASKIN PLC
80 EAST RIO SALADO PARKWAY, SUITE 515, TEMPE, ARIZONA 85281
TELEPHONE: (480) 968-1225 FACSIMILE: (480) 968-6255
WWW.BADEBASKIN.COM

Information related to individuals who purchased promissory notes is included on the attached CD. The electronic documents on the CD are stamped M000093 through M001060. Any loan servicing documents are with Mortgage Assistance Corporation, which is located at the following address: Mockingbird Towers, 1341 W. Mockingbird Lane, Suite 1200W, Dallas, TX 75247-6913, telephone number 214-670-0005. The web address for One Source is no longer valid, and we are not able to retrieve a copy.

3. **Strategic Equity Investments, L.L.C.:** Attached are the incorporating documents and operating agreement for Strategic Equity. (M000025 through M000045.) Mr. Mangold is the sole member-manager and his address is above. We have also attached a letter from attorney Michael Caolo, along with a copy of the website for Strategic Equity and www.foreclosuresinyourira.com. (M000046 through M000092.) The www.profitfromyourmortgage.com domain is no longer a valid site, and we do not have copies of the site.

Please do not hesitate to call with any questions.

Sincerely,

Alan Baskin
For the Firm

Enclosures
ASB/cim
cc: Robert Mangold (w/o enclosures)

mangold.acc/ltr/huynh01.doc

ARTICLES OF ORGANIZATION

Name: The name of the limited liability company is:
MONEY MASTERY ADVISORS, LLC

Registered Office: The address of the registered office in Arizona is:
23251 N. 38th Place, Phoenix, AZ 85050

Statutory Agent: The name and address of the Arizona statutory agent of the company is:
Robert Mangold, 23251 N. 38th Place, Phoenix, AZ 85050

Dissolution: This limited liability company is perpetual unless sooner dissolved or terminated by the death, withdrawal or insolvency of a member.

Management: Management of the limited liability company is vested in a manager or managers. The names and address of each person who is a manager AND each member who owns a twenty percent or greater interest in the capital or profits of the limited liability company is:

Robert Mangold, 23251 N. 38th Place, Phoenix, AZ 85050, Manager & Member*
Michele Mangold, 23251 N. 38th Place, Phoenix, AZ 85050, Member*

*Membership as a married couple, in community property with rights of survivorship.

Liability: Except as specifically provided for in the Arizona Limited Liability Company Act, A.R.S. §29-601 *et seq.* a member, manager, employee officer, or agent of MONEY MASTERY ADVISORS, LLC, is not liable, solely by reason of being a member, manager, employee, officer or agent, for the debts, obligation, and liability of MONEY MASTERY, LLC whether arising in contract or tort, under a judgment, decree or order of a court or otherwise.

EXECUTED this 11th day of December 2007

Robert Mangold, Manager

Acceptance of Appointment By Statutory Agent

I, Robert Mangold, having been designated to act as Statutory Agent, hereby consent to act in that capacity until removed or resignation is submitted in accordance with the Arizona Revised Statutes.

Robert Mangold, Statutory Agent

Document prepared by Mary Carlton, CP/CLDP 80029/80030
Valley Docs & Paralegal Services, LLC

ACC000019
FILE #7920

Money Mastery Advisors, LLC

An Eight Step, Common Sense, Conservative Approach To Becoming A Millionaire!

Bob Mangold
CEO

Home

About Us

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Fixed Investments

Mortgage Reduction

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How Are we Paid?

Contact Us

Our Blog

Hello and Welcome! It's a pleasure to have you here and reading this. To get started, I would like to spend a few moments and speak to you from the heart.

You may be new to the process and keenly interested in seeking out the talents of a skilled and competent financial planning professional or you may be looking to begin a relationship with a new advisor.

In either event, I want to put in plain English what it is that I do, how I create value for you and how we forge a partnership that will make a meaningful and positive influence in your life. Ultimately, we will be joining forces to create greater wealth for you and a richer life for you and your family.

What Is Money Mastery?

That's a great question. Simply stated;

Money Mastery is an ***EIGHT-STEP*** common sense, conservative financial plan designed to put **YOU** in control of your money instead of your money having **CONTROL** over **YOU**!

So, now that we have defined what Money Mastery is, let me break down the Eight-Step Process that we will take you through step-by-step, giving you the help and tools to master each area;
(CLICK on each item for more information about that process)

1. **Wealth Assessment**
2. **Cash Flow Mastery**
3. **Debt Mastery**
4. **Tax Mastery**
5. **Creating A Tax-Free Personal Bank**
6. **Investment Mastery**
7. **Protect and Keep What You Have Earned**
8. **Annual Review**

Building wealth is not about the process. It is all about creating peace of mind!

Money Mastery is not about products. It is having a program that takes you from where you are to where you want to be!

Money Mastery is about discovering needs and pointing to the opportunities.

So what is it that I give clients that they can't get elsewhere? Simply put, it's me—everything I stand for and deliver.

It's a perennial complaint: we're so busy with getting things done that there's little time left for what brings us true joy in life. The fact is, we've always had 24 hours in a day, and that's never going to change—yet every year there are more and more things that compete for our time.

There's certainly no shortage of information in our society, yet information alone does not equal wisdom. Many of today's investors feel inundated and confused by the barrage of information that hits them daily. Working on creating more time in my client's lives and being their primary source of financial wisdom is something that I continually strive for.

Few things are more personal than an individual's money, and finding someone trustworthy to be a good steward is difficult. Trust will never go out of style. It's a fundamental component of building a close, long-term personal relationship.

My clients must always feel that the products and strategies recommended are always in their best interest. Remember, these are just the "vehicles" that will get you from where you are now to where you want to be in the future.

I want you to think of me as saving you precious time. I want you to feel that the time we spend planning together will make your lives easier and less stressful – so you don't have to spend hours worrying about it.

Also, I work to not only save you time in planning and meeting your financial goals, but also enable you to have the cash on hand to do the things you want to do in that extra time.

As your financial advisor, I strive not just to add value for you, but to create sustainable value - value that's going to last and hold strong over the long haul.

I endeavor to deliver to you three things that will always be in short supply: time, wisdom, and trust.

I have made cash flow, debt management and tax strategies the core disciplines of my practice and the core wealth creation process for my clients.

I have authored various e-books, detailing this process...

A lot of the tasks that are needed to get ahead financially are really quite simple.

Things like spending less than you earn, paying off bad debt, creating good debt, saving regularly, investing in IRA's or 401K's educating yourself in financial matters and as simple as these things are, they are not easy to do because it takes discipline.

Most investors think that investment success comes with conviction or intuition when really the thing that matters MOST is discipline. I wonder if you agree or disagree with that statement and if in fact you are practicing it?

Let's work together to make it happen for you!

We have written this – "To help us - help you." Remember, its all about you!

To Your Success!

Bob Mangold
CEO
bob@moneymastery.info
17470 North Pacesetter Way
Suite 106
Scottsdale, AZ 85255
(480) 222-5270

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Home

About Us

FREE E-Course

Assessment

Cash Mastery

Debt Mastery

Tax Mastery

Investment Mastery

Wealth Protection

Annual Reviews

Contact Us

Our Blog

Wealth Assessment;

Our first step in the Money Mastery process is to provide a Wealth Assessment. Why? It's really very simple, it is imperative that we determine an exact "starting point" for where you are at in the Wealth Building process.

Does it matter if you have very little money or millions of dollars? Of course not! Our goal is to help EVERYONE put their money to work for them instead of them working for their money. No matter how much money you have.

So, no matter how much money you have, we need to insure you employ your money in the best and most profitable places. Let's be honest, what you pay to the banks, credit card companies, auto loan lenders and the IRS should be put to work for you instead of them. Let's make **YOU** wealthy instead of others!

The Assessment process will help you to accomplish that goal.

Here is what we do as part of our Assessment:

a. Gather information

b. Prepare a Net Worth statement

c. Create a Cash Flow Statement

d. Debt Assessment

e. Credit score analysis and plan

f. Tax Assessment

g. Estate & Income protection

CLICK HERE to learn about Step #2 of the Money Mastery plan - **CASH FLOW**

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Home
About Us
FREE E-Course
Assessment
Cash Mastery
Debt Mastery
Tax Mastery
Investment Mastery
Wealth Protection
Annual Reviews
Contact Us
Our Blog

CASH MASTERY;

Let's face it, the number one reason people are not saving and investing money is CASH FLOW. If you had more disposable income it would be much easier to save, am I right?

I believe it is 100% logical to begin our wealth building process by focusing on a change in your cash flow. Because there is a tremendous need for people to increase their cash flow to pay bills, reduce debt and build a nest egg, here are several ways we assist you to achieve this goal:

1. Manage Expenses:

a. Start tracking your spending.

b. Reduce interest expenses

c. Drop private mortgage insurance (PMI) once equity reaches 20 percent of home value.

d. Consider canceling credit life insurance where appropriate.

e. Shop for better rates and raise deductibles to an appropriate level on auto and homeowners insurance policies.

f. Start your own business for possible tax deductions.

2. Increase Cash Flow

a. If you are receiving a tax refund, consult your tax advisor about adjusting your W-4 allowances.

b. Re-position your debt for better rates, terms and tax deductibility

c. Start earning additional income

d. Explore the option of utilizing a qualified retirement plan.

CLICK HERE to learn about Step #3 of the Money Mastery plan - **DEBT MASTERY**

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CEO

Home

About Us

FREE E-Course

Assessment

Cash Mastery

Debt Mastery

Tax Mastery

Investment Mastery

Wealth Protection

Annual Reviews

Contact Us

Our Blog

Debt Mastery;

In my opinion, the second largest impediment to wealth building is the proper management of debt. Now what does that really mean? Having too much debt is a huge problem. The average American currently carries in excess of $18,000 in credit card debt.

The cost of automobiles have gone through the roof and cost the average family in excess of $1,000 per month. Worst of all, they do not receive any tax breaks on either of these debts.

And, we continue to do home equity loans on our homes to get enough money to pay off the credit cards. We are in a vicious "cycle" of debt that can become impossible to get out of.

The goal of our Debt Assessment is to eliminate "bad debt" where possible and create a cash flow strategy to eliminate debt in the future. The following is a brief overview of the Debt Assessment process:

a. Elimination of debt is first priority

b. Reposition debt at more favorable tax and interest rates is our second option

c. Mortgage review

d. Eliminate mortgage payment within 10 to 15 years with no change to your current spending

1. CLICK HERE to learn how to accomplish this strategy

e. Credit score analysis and plan

f. Annual credit score review

CLICK HERE to learn about Step #4 of the Money Mastery plan - **TAX MASTERY**

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CEO

Home

About Us

FREE E-Course

Assessment

Cash Mastery

Debt Mastery

Tax Mastery

Investment Mastery

Wealth Protection

Annual Reviews

Contact Us

Our Blog

Investment Mastery;

Why is it important to receive the highest rates of return possible on your investments?

Let's look at a very simple mathematical formula for the answer: ***Use The Rule of 72***

The Rule of 72 is utilized to determine how quickly your money can DOUBLE at specific rates of return.

Here's the formula: Divide 72 by the interest rate to estimate the number of years it takes for your money to double.

For example; you are being paid 6% interest on your CD. To calculate how many years it will take to have your CD double in value; DIVIDE 72 by 6% and it will equal 12. Your money will double every twelve years.

Now let's calculate what would happen if you were paid 12% on your money. Divide 72 by 12% and it equals 6. So, your money will double every six years.

Here's an easy question, would you rather have your money double every 6 years or every 12 years?

That's why it is imperative to review your portfolio and insure you are achieving the highest rates of return (SAFELY) as possible. Below are factors we consider as part of your portfolio analysis:

a. Determine annual returns

b. High-Yield Investment Options

c. Tax-Free Options

d. Fixed Rate Investments

e. Real Estate² System

f. Life Settlements

g. Stocks & Mutual Funds (outside adviser)

h. Investment Grade Insurance

CLICK HERE to learn about Fixed Rate Investments paying 12% to 14% annually

CLICK HERE to learn about Step #7 of the Money Mastery plan - **ESTATE PROTECTION**

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Contact Us
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High Yield Fixed Rate Investments:

12% TO 14% Interest Paid Semi-Annually!

Mortgage Assistance Corporation (MTGC-OB) is a publicly traded company in the business of assisting investors in acquiring REO/Foreclosed real estate assets, providing asset consulting and marketing services as well as participating in the sale or purchase of loan related property and/or real estate assets.

Bob Mangold, CEO of Money Mastery Advisors, LLC is a major shareholder in Mortgage Assistance Corporation (MAC) and sits on their Board of Directors.

With a vast network of bank and finance contacts throughout the US, Canada and Latin America with experience in finance, real estate and real estate investment, MAC is poised to offer valuable advice and consulting to investment clients of Money Mastery Advisors, LLC.

Their mission is to create investment income for investors through discounted bulk purchasing and reselling of REO's (Bank Owned Real Estate) or more commonly referred to as "foreclosures". Profitability will be generated by buying packages of REO's at deeply discounted prices direct from lending institutions and reselling them at an increased, yet discounted price to a secondary market of wholesale investors, individual investors or end-users.

REO's result when a legal foreclosure process is completed against a borrower in default on the mortgage lien and thus reverts the title and deed back to the lending institution holding the lien. This creates a non-recourse situation for the previous owner. After the Bank takes possession of the property, the mortgage lien disappears and the bank proceeds to an exit strategy.

This is where the Money Mastery process takes over. With our strategic partnerships and system, we offer savvy investors the opportunity to participate in a highly profitable venture.

INVESTMENT OPTIONS

All of our investments involving an IRA or 401K must be completed inside of a Self-Directed IRA. Or, your corporate plan must allow you to have the freedom to choose any investment options outside of their plan. In our experience there are very few plans that allow this feature.

We can quickly and easily help you facilitate the set up of your Self Directed IRA. Please contact us for details.

So, can you invest with us if you do not have a Self Directed IRA? Absolutely!

Here are the two fixed-rate investment options we offer;

1. **A 12% annual guaranteed rate of return with a $50,000 minimum investment for a two-year period. Interest is paid semi-annually on the anniversary date of the funds being received.**

2. **A 14% annual guaranteed rate of return with a $50,000 minimum investment for a three-year period. Interest is paid semi-annually on the anniversary date of the funds being received.**

A THIRD OPTION

Purchase properties directly from Mortgage Assistance Corporation by visiting our web site at:
www.BuyForeclosureDeals.net

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M000008

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Bob Mangold
CEO

Home

About Us

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Assessment

Cash Mastery

Debt Mastery

Tax Mastery

Investment Mastery

Wealth Protection

Annual Reviews

Contact Us

Our Blog

Wealth Protection;

The seventh step in the Money Mastery plan is to PROTECT the profits and assets you have accumulated. Can you guess what the NUMBER #1 threat to losing your wealth is? A LAWSUIT! That's right a lawsuit. In 2004 the Wall Street Journal did a study on the retirement strategy for American's above the age of 21.

Over 28% of the people surveyed stated that their strategy for retiring wealthy was to win a lawsuit. Another 4% would retire by winning the Lottery.

Can you imagine in a country as prosperous as ours that 1/3 of the population planned to retire by "stealing" our money or winning the lottery.

In addition, the IRS also wants to get their hands in your pocket and deprive your family of 55% of the assets you acquire in life in the form of estate taxes.

Therefore, it is critical that we "PROTECT" everything you have worked on saving and investing for your family. The following are some aspects of the protection you need to implement;

Mortgage Insurance

Wills

Living Trust

Create LLC's

Charitable Remainder Trusts

Create An Estate Plan
(referred to an attorney/tax professional)

CLICK HERE to learn about Step #8 of the Money Mastery plan - **ANNUAL REVIEW**

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Bob Mangold
CEO

Home

About Us

FREE E-Course

Assessment

Cash Mastery

Debt Mastery

Tax Mastery

Investment Mastery

Wealth Protection

Annual Reviews

Contact Us

Our Blog

Annual Review;

The Money Mastery process consists of eight steps for a reason. Step #8 is critical because any plan that is created always has to be monitored it insure it is operating in a profitable environment

Like any plan, changes in your personal life (such as job loss, disability, college funding, adding to your family, etc) can affect your plan. So, we must **MONITOR** your progress, **ADJUST** your plan if necessary to keep you in **CONTROL** of your money.

With that in mind, below is a short overview of the Annual Review process:

Purpose of Reviews:

a. Monitor debt reduction

b. Cash Flow review

c. Net Worth review

d. Equity Reduction

e. Credit score review

f. Investment performance and balance review

g. Family Bank deposits

ACC000028
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M000010

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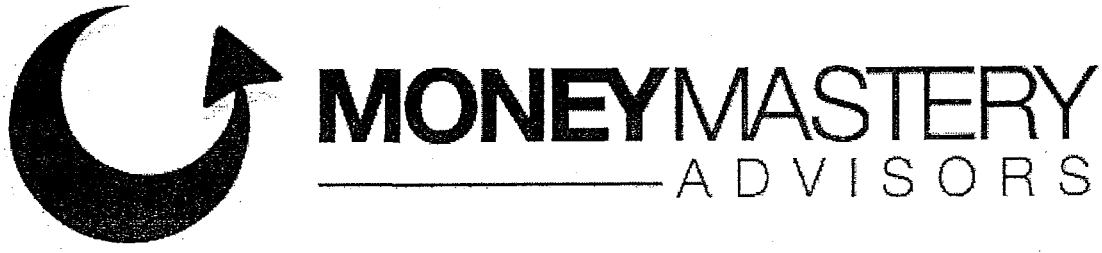

saturday, february 23, 2008

Rebate Checks May Spark Urge to Splurge

Rebate checks from the federal government will hit the mailboxes of more than 130 million households this spring, thanks to a $168 billion economic stimulus package passed by Congress and signed by President Bush. So, is it time to go shopping now? Congress may think so. But I don't agree. Buying our way out of the present economic slump could mean squandering an opportunity to bolster family finances even by a small amount at a time when many Americans are surveying the damage from their earlier spending blitz.

Last week's bill, intended to jump-start the economy, includes rebate checks of $600 for individuals with adjusted gross income up to $75,000 and $1,200 for married couples filing jointly who earn up to $150,000. Most taxpayers with higher incomes will still get some cash -- but the amount, in essence, shrinks by $50 for every $1,000 earned beyond the limit (the formula ultimately excludes the nation's highest wage earners). Rebates of $300 for individuals and $600 for married couples filing jointly are in store for people who don't pay taxes, but whose earned income is at least $3,000. Recipients will also receive a $300 credit for each child.

If you are Confused, try to restrain yourself from spending until after filing your 2007 tax return, which will determine your eligibility.

Whatever the size of the rebate check, I'm not exactly sold on the notion of spending it. Neither are many Americans. Only 21% of respondents in a recent survey conducted by CCH, a tax-information provider, said they would actually spend their rebates. Most said they'd pay down debt (47%), while about a third would save the money.

Like many of you, however, I live in the real world, where parenting three kids has enhanced my skills in the common sense department. And there's one presumption underlying this stimulus package doesn't make sense to me: Spending is supposed to get us out of this mess. But haven't we spent enough already? Excessive consumer spending precipitated the subprime mortgage crisis that lead to billions in writedowns by Merrill Lynch (MER), Morgan Stanley (MS) and UBS (UBS). It all helped sink the nation's economy, thanks to a pattern of aggressive lenders hawking cheap debt to overzealous consumers who took on more than they could ultimately afford. Rising oil prices and the

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about me

Bob Mangold

I am the CEO of Money Mastery Advisors a Scottsdale based financial consulting firm. We help our clients implement our trademarked "Money Mastery" Wealth Plan designed to increase cash flow, reduce debt and income taxes. In addition, we offer conservative high yield investments along with equity planning and wealth accumulation strategies.

View my complete profile

blog archive

▼ 2008 (9)

▼ February (6)

Rebate Checks May Spark Urge to Splurge

10 Tax Changes You Need To Know About

Financial Aid Myths – And What They Mean to You

declining housing market continue to strain household budgets that were in the red long before the economy went south. Consider revolving credit card debt: It totaled $943.5 billion last year, up from $770.5 billion in 2003 -- a 22% increase, according to the Federal Reserve. Whatever spare change I reap from this deal in 2008 will benefit my family's long-term financial health. Not surprisingly, many financial planners agree with that plan of action.

"It's a good idea for the government,but it's not a good for the people especially if they're sitting with other financial problems," says Ira Marks, a Lawrenceville, N.J.-based fee-only financial planner. He's concerned about the possibility of overspending. "Someone might wind up getting a $1,000 check and spend $1,500 on a big-ticket item. Then they're in worse shape," he says.

Marks recommends using the windfall to pay down high-interest credit card debt. Couples who aren't saddled with debt and earning less than $150,000 annually should consider saving the cash in a Roth IRA, he says. Cicily Maton, founder of Aequus Wealth Management Resources in Chicago, cautions that splurging on certain items such as a puppy often means expending additional funds over time for upkeep. She suggests that eligible taxpayers simply put their rebates aside to cover a future unanticipated expense. Many taxpayers and financial experts seem to share my philosophy at least when it comes to this year's rebate checks.

posted by bob mangold at 9:58 am 0 comments

Monthly Housing Report
Tax Filing Tips
Fed rate cut

► January (3)

FROM THE BLOGOSPHERE
$700 Billion Bail Out Reality Check
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Spoiling The Market?
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tuesday, february 19, 2008

10 Tax Changes You Need To Know About

As if our tax code isn't already complicated enough, there were the usual changes that took effect at the beginning of 2008. You know the folks in Washington – they can't leave well enough alone.

But we won't get started on that subject. Let's focus on the good news: There are actually some changes that could save you a few bucks!

Hey, we'll take it, right?

Remember, you won't see the benefits from these changes until you file your returns early in 2009, but it helps to know about them now so you can keep proper records and make the smartest decisions for your money.

Here, then, are 10 of the most important tax changes you should know about for 2008:

1. The so-called "kiddie tax": This taxes the investment income of children at the tax rate of their parents. It now applies to both children younger than 19 (that's good; it was 18) and to full-time students under age 24 who do not provide more than 50% of their own support. Both age groups may receive up to $1800 of investment income in 2008 and pay tax on that amount at their own lower tax rate.

2. Standard Deductions: These increase to: $8000 for Head of Household; $10,900 for Married filing Joint/Qualified Widower; and $5,450 for Single/Married Filing Separate. The additional amount for blindness and age is $1050 (married) and $1350 (single). For dependents claimed on another's return, the standard deduction is the greater of $900 or $300 plus earned income, not to exceed the filing status standard deduction of the dependent.

3. The Earned Income Credit: Phase-out limits have increased for 2008 as well as the available tax credit amounts. The maximum investment income you can have and still receive this credit has increased to $2950.

4. U.S. Savings Bonds: For taxpayers who receive income from qualified U.S. Savings Bonds used for qualified education expenses, the phase-out income limits have been increased: Married filing jointly or qualifying widow(er): $100,650-$130,650; married filing separately: deduction not allowed; all other filing statuses: $67,100-$82,100.

5. The Adoption Credit: The amount available for special needs adoptions and all other expenses increases to $11,650. The phase-out income limits for this credit are also increased. For 2008, the credit will be phased out for incomes between $174,730 and $214,730.

6. Keogh and SEPs: The maximum contribution to Keogh and SEPs (Simplified Employee Plan) increases to $46,000.

7. IRAs: The phase-out limits for contributions to Traditional and Roth IRAs have increased to $5000 from $4000, with an extra $1000 allowed for taxpayers 50 and older. Phase-out levels are married/filing jointly with AGI (adjusted gross income) of $159,000 and $101,000 for single filers.

8. 401(k) Plans: The maximum contribution to a 401(k) plan in 2008 is $15,500 if you are younger than 50; $20,500 if you are 50 or older.

9. Standard mileage rates have increased to 50.5 cents for business miles, decreased to 19 cents for medical and moving miles. Charitable mileage rate remains 14 cents/mile.

10. Earnings and Social Security: The amount of money you may earn before you Social Security benefits are affected has changed:

a. For people attaining NRA or normal retirement age (as defined by the folks at Social Security; (click here to find your NRA) in 2008, the annual exempt amount is $36,120. This higher exempt amount applies only to earnings made in months prior to the month of NRA attainment.

b. For people attaining NRA after 2008, the annual exempt amount in 2008 is $13,560.

When earnings exceed exempt amounts, Social Security withholds $1 in benefits for every $2 of earnings in excess of the lower exempt amount. It withholds $1 in benefits for every $3 of earnings in excess of the higher exempt amount.

Every little bit helps, so be sure to take advantage of every tax break you're allowed. We recommend you discuss these and other changes, and how they affect YOU, with your tax advisor.

posted by bob mangold at 8:12 pm 0 comments

saturday, february 16, 2008

Financial Aid Myths – And What They Mean to You

Before you know it, little Johnny will be 16. There'll be a pile of college catalogs in his room and your free time will be taken up with campus visits. This one is the best school in the world to study government policy and biotech all in one; this one has a three-time champion rowing

team; this one has the ratio of male to female students that any guy would love.

It sounds great, but are you ready to pay for the attractions your college-bound teenager wants?
A college education is the second-largest purchase you are ever going to make, after your home. And if you have two or more kids headed for college, we could be talking well into six-figure amounts. Certainly, education is an investment with returns you can't measure in anything so trivial as dollar figures, though hopefully it will launch your young students into careers that are both rewarding and remunerative.

Money Mastery Smart Money Move: That being said, you should still shop for a college as shrewdly as you'd shop for a stock, a house, a car, or anything else that someone is trying to sell you. Because campus recruiters, like brokers and sales reps from any industry, are in the business of selling this particular college. The idea is to get the kid hooked on the idea that this is the school for me—then, if he or she is accepted, the haggling over financial aid and scholarships begins.

If you can shell out the bucks for four years at Harvard with no problem, read no further. But all other parents should know this: It may be possible to get financial aid even if your family income and assets place you above what appears to be the qualifying range.

Kal Chany, author of Paying for College Without Going Broke (which I highly recommend!), says most parents have serious misconceptions about financial aid for college. Well, keep reading and you won't be among them. Kal has shared with us the top falsehoods parents and kids harbor when it comes to financial aid:

The Five Top College-Aid Myths

1. "My kids won't qualify for financial aid unless our household income falls below a specific cutoff amount."

That's not necessarily true. A number of factors influence your status in qualifying for aid. Schools take into consideration: The cost of the school, Whether you're a one-parent or two-parent household, Whether both parents are working and earning income

The number of children and other dependents in the family, (so if you are supporting your aging parents, that will be factored in) Number of family members currently paying tuition (so if you're thinking of going to school yourself, you might actually enhance your child's chances of getting aid!)

High medical expenses in the family (again, if you are supporting aging parents and they require a great deal of medical care, that will be part of the picture)

Total value of the family's assets As you can see, there's much more to be considered than simply household income. In fact, since the amount of aid is in part determined by the cost of the school, parents with an income of under $40,000 could find that it costs them less to send a child to a top private university than to a state university!

Also, virtually every family can receive a low-rate Stafford loan and a PLUS loan, which covers the total college cost. (Apply at your local bank or credit union.) They don't lessen the load, but they do spread it out. Since July 1, 2006, interest rates have been fixed at 6.8% for Stafford loans and 8.5% for PLUS loans. (For more information on student loans, we recommend www.finaid.org/loans and www.estudentloan.com.)

2. "If we own our home, we won't qualify."

Under federal guidelines, your home equity is not considered an asset. What is important, however, is that you find out how each of the colleges on your list calculates the amount they assume you can pay.

The question you need to ask is: Do they use the federal or the College Scholarship Service (CSS) method? Under the CSS method, your home equity does count. If you have lots of equity built up and lots of consumer debt, you'll get less aid. But here's a tip: If you pay off your consumer debt with a home equity loan, your net worth decreases and the amount of aid you're eligible for increases dramatically.

Colleges are interested mostly in your income, whether it's from salaries or investments. If you own rental property and make a profit from your renters, that counts for more than the value of your home does.

Money Mastery Smart Money Move: It's a very bad idea to sell stock or property and put the money into a bank account in the year before you apply for aid. In the application process, the college will calculate your "expected family contribution" (EFC), which is determined by factoring in your income, including income from investments and other assets, minus your financial obligations. The college subtracts your EFC from the total costs of a typical year—factoring in tuition, living expenses, books, and room and board. Then they decide whether they want to help you with the difference.

3. "The school itself is the best source for information on aid."

I like Kal Chany's response to this myth: "That's like saying the IRS is the best place to go for advice on tax savings!" The financial aid officer, known as the FAO, works for the financial department, not for you. He or she is trying to get as much money from each student as possible. Meanwhile, you're trying to spend as little of your own money as possible.

Recent studies have found that as many as 65% of private colleges and 27% of public universities engage in what is known as financial aid leveraging. This is a process used to determine how little aid the school can award per student and still get the student to enroll.

How do schools get away with this practice? By simply not telling you the many ways that you can manipulate your assets to show need. Is that dishonest? We're not saying hide your assets in a Swiss bank account. We're saying take advantage of the strategies available to you.

And you don't have to accept the FAO's aid offer as final either – even if he or she tells you that federal regulations prevent the school from

giving you any more. Chany tells us that, at least in some instances, such a statement is a bald-faced lie.

This is not to say that negotiating for more aid will get you what you want, but it's sure possible. You might have some clout if, say, you have a daughter who has been accepted at two schools with comparable academic standards and reputation, and School B has offered a larger financial aid package, but she really wants to attend School A. Then you can go to the FAO at School A and explain that your daughter would really prefer to accept their offer, but you just can't afford to turn down School B. It will help a lot if your daughter is a highly desirable student to School A. Excellent grades and achievements go a long way in giving you the upper hand.

4. "Financial aid goes to the students who need it most."

As much as we would like to believe that were the case, it's just not true. "Money goes to people who know how the system operates and how to answer the questions on the applications to their best advantage," says Chany. That's why we want you to be aware of these myths.

5. "Scholarships are where the real money is."

Everyone would love for their child get a scholarship, but you've got to look elsewhere. Scholarships represent less than 5% of all the available aid, says Chany. You might have heard that billions of dollars in scholarship monies go unused every year. He says these claims are out of date and based on tuition money that companies and nonprofits, including universities themselves, made available to their employees—not necessarily to 18- to 21-year-old undergraduates.

posted by bob mangold at 3:39 pm 0 comments

friday, february 15, 2008

Monthly Housing Report

NAR Price Survey Shows House Prices Continuing To Increase In Many Areas

The National Association of Realtors® (NAR) has insisted for years, and insisted adamantly since the "bubble" started to burst, that real estate, like politics, is local. The quarterly survey of home prices that NAR released on Thursday proves this point and also indicates that, while the housing market is grim in some parts of the country it is doing quite well in others.

The survey which covers the fourth quarter of 2007 showed that 73 of the 150 metropolitan areas in the survey continued to show rising median prices for existing single-family homes.
11 areas actually showed double-digit annual gains and another 12 had increases of 6 percent or more. 77 Areas had price declines and 16 of those lost values in the double digits.

Still, in spite of the fact that the market is holding up well in much of the country, median prices for the country as a whole and for each of the four regions were down from the fourth quarter of 2006. The

median price for the country declined 5.8 percent from $219,000 to $206,200. The West, which also had the highest prices in the country, took the biggest hit. The median price in that region in the fourth quarter of 2006 was $355,000 but had declined 8.7 percent to $324,100 in the latest report. The Midwest, which has the lowest median price fared the best, losing only 3.2 percent to a fourth quarter price of $156,300.

The largest single-family price increase was in the Cumberland area of Maryland and West Virginia. Prices there rose 19.0 percent from a year ago to a median of $116,500. Other big winners were Yakima, Washington (18.0 percent to a median of $170,600) and Binghamton, New York where prices increased 14.8 percent to a median of $110,000.

Big losers were Lansing/East Lansing Michigan where median prices dropped 18.8 percent to $109,600; the Sacramento California MSA which lost 18.5 percent in value to $297,600; and Jackson Mississippi and Riverside/San Bernardino California each at -16.8 percent to median prices of $120,900 and $338,000 respectively.

Lawrence Yun, NAR chief economist, said disruptions in the mortgage market have played a role. "The continuing crunch in the jumbo loan market that began in August has disproportionately reduced the number of transactions in higher price ranges. For buyers who need loans of more than $417,000, mortgage interest rates have been running more than a percentage point higher, and that has been having an obvious impact. Higher ratios of sales for more moderately priced homes are naturally dampening the national median price as well as the data for some of the more expensive markets."

NAR President Richard Gaylord said he is encouraged by the raising of Freddie Mac, Fannie Mae, and FHA conventional loan limits. "Higher limits for FHA loans, which go into effect March 14, will be a big help to first-time buyers in high-cost markets. Higher limits for conventional loans purchased by Freddie Mac and Fannie Mae will take a bit longer - when they become available, high-income, creditworthy borrowers in high-cost areas will have access to affordable and safer financing, and that will help unleash pent-up demand."

The NAR report also covered condominium and cooperative prices in 59 metropolitan areas. The national median price for existing condos was $221,100 in the fourth quarter, only $100 less than in the fourth quarter of 2006. Thirty-three areas showed year-over-year increases (four of these had double-digit gains) while 26 areas saw prices decline, four of those by double-digits.
Total state existing-home sales, including single-family and condo, were at a seasonally adjusted annual rate(2) of 4.96 million units in the fourth quarter, down 8.5 percent from 5.42 million in the third quarter, and are 20.9 percent below a 6.26 million-unit pace in the fourth quarter of 2006.

NAR began tracking of metropolitan area median single-family home prices in 1979; the metro area condo price series was launched at the beginning of 2006, with several years of historic data.

CLICK on the following link to watch a video report from CNBC:

http://www.cnbc.com/id/15840232?video=652041766&play=1

posted by bob mangold at 10:35 am 0 comments

monday, february 4, 2008

Tax Filing Tips

Good morning. It's time to talk taxes!

With the tax-filing season rapidly approaching, there are a number of complications that can make your life more difficult. Here are some tips on what to expect from this crazy year in the tax world, and how you can make the most of it.

Get your tax rebate. The stimulus package will get through Congress in some form. If the final legislation approves rebate checks for the public, only the people who have filed their tax returns for 2006 will get a check. Therefore, if you still haven't filed the tax return that was originally due last April, you might want to consider doing so immediately.

And, the checks will be "paper" checks addressed to your last known address that the IRS has on file. So, if you've moved since filing your 2006 return or are considering a move in the near future, you'll want to make sure that check gets to you. If you don't receive your check, I'm sure some additional paperwork will be involved. More will follow as the law gets closer to gaining the president's signature.

Late filing required. If you've tried to e-file your return and received a rejection notice, or if you've already paper-filed and are wondering about your refund, you might be caught up in administrative never-never land. In late December, Congress decided to finally "patch" the alternative minimum tax (AMT), which had caused the folks at the IRS a number of headaches relative to their computer system.

As a result of the patch, the IRS recently announced that it cannot accept returns containing any of the following five forms for e-filing before Feb. 11:

Schedule 2, Form 1040A, Child and Dependent Care Expenses.
Form 5695, Residential Energy Credits.
Form 8396, Mortgage Interest Credit.
Form 8863, Education Credits.
Form 8859, District of Columbia First-Time Homebuyer Credit.

AMT patch ... again? Many taxpayers mistakenly believe that the patch fixed the entire AMT matter for good. In reality, the fix was a temporary solution that applies only to the 2007 tax year and 2007 tax returns. We can only hope that Congress will revisit this issue some time before this December, but if not, you can expect the dreaded AMT to hit millions of taxpayers in 2008 than it did in 2007. And one of those taxpayers could be you!

Will you be audited? The IRS recently released its annual enforcement and service tables, along with the 2007 Enforcement Revenue and Individual Audits Chart. It's worthwhile reading, especially if you play fast and loose with the tax code. The short

version: Audits and enforcement are on the rise -- in some cases substantially over previous years. I doubt that this trend reverse in the near future, given that the IRS has been trying to close the so-called "tax gap" -- the amount of taxes that go uncollected.

I hope this helps. Have a prosperous day!

Bob Mangold

posted by bob mangold at 10:53 am 0 comments

friday, february 1, 2008

Fed rate cut

What does the FED rate cut mean to you?

Wednesday's rate cut has brought to mind the importance of explaining what a rate cut means to you. Most people believe that a rate cut means lower mortgage rates. In fact, in means just the opposite. The FED FUNDS rate has nothing to do with mortgage rates except a psycholical "lift" to the markets.

Remember this; on the day when you hear the Fed Funds rate has been cut, mortgage rates will most likely go up. It is not the best day to lock a loan, it is the worst.

Mortgage rates are based on mortgage backed bonds and securities. they are not tied to the Fed or 10 year treasuries as most people believe.

Where the Fed Funds rate does have an effect on the public is; home equity loans, credit card rates and some auto loans. That's it, not mortgage rates.

Long-term what the Fed did on Wednesday should help our economy, but not your mortgage rate.

Have a prosperous day!

Bob

posted by bob mangold at 10:19 am 0 comments

wednesday, january 30, 2008

Good afternoon:

I wanted to take the opportunity to direct you to some very helpful financial calculators;

Smart Money 401K Planner: http://www.foxbusiness.com/personal-finance/financial-tools.html?tool=401kPlanner&lid=SmartMoney_401k&lpos=retirement

How Long Will Your Retirement Money Last: http://www.foxbusiness.com/personal-finance/financial-tools.html?tool=moneyLast&lid=How_Long_Money_Last&lpos=retirement

Debt Management: http://www.foxbusiness.com/personal-

finance/financial-tools.html?
tool=tooMuch&lid=Have_To_Much_Debt&lpos=debt_management

Digging Out Of Debt: http://www.foxbusiness.com/personal-
finance/financial-tools.html?
tool=diggingOut&lid=Digging_Out&lpos=debt_management

Net Worth Calculator: http://www.foxbusiness.com/personal-
finance/financial-tools.html?
tool=netWorth&lid=Net_Worth_Calculator&lpos=estate_planning

College Savings Calculator: http://www.foxbusiness.com/personal-
finance/financial-tools.html?
tool=529Plan&lid=529_College_Plan&lpos=tools_college

I hope you find them helpful.

Have a prosperous day.

Bob Mangold

posted by bob mangold at 11:48 am 0 comments

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DATE APPR 04/09/02
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ARTICLES OF INCORPORATION

OF

1025828-7 ONE SOURCE MORTGAGE & INVESTMENTS, INC.

1. Name. The name of the Corporation is One Source Mortgage & Investments, Inc. (the "Corporation")

2. Purpose. The purpose for which the Corporation is organized is the transaction of any or all lawful business for which corporations may be incorporated under the laws of Arizona, as they may be amended from time to time.

3. Initial Business. The Corporation initially intends to engage in the business of providing mortgage and investment services; provided, however, that such initial intention shall in no matter whatsoever limit the character of the business which the Corporation ultimately may conduct. The Corporation's period of duration is perpetual.

4. Authorized Capital. The Corporation shall have authority to issue 1,000 shares of Common Stock, no par value.

5. Known Place of Business. The street address of the known place of business of the Corporation is:

   11000 N. Scottsdale Road
   Suite 121
   Scottsdale, Arizona 85254

6. Statutory Agent. The name and address of the statutory agent of the Corporation is Robert W. Mangold, 11000 N. Scottsdale Road, Suite 121, Scottsdale, Arizona 85254

7. Board of Directors. The initial board of directors shall consist of one director. The name and address of the person who is to serve as the director until the first annual meeting of shareholders or until his successor is elected and qualified is:

   Robert W. Mangold — 11000 N. Scottsdale Road, Suite 121, Scottsdale, Arizona 85254

   The number of persons to serve on the board of directors thereafter shall be fixed by the Bylaws.

8. Incorporators. The name and address of the incorporator is as follows:

Jon A. Munson 4629 E. Hamblin Drive
Phoenix, Arizona 85050

9. Indemnification of Officers, Directors, Employees and Agents. The Corporation shall indemnify any person who incurs expenses or liabilities by reason of the fact he or she is or was an officer, director, employee or agent of the Corporation or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise. This indemnification shall be mandatory in all circumstances in which indemnification is permitted by law.

10. Limitation of Liability. To the fullest extent permitted by the Arizona Revised Statutes, as the same exists or may hereafter be amended, a director of the Corporation shall not be liable to the Corporation or its stockholders for monetary damages for any action taken or any failure to take any action as a director. No repeal, amendment or modification of this article, whether direct or indirect, shall eliminate or reduce its effect with respect to any act or omission of a director of the Corporation occurring prior to such repeal, amendment or modification.

EXECUTED this 9th day of April 2002, by the incorporator.

Jon A Munson

Jon A. Munson
Phone: 602-550-1962
Fax: 480-477-0575

ACCEPTANCE OF APPOINTMENT BY STATUTORY AGENT

The undersigned hereby acknowledges and accepts the appointment as statutory agent of ONE SOURCE MORTGAGE & INVESTMENTS, INC. effective this 9th day of April 2002.

Robert W. Mangold

STATE OF ARIZONA

Office of the

CORPORATION COMMISSION

CERTIFICATE OF GOOD STANDING

To all to whom these presents shall come, greeting:

I, Brian C. McNeil, Executive Director of the Arizona Corporation Commission, do hereby certify that

****ONE SOURCE MORTGAGE & INVESTMENTS, INC.****

a domestic corporation organized under the laws of the State of Arizona, did incorporate on April 9, 2002.

I further certify that according to the records of the Arizona Corporation Commission, as of the date set forth hereunder, the said corporation is not administratively dissolved for failure to comply with the provisions of the Arizona Business Corporation Act; and that its most recent Annual Report, subject to the provisions of A.R.S. sections 10-122, 10-123, 10-125 & 10-1622, has been delivered to the Arizona Corporation Commission for filing; and that the said corporation has not filed Articles of Dissolution as of the date of this certificate.

This certificate relates only to the legal existence of the above named entity as of the date issued. This certificate is not to be construed as an endorsement, recommendation, or notice of approval of the entity's condition or business activities and practices.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the Arizona Corporation Commission. Done at Phoenix, the Capital, this 17th Day of September, 2007, A. D.

Executive Director

Order Number: 174405

AZ Corp. Commission
01829423

AZ CORPORATION COMMISSION
FILED
DEC 14 2006
FILE NO. L/33/855-2

ARTICLES OF ORGANIZATION

OF

Strategic Equity Investments, LLC

The undersigned, acting as the organizer of a limited liability company pursuant to the Arizona Limited Liability Company Act, A.R.S. sec. 29-632, certifies the following Articles of Organization.

ARTICLE I – NAME

The name of the limited liability company is Strategic Equity Investments, LLC.

ARTICLE II – AGENT AND OFFICE

The statutory agent's name and address is: Capital Legal Services Inc., 7110 E. McDonald Dr., Ste. B-2, Scottsdale, AZ 85253.

ARTICLE III - KNOWN PLACE OF BUSINESS

The address of the known place of business and principal place of business in Arizona is 11000 N. Scottsdale Rd., Ste.121, Scottsdale, AZ 85254, which is located in Maricopa County.

ARTICLE IV - NUMBER OF MEMBERS

There are one or more members at the time the limited liability company is formed.

ARTICLE V – BUSINESS AUTHORIZATION

The company is authorized to engage in any and all business authorized by law.

L1331355-2

ARTICLE VI - MANAGEMENT

Management of the limited liability company is reserved to the members. The names and addresses of each person who is a member are:

Robert Mangold
[redacted]
[redacted], AZ [redacted]

DATED this 6th day of DECEMBER, 2006.

Robert Mangold

CONSENT OF STATUTORY AGENT

Capital Legal Services Inc., at 7110 E. McDonald Dr., Ste. B-2, Scottsdale, AZ 85253, having been designated to act as Statutory Agent of Strategic Equity Investments, LLC, hereby consent to act in that capacity until removed or my resignation is submitted in accordance with Arizona Revised Statutes.

Capital Legal Services Inc.
Josephine Mack, V.P.

OPERATING AGREEMENT
OF
STRATEGIC EQUITY INVESTMENTS, LLC

This agreement is effective the 29th day of December, 2006 and is made by and among the parties listed on Schedule A, attached hereto, listing the "members" and indicating those members who are "managing members." In consideration of the promises and covenants of each other, the members agree that a limited liability company ("company") shall be formed and to be bound by the following:

ARTICLE 1
FORMATION

Section 1.1 Formation of Company

The members hereby form this limited liability company under the provisions of the Arizona Limited Liability Company Act A.R.S. Sections 29-601 through 29-857, as amended from time to time. ("Act").

Section 1.2 Name of Company

The initial name of the company shall be Strategic Equity Investments, LLC, as reflected in the articles of organization ("Articles") filed with the Arizona Corporation Commission's office. A copy of the articles is attached hereto as Schedule B. The name of the company may be changed by decision of the managing members, and such change shall be recorded with the Arizona Corporation Commission's office on an amended articles, as required. Such amended articles shall become part of this agreement as Schedule B.

Section 1.3 Place of Business

The company's initial place of business shall be: 11000 N. Scottsdale Rd., Ste.121, Scottsdale, AZ 85254, as reflected in the Articles filed with the Arizona Corporation Commission's office. The place of business may be changed by decision of the managing members, and such change shall be recorded with the Arizona Corporation Commission's office on an amended articles, as required.

Section 1.4 Business Purpose

The purposes for which this company has been organized are:

(a) To engage in any lawful business;

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(b) To enter into any lawful arrangement for the sharing of profits and losses in any lawful transaction;

(c) To organize, promote, and operate other lawful entities;

(d) To buy, sell, lease, invest or otherwise deal in any real, personal, or mixed property;

(e) To render any lawful service;

(f) To possess and exercise all rights and powers conferred by law upon the members, both now and in the future.

The foregoing statement of purposes shall in no way be construed to limit or restrict in any manner the powers conferred upon this company by the state of Arizona.

Each clause or paragraph in this Agreement shall be regarded as statements of cumulative and independent objectives, purposes, and powers and shall in no way be regarded as limiting or restricting other clauses or paragraphs herein.

Section 1.5 Property

All property owned by the company shall be owned in the name of the company or in the name of a member as agent for the company.

Section 1.6 Agent for Service of Process

The name and address of the company's initial registered agent for service of process shall be Capital Legal Services Inc. and his business address is 7110 E. McDonald Dr., Ste. B-2, Scottsdale, AZ 85253, as reflected in the articles of organization ("Articles") filed with the Arizona Corporation Commission's office. The name of the company's registered agent may be changed by decision of the managing members, and such change shall be recorded with the Arizona Corporation Commission's office on an amended articles, as required.

ARTICLE 2
TERM OF COMPANY

The Company will be dissolved on the first to occur of the following events:

(a) the termination of the company under any provision contained elsewhere herein;

(b) a written agreement to dissolve the company signed by all members whose combined interests equal one hundred percent (100%) of all limited liability company interests; or

(c) the voluntary bankruptcy of the company, as consented to by all members.

ARTICLE 3
DEFINITIONS

Section 3.1 Additional Member

"Additional Member" means a member other than an initial member or substitute member who has acquired a membership interest in the company by means of an admission agreement.

Section 3.2 Admission Agreement

"Admission Agreement" means the agreement between the company and a person other than an initial member or substitute member admitting that person as an additional member.

Section 3.3 Agreement

"Agreement" means Strategic Equity Investments, LLC Operating Agreement.

Section 3.4 Articles

"Articles" means the articles of organization of Strategic Equity Investments, LLC which is filed with the Arizona Corporation Commission.

Section 3.5 Assignee

"Assignee" means a person to whom a member has assigned part or all of his or her interest in the company but has not been accepted as a substitute member.

Section 3.6 Code

"Code" refers to the Internal Revenue Code of 1986, as amended from time to time.

Section 3.7 Company

"Company" means Strategic Equity Investments, LLC Limited Liability Company.

Section 3.8 Incapacity

"Incapacity" or "incapacitated" means that a member is unable to vote or to otherwise perform his or her duties as a member.

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FILE #7920

M000029

Section 3.9 Managing Member

"Managing member" means the member or members who are indicated on Schedule A as managing members. These members manage all the affairs of the company.

Section 3.10 Member

"Member" means the member or members who are listed in Schedule A as members.

Section 3.11 Substitute Member

"Substitute Member" means an assignee who, according to the terms of the agreement, has been accepted as a member, with all membership rights.

ARTICLE 4
CAPITAL CONTRIBUTIONS AND ACCOUNTS

Section 4.1 Capital Contributions and Returns

Each member has made or shall make a contribution of capital to the company as contained next to his name in Schedule A to this agreement. This capital may be in the form of cash, property, services, or obligations.

Unless otherwise expressly authorized herein or by law, no member shall be entitled to a return of any part of his capital contribution to the company or to receive any capital distributions, including those attributed to profit and loss, except upon termination of the company, which means a complete winding up of the company, including the filing of a certificate of dissolution, cancellation, or termination with the Arizona Corporation Commission. Such termination does not include a dissolution that merely results in a change in the relationship of the members, but the company still continues.

Unless otherwise prohibited by law or other provisions within this agreement, no managing member shall be personally liable for the return of capital contributions or additions to the capital account of a member. All such returns or distributions shall be satisfied solely from the assets of the company. When returns, distributions, or exchanges are permitted by this agreement, the managing members shall have sole authority to decide which assets shall be used to make the payments, distributions, or exchanges.

Section 4.2 Capital Accounts

The company shall establish a capital account in the name of each member reflecting each member's ownership interest in the company. Each capital account shall be maintained in accordance with state and federal law, as well as generally accepted accounting principles. This includes crediting or increasing a member's capital account in an amount equal to his capital contribution to the company, crediting (increasing) or debiting

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(reducing) a member's capital account in accordance with his allocated share of profit or loss, and charging (debiting or decreasing) his capital account for distributions made from his capital account under the terms of this agreement.

Section 4.3 Loans

The company may make loans to or borrow from any member or person. No part of any loan made by a member to the company shall be considered a contribution to the member's capital account, nor shall any loan made to a member by the company be considered a distribution from or decrease in that member's capital account. Loans made to or received by the company shall not affect the company's profit and loss ratios.

Members may, but shall not be obligated to, make loans to the company to enable the company to satisfy its obligations on a timely basis. Such obligations shall include claims against company property for which the member has no personal obligation.

Section 4.4 Interest

No interest shall accrue or be paid to any member on his capital contribution or capital account.

Section 4.5 Account Deficits

Any deficit (negative balance) in a member's capital account, such as those that occur due to company losses or permitted withdrawals, shall not become an obligation of that member to the company. If such negative balance continues until termination and winding up of the company, the member shall not be responsible for paying an amount equal to such negative balance to the company.

Section 4.6 Capital Additions and Distributions

From time to time as the members shall deem necessary, as evidenced by the unanimous approval of all the members, additional capital contributions may be made to the company by one or more members. A description of such additional capital contributions shall be contained in Schedule A, attached hereto and made a part of this agreement. Changes in company interests with respect to the respective interests of the members to each other and to the company that occur due to the making of additional capital contributions can be approved only upon the unanimous vote of all the members.

Any distribution from the capital account of any member, including distributions of profits, may be made only upon the approval of the managing members. In making such distributions, the managing members may consider any special circumstances of the members or the company and may make disproportionate or no capital distributions among the members.

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Section 4.7 Account Adjustments

If it is later determined that an asset contributed by a member to the company as a capital contribution was not properly valued in making allocations to his capital account as reflected on any Schedule attached hereto, the capital account of such member shall be adjusted to reflect the appropriate fair market value. Such adjusted value shall also be shown on Schedule C, attached hereto.

ARTICLE 5
MEMBERS

Section 5.1 Members

The name, address, capital contribution, and company interest of each initial member is set forth on Schedule A, which is attached hereto and made a part of this agreement. Each initial member's interest in the company is reflected by the percentage in the column labeled "Company Interest" on Schedule A, which interest is subject to being changed in accordance with other provisions of this agreement. Those members who are managing members hereunder are so indicated on Schedule A. The aggregate or sum of the interests of all members is known throughout this agreement as the aggregate limited liability company interest.

Any changes in the identity or company interests of one or more members or managing members shall be duly recorded and signed by all managing members and the members whose interests have changed or been added.

Additional members may be admitted at any time upon approval of all the members. The conditions of admittance shall be set forth in an admission agreement executed by the person being admitted as a member and all members or their authorized agent.

Section 5.2 Powers

All members, who are not assignees or disassociated, shall have the right to vote on any matter submitted to a vote of the members. However, the following must be approved by all managing members and those remaining members who represent a majority of the aggregate limited liability company interests:

(a) amendments to the agreement;

(b) admission of assignees as members or substitute members; and

(c) continuation of the company after any event that results in dissolution.

Section 5.3 Limited Liability

Except as otherwise provided by law, no member shall be personally liable for any debts

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or obligations of the company. In the absence of a written agreement or commitment to the contrary voluntarily executed by a member, no member can be required to make additional cash or other capital contributions to the company. If a member who has made loans to the company has a deficit in his capital account balance at the time of termination and winding up, such loan amounts may be used to restore all or part of the deficit in the member's capital account.

Section 5.4 Indemnification

When acting within the scope of his duties and obligations as imposed by this agreement, a member, managing member or manager shall be entitled to all indemnification authorized by the Act or by this agreement.

Section 5.5 Participation in Conflicting or Competing Businesses

Nothing in this agreement shall be construed to limit any member's right to hold interests or participate in other businesses or business entities that compete with or are similar to the business conducted by the company established by this agreement.

ARTICLE 6
MANAGING MEMBERS

Section 6.1 Managing Members

One or more members shall be authorized to be and act as managing members. Managing members are those members who are authorized to conduct the business affairs of the company, having power to make the ordinary and usual decisions relating to the company's business. Each initial managing member is indicated on the list of initial members contained on Schedule A, which is attached hereto and made a part of this agreement.

Section 6.2 Powers and Limitations

The managing members shall be responsible for managing, controlling, and operating all the affairs of the company, with each managing member empowered to act as manager of the company. The members hereby agree that only managing members and authorized agents of the company shall have power and authority to bind the company. Members representing 70 percent of the aggregate limited liability company interests may agree that one or more managing members shall not act as manager. Where there are no managing members, power to manage the company rests in all members, jointly and severally. The managing members, or the members if there is no managing member, may appoint a nonmember manager to manage all or a part of the affairs of the company. Even if a non member manager is employed, the managing members, or members if there is no managing member, shall remain responsible for the proper management of the company and the execution of the terms of this agreement.

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The powers of a managing member shall include but not be limited to the following:

(a) borrow money for company purposes;

(b) pledge company property to secure a loan to the company;

(c) purchase or otherwise lawfully acquire assets for the company;

(d) buy, sell, transfer, exchange, convey, construct, improve, lease, sublet, mortgage, pledge, finance, refinance, operate, or maintain company assets;

(e) pay expenses, debts, and obligations of the company;

(f) execute any document deemed by the managing members to be advisable for company purposes;

(g) loan funds to any member; and

(h) perform any legal act, which in the sole discretion of the managing member, is necessary or advisable for implementing the terms of this agreement.

Any changes in the identity or company interests of one or more managing members shall be duly recorded upon Schedule A and signed by all managing members.

When the term "manager" is used herein, it shall include managing members as well as non member managers. As authorized by a managing member or by the terms of this agreement, the manager may represent the company by employing, engaging, or otherwise dealing with any person, including persons directly or indirectly related to the manager or a managing member, to provide products, services, or information to the company at any time and in any form deemed by the manager to be in the best interests of the company or to give effect to the terms of this agreement. Amounts paid for all such services, products, or information shall be reasonable. Out-of-pocket expenses paid by the manager on behalf of the company are fully reimbursable to the manager.

Section 6.3 Restrictions

Despite the provisions of Section 6.2 above and except as provided by law or elsewhere within this agreement, no managing member shall do any of the following in the absence of approval from all managing members and those remaining members who represent a majority of the aggregate limited liability company interests:

(a) any act, duty, or obligation which, by the terms of this agreement or by provisions of the Act, must be consented to by the members;

(b) add any members to the company;

(c) cause the company to engage in any business that is not consistent with the

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purposes of the company as expressed in Section 1.4 of this agreement;

(d) add to or take away from the terms of this agreement or otherwise change the respective interests of the members; and

(e) allow any portion of any company interest to be transferred or assigned.

Except for loans from the company to a member, no managing member may enter into a contract, lease, loan, or other agreement that would result in personal liability to a member.

The members shall possess the right to remove a managing member. A managing member shall be removed when those members who own at least 70 percent of the aggregate limited liability company interests vote that the managing member has been guilty of fraud or malfeasance with regard to company interests or is in material breach of his material obligations under the terms of this agreement and does not cure, or earnestly and diligently begin to cure, such breach within three months of the notice given to him by the members. A new managing member may be elected by the affirmative vote of those members, including the former managing member, that represent at least 70 percent of the aggregate limited liability company interests. A change in a member's status to or from that of managing member shall be duly recorded.

Section 6.4 Duties and Obligations

The managing members shall have the duty to be actively involved in the management of the company and shall diligently and faithfully execute all duties imposed upon him by this agreement and by law. Anytime there is more than one managing member, their duties and obligations imposed by this agreement shall be joint and several. Although the managing members shall have power and authority to draw checks and bank drafts upon company bank accounts, they shall not be required to spend or invest company assets except as they deem in the best interests of the company.

Section 6.5 Compensation

By signing this agreement as a managing member, each managing member shall be deemed to have entered into a contract for personal services with the company to perform each of the duties and obligations imposed by this agreement. Managing members and those they hire to assist them in fulfilling the purposes of the company as contained in this agreement shall have the right to be reasonably and properly compensated for their services. Such compensation, which may take the form of any combination of salary, bonuses, and benefits, shall be in addition to any share of company profits that accrue for the benefit of or are paid to the managing members. The compensation of managing members shall be established by majority vote of the members representing all managing member interests. If the cash flow of the company in any given year is insufficient to pay the salary of the managing members, the unpaid portion may be deferred with interest and paid in future years.

Section 6.6 Liability of a Managing Member

In the absence of fraud, bad faith, negligence, or other malfeasance, no managing member is personally liable for more than his company interests as evidenced by his capital contributions. A managing member who has been guilty of fraud, negligence, bad faith, or other malfeasance shall save and hold harmless the company and the members from any loss, damage, claim, or liability incurred, arising out of the managing member's breach, including reasonable attorney's fees. Insurance may be purchased by the company to provide indemnity against any such damages.

ARTICLE 7
COMPANY ACCOUNTING

Section 7.1 Accounting Method

Accounting and income tax records for the company shall be kept on a cash basis. Otherwise, all records shall be kept according to generally accepted accounting principles.

Section 7.2 Records and Financial Statements

Financial statements of the company shall be prepared at least annually. Such statements or the company's annual income tax return shall be mailed to each member.

The company shall maintain the following records at its principal place of business:

(a) The name, current business address, and phone number of each member;

(b) An executed copy of the articles of organization as amended from time to time and any powers of attorney that have been executed by members in accordance with the terms of this agreement;

(c) Copies of all tax returns and supporting documents that have been filed with federal, state, and local taxing authorities for at least the past four years;

(d) Executed copies of this agreement as amended from time to time;

(e) Company financial statements for at least the past four years; and

(f) Any other writings or data bases from which the following information can be extracted or compiled:

(1) A complete accounting of all cash and a description and agreed upon value of other property or services contributed by any member;

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(2) The times at or events which alter or otherwise affect commitments made by or to be made by any member;

(3) Any right of the company to make or a member to receive distributions that represent a complete or partial return of a member's capital contribution; and

(4) Any events which would cause the dissolution and winding up of the company.

Section 7.3 Allocations on Contributed Property

In accordance with Code section 704(c), income, gains, losses, and deductions as to property contributed to the company may be shared among the members so as to take account of the variation between the basis of the property to the company and its fair market value at the time of contribution.

Section 7.4 Tax Matters Member

The managing member with the largest interest in the company shall be the tax matters member as provided in Code section 6231(a)(7) and, as such, shall be solely responsible for representing the company in all dealings with the Internal Revenue Service, as well as any state, local, and foreign tax authorities. However, the tax matters member shall keep the other members reasonably informed of company dealings with any tax or governmental agency. If a tax matters member resigns his position, the managing members may, by majority vote, appoint a new tax matters member.

Section 7.5 Availability of Financial Records to Members

At least once a year and as soon after preparation of the financial statements as possible, all members shall be invited to a meeting in which the managing members shall review and discuss the financial statements and report upon the company's financial condition. If so requested in writing, a member shall be entitled to a copy of any interim financial statement that has been prepared for the company.

ARTICLE 8
AMENDING OR TERMINATING THE COMPANY

Section 8.1 Amending the Company

Each member hereby authorizes the managing members to amend this agreement from time to time. However, unless previously authorized in writing by all managing members and those remaining members who represent a majority of the aggregate limited liability company interests, no managing member shall have power to amend this agreement in such a way so as to:

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(a) enlarge the rights or powers or diminish the duties or obligations of the managing members;

(b) diminish the rights or powers or enlarge the duties or obligations of the managing members;

(c) appoint, add, or remove a managing member unless otherwise so authorized herein;

(d) alter the term of the company as provided in Article 2 or change this Section 8.1; or

(e) modify or otherwise affect the rights and restrictions pertaining to the assignability of company interests.

The managing members must communicate any amendments to each member on a timely basis in writing.

Unless otherwise prohibited herein or by law, any part of this agreement may be amended by the affirmative vote of all managing members and those remaining members who represent a majority of the aggregate limited liability company interests. However, no vote of the members may take away any interest or right that has become vested in any member. A copy of any such vote showing all the members who voted and how they voted shall be promptly sent to each member at his last known address.

Section 8.2 Dissociation

A member shall become disassociated from and cease to be a member of the company upon the happening of any of the following events:

(a) the withdrawal of a member with the consent of all remaining members;

(b) the bankruptcy of a member;

(c) the death, incapacity, or legal incompetence of a member;

(d) the termination of a trust who is a member;

(e) the dissolution and commencement of winding up or the filing of a certificate of dissolution of a corporation or other organization who is a member; or

(f) the distribution by a deceased member's personal representative of the estate's entire interest in the company.

If, under the terms of this agreement, a member's dissociation causes the company to terminate and wind up its affairs, the dissociated member shall be entitled to distributions

as a pro rata share of his company interest, less any damages sustained by the company as a result of the dissolution and winding up.

If, under the terms of this agreement, a member's dissociation does not cause the company to terminate and wind up its affairs, the dissociated member, or his legal representative or successor in interest, shall have all the rights of an assignee who has not been accepted as a substitute member.

Section 8.3 Dissolving or Terminating the Company

In the absence of the right and power to do so as conferred by this agreement, no member shall have the right or power to compel dissolution of the company, even if such power is otherwise conferred by law. As long as the company shall exist, the members agree to waive any right to compel dissolution or partition of the company or any property owned by the company.

No member shall possess an ownership interest in the property of the company. As long as all managing members and those remaining members who represent a majority of the aggregate limited liability company interests approve, the company shall not terminate or dissolve by reason of any of the following, which are descriptive but not exclusive:

(a) the death, disability, transfer, or substitution of a member;

(b) the death, disability, removal, addition, resignation, or refusal to act of a managing member;

(c) the insolvency or bankruptcy of a member;

(d) the withdrawal of a member, unless there are not at least two remaining members;

Any act or omission that may be otherwise construed to be a termination or dissolution of the company shall, to the greatest extent permitted by law, be construed to be an intended reconstitution and continuation of the company, not requiring liquidation and winding-up.

ARTICLE 9
POWER OF ATTORNEY

To ensure the smooth and unhindered operation of the company, each member, by executing this agreement, hereby names the managing members as his attorneys in fact, thereby conferring upon the managing members full power and authority to act for the members and the company in all legal and business matters pertaining to the operation of the company, including, but not limited to, the power and authority to make, swear to, sign, execute, file, and record:

(a) amendments to the articles of organization or to this agreement;

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(b) all legal documents required by any state in which the company is doing business;

(c) all other legal and business documents deemed appropriate by the managing members;

(d) all documents required for continuance of the company;

(e) all documents required for admission of additional or substitute members or dissolution or termination of the company or any interest in it;

(f) legal instruments necessary to obtain or settle any loan; and

(g) any documents required for the transfer of any company assets.

The power of attorney granted under this article is a power coupled with an interest that shall survive the bankruptcy, retirement, incompetence, incapacity, assignment of interest, or withdrawal of any member who has granted such power. Powers granted hereunder may be exercised by any managing member using facsimile signatures or by listing each member executing the agreement, along with the managing member's signature as attorney-in-fact for each member.

Each member authorizes the attorney in fact hereunder to take, in the sole discretion of such attorney in fact, whatever action is necessary or advisable to be done to further the purposes of the company as set forth herein as fully as could be done by the member himself as if he were personally so engaged. Each member hereby ratifies and confirms all that the attorney in fact shall lawfully do hereunder.

ARTICLE 10
MISCELLANEOUS

Section 10.1 Distributions

Any distributions of cash or property made in accordance with this agreement shall be made to the persons so entitled at their respective addresses as contained in Schedule A as contained in a notice executed and delivered to the company in accordance with Section 10.2.

Section 10.2 Notices

Unless expressly provided otherwise in this agreement, all waivers, requests, notices, consents, approvals, offers, acceptances, elections, certifications, objections or other official communications permitted or required by this agreement shall be in writing, duly signed by the person making the official act or request, and delivered personally or by U.S. mail to the member or company receiving the writing at the most current address

contained in the agreement or on Schedule A. Correspondence sent by mail shall be deemed to have been delivered on the third day after depositing the correspondence in the mail. Receipt shall be obtained by the sender for all deliveries.

Section 10.3 Governing Law

This agreement shall be governed by and subject to the laws of the state of Arizona, with particular reference to the Arizona Limited Liability Company Act and without giving effect to conflicts of law principles.

Section 10.4 Whole Agreement

This agreement, including Schedules A, shall constitute the entire agreement by and among the parties and supersedes all prior understandings or agreements with respect to the matters provided for herein.

This agreement may be altered or amended only in accordance with the terms expressed herein.

Section 10.5 Waiver

Any party who fails to seek redress for any violation of or to insist upon the strict performance of any provision of this agreement does not thereby waive his or her right to assert that a later act of a similar nature is a violation of the terms of this agreement. Unless otherwise provided by the terms of this agreement, no waiver, modification, or termination of this agreement shall be effective, unless it is made in writing, duly executed by the one making the writing, and delivered personally or by U.S. mail to the party receiving the writing at the most current address contained in the agreement or on Schedule A. Correspondence sent by mail shall be deemed to have been delivered on the third day after depositing the correspondence in the mail. Receipt shall be obtained by the sender for all deliveries. In the absence of such a writing, no act shall be deemed to be a waiver of any right or obligation required by this agreement.

Section 10.6 Counterparts

This agreement shall be executed in one or more counterparts or signature pages and, even though all parties do not execute the same counterpart or signature page, each of the counterparts and signature pages shall be deemed to be an original as if it had been executed by all parties who sign at least one of the counterparts or signature pages. All such documents shall constitute a whole instrument binding on and reflecting the agreement of all the parties. Members shall be permitted to become parties to this agreement by signing a "signature page" in a form approved and signed by the managing members.

Section 10.7 Severability

All provisions of this agreement shall be severable. Any provision that, for any reason, is determined to be invalid shall not affect the validity of any other provision of the agreement.

Section 10.8 Gender and Number

Unless otherwise required by the context of the agreement, a masculine pronoun shall include the feminine and neuter, and vice versa, and the singular shall include the plural, and vice versa.

Section 10.9 Binding Agreement

This agreement is binding upon all the parties, their heirs, devisees, successors, legal representatives, and permitted assignees but shall not be deemed to be for the benefit of creditors.

Section 10.10 Construction

All article and section headings set forth in the agreement are intended for convenience only and shall not control or affect the meaning, construction or intent of this agreement or any provision thereof.

Words such as "herein," "hereinafter," "hereunder," "hereto," or "hereof" refer to this agreement as a whole and do not refer to a subdivision of the agreement unless the context clearly so requires.

Section 10.11 Cumulative Rights

Rights and remedies provided by this agreement are cumulative and are not lost by a party's failure to exercise such rights and remedies.

Section 10.12 Schedules

Schedule A is incorporated herein by reference and constitute a part of this agreement.

Section 10.13 Meetings

Managing members or members owning more than 10 percent of outstanding aggregate limited liability company shares may call special meetings of the members to address any matter upon which the members are permitted by this agreement to vote. Members calling such a meeting shall give a written request to a managing member who shall notify all members of the meeting within two weeks of receiving the request. The managing member shall designate a time and place in the notice and shall schedule the meeting within 60 days of receiving the request. The notice of the meeting shall set forth

the nature of the request, including the specific topics to be discussed and voted upon at the meeting.

Members may vote in person or by proxy. At least a majority of the aggregate limited liability company interests must be present in order to constitute a quorum for doing business.

The managing members must maintain a list of the names and addresses of all the members at the principal office of the company. Such list shall be made available at reasonable times for review and inspection of any member or his representative. The managing members shall also furnish a copy of such list to any member who requests a copy and may require the member requesting the copy to pay the reasonable costs of copying and mailing the list.

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CONCLUSION

IN WITNESS WHEREOF, the undersigned have executed this Strategic Equity Investments, LLC Operating Agreement, under seal, on the date written above.

Robert Mangold

SCHEDULE "A"

List of Initial Members and their Interests in Strategic Equity Investments, LLC.

Members:	Percentage Interest	Capital Contributions
Robert Mangold	100%	$100

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Strategic Equity Investments

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- Home
- Who Are We?

Who Are We?

One Source Mortgage & Investments, Inc and Strategic Equity Investments, LLC (SEI) are in the business of assisting investors in acquiring REO/Foreclosed real estate assets, providing asset consulting and marketing services as well as participating in the sale or purchase of loan related property and/or real estate assets.

Its principal, Bob Mangold holds various licenses in the state of Arizona. He is the owner of One Source Mortgage & Investments, One Source Realty, Strategic Equity Investments, Insurance Affiliates of Arizona and The Phoenix Institute of Real Estate & Finance. Bob is considered one of the nations most respected financial and debt strategists.

As a finance professional, Bob has developed his own innovative approach to asset management to help his client's achieve their short-and long-term goals. As a licensed mortgage broker with many years of experience, he understands how a fast-moving
market can have a dramatic impact on the client's bottom line.

With a vast network of bank and finance contacts throughout the US, Canada and Latin America with experience in finance, real estate and real estate investment, SEI is poised to offer valuable advice and consulting to investment clients of SEI.

Our mission is to create investment income for investors through discounted bulk purchasing and reselling of REO's (Bank Owned Real Estate) or more commonly referred to as "foreclosures". Profitability will be generated by buying packages of REO's at deeply discounted prices direct from lending institutions and reselling them at an increased, yet discounted price to a secondary market of wholesale investors, individual investors or end-users.

REOs result when a legal foreclosure process is completed against a borrower in default on the mortgage lien and thus reverts the title and deed back to the lending institution holding the lien. This creates a non-recourse situation for the previous owner. After the Bank takes possession of the property, the mortgage lien disappears and the bank proceeds to an exit strategy.

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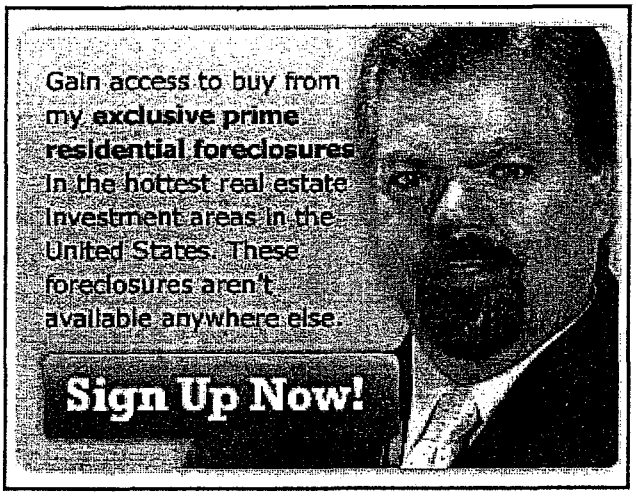

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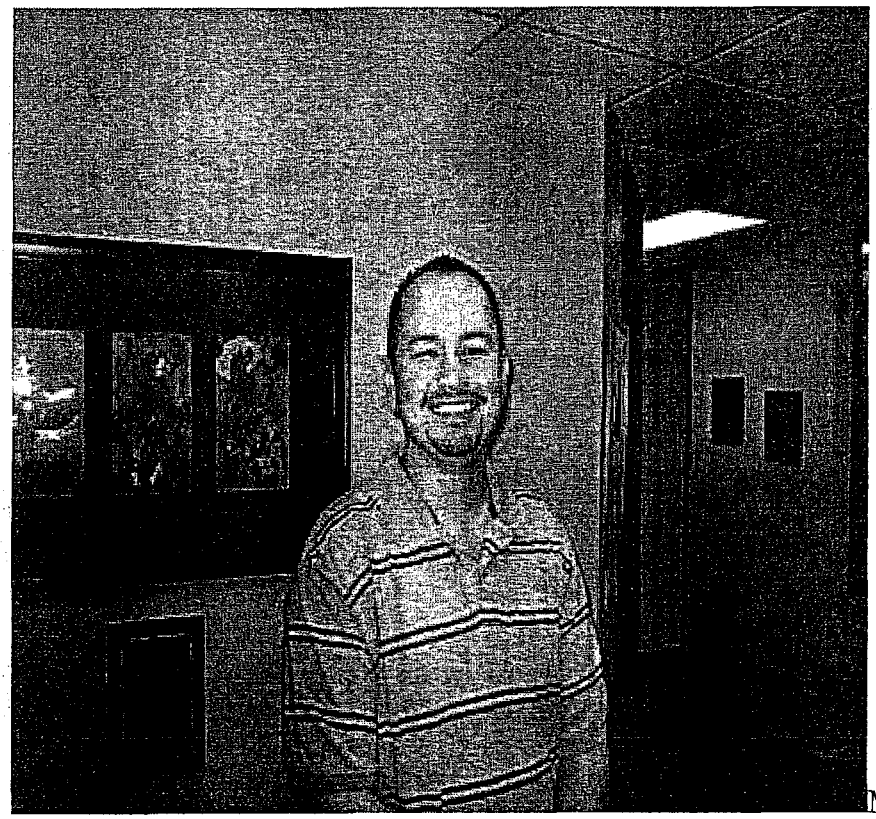

My father and I own many investment properties free and clear. He works a full time job and works another 7 to 8 hours every day of the week, working on the rental properties.

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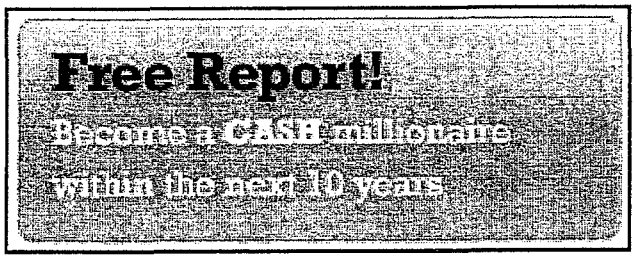

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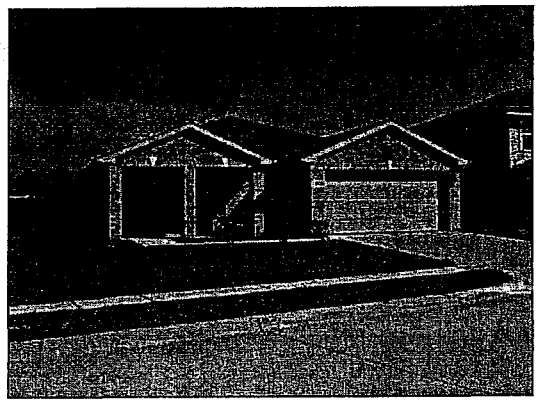

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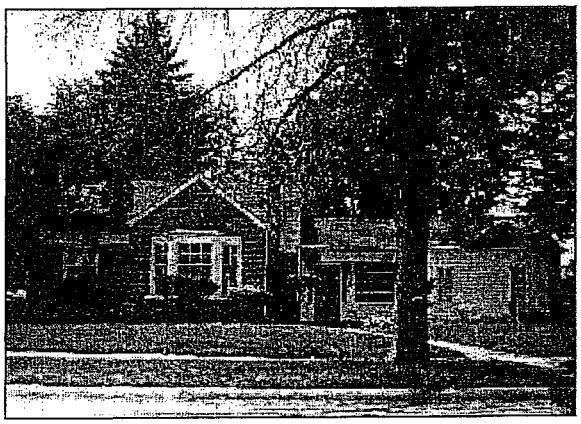

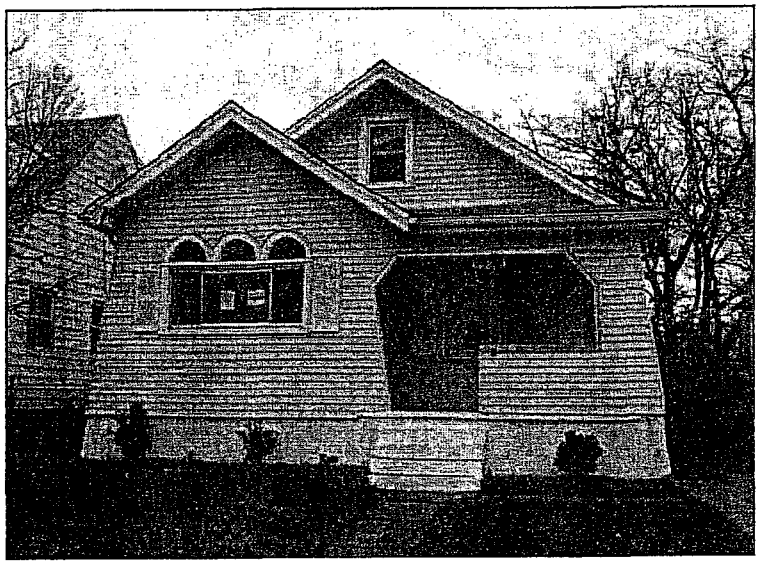

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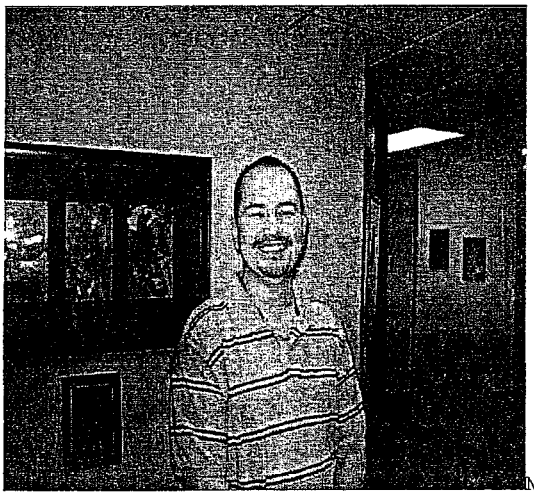

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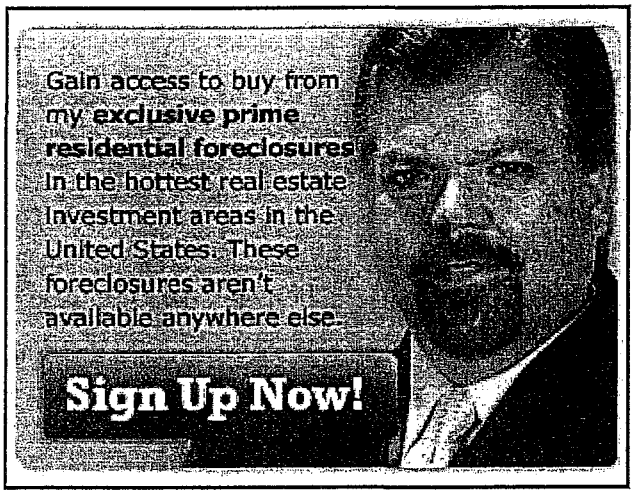

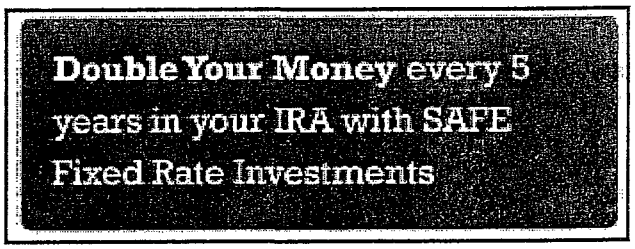

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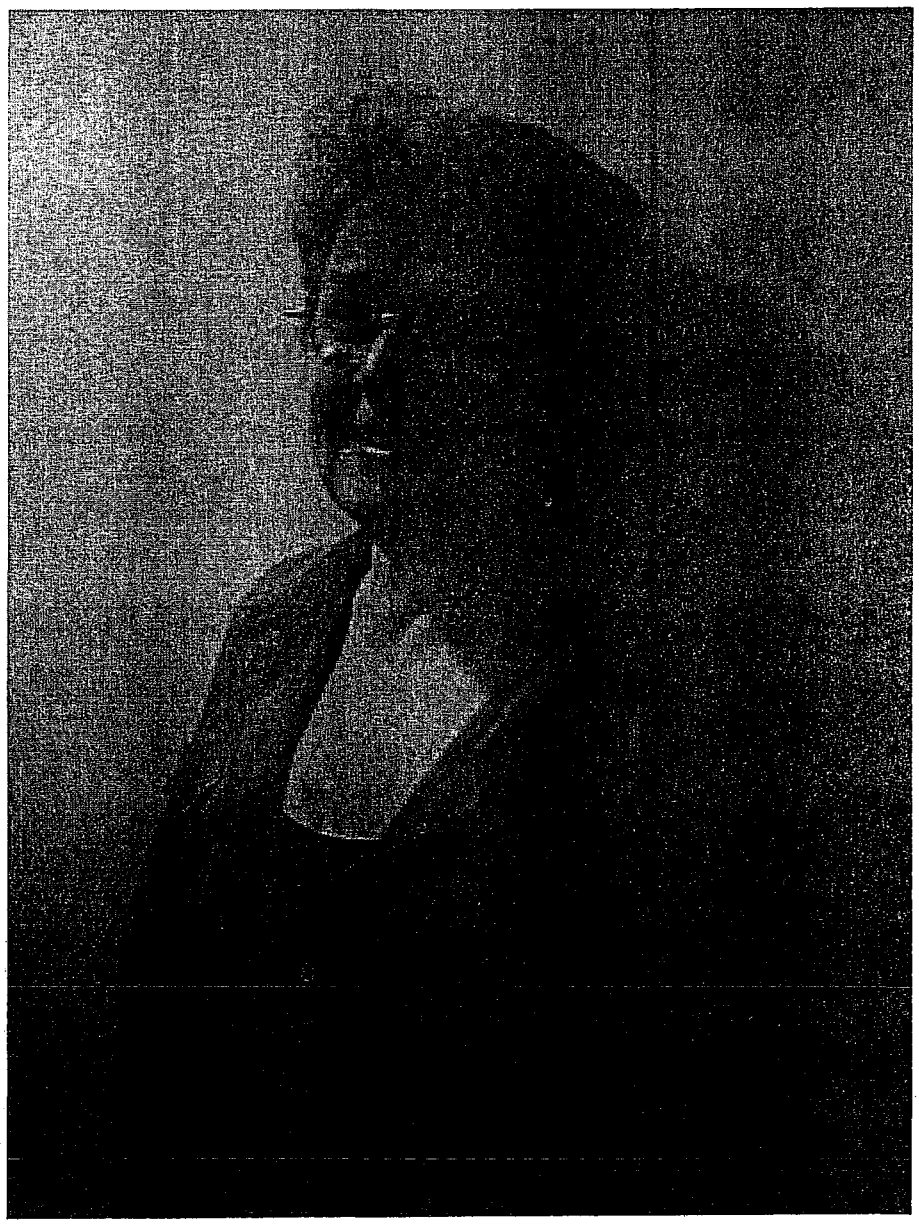

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Mortgage by my agent. I had spoken with several lenders and knew I could get a mortgage.

But, I had found the house I lived next door to...

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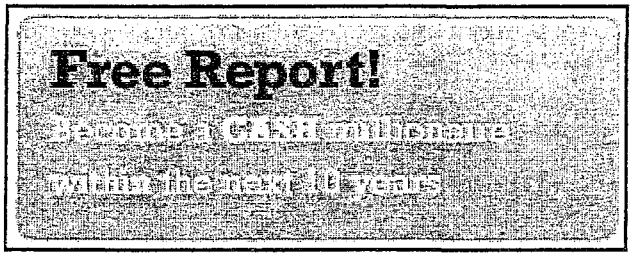

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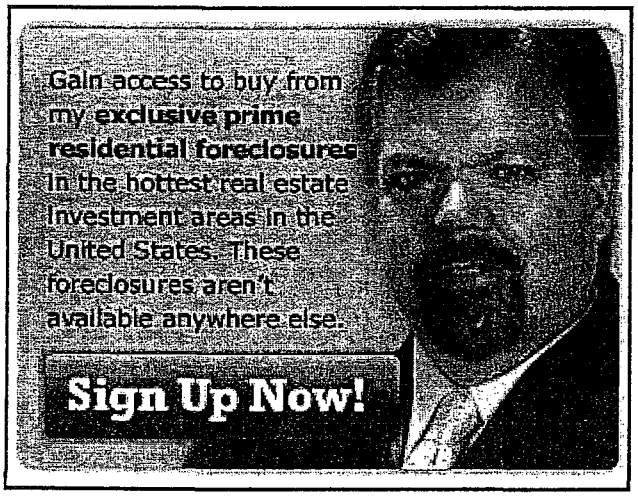
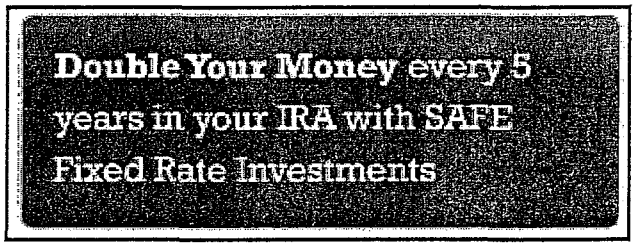
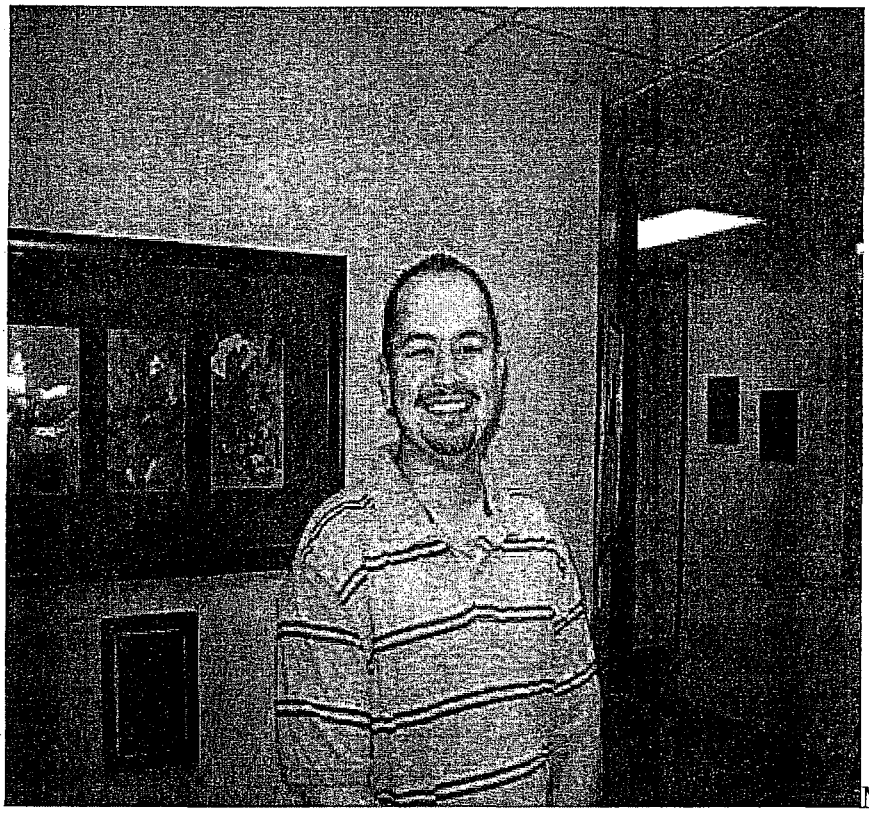




Testimonials



My father and I own many investment properties free and clear. He works a full time job and works another 7 to 8 hours every day of the week, working on the rental properties.

...

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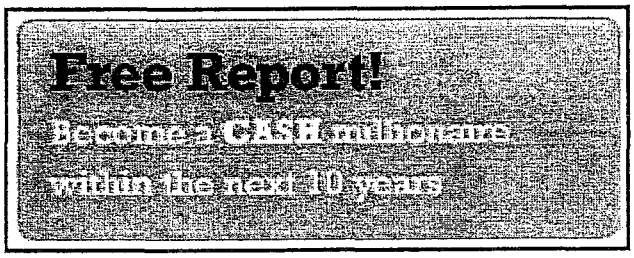

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Home

Investments

REO Process

Statistics

Free Report

Buy Properties

Contact Us

Our Blog

MB #0905093

Who Are We?

One Source Mortgage & Investments, Inc and Strategic Equity Investments, LLC (SEI) are in the business of assisting investors in acquiring REO/Foreclosed real estate assets, providing asset consulting and marketing services as well as participating in the sale or purchase of loan related property and/or real estate assets.

Its principal, Bob Mangold holds various licenses in the state of Arizona. He is the owner of One Source Mortgage & Investments, One Source Realty, Strategic Equity Investments, Insurance Affiliates of Arizona and The Phoenix Institute of Real Estate & Finance. Bob is considered one of the nations most respected financial and debt strategists.

As a finance professional, Bob has developed his own innovative approach to asset management to help his client's achieve their short-and long-term goals. As a licensed mortgage broker with many years of experience, he understands how a fast-moving market can have a dramatic impact on the client's bottom line.

With a vast network of bank and finance contacts throughout the US, Canada and Latin America with experience in finance, real estate and real estate investment, SEI is poised to offer valuable advice and consulting to investment clients of SEI.

Our mission is to create investment income for investors through discounted bulk purchasing and reselling of REO's (Bank Owned Real Estate) or more commonly referred to as "foreclosures". Profitability will be generated by buying packages of REO's at deeply discounted prices direct from lending institutions and reselling them at an increased, yet discounted price to a secondary market of wholesale investors, individual investors or end-users.

REOs result when a legal foreclosure process is completed against a borrower in default on the mortgage lien and thus reverts the title and deed back to the lending institution holding the lien. This creates a non-recourse situation for the previous owner. After the Bank takes possession of the property, the mortgage lien disappears and the bank proceeds to an exit strategy.

This is where the SEI process takes over. With our strategic partnerships and system, we offer savvy investors the opportunity to participate in a highly profitable venture.

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Home

Investments

REO Process

Statistics

Free Report

Buy Properties

Contact Us

Our Blog

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INVESTMENT OPTIONS

All of our investments involving an IRA or 401K must be completed inside of a Self-Directed IRA. Or, your corporate plan must allow you to have the freedom to choose any investment options outside of their plan. In our experience there are very few plans that allow this feature.

So, can you invest with us if you do not have a Self Directed IRA? Absolutely! We can quickly and easily help you facilitate the set up of your Self Directed IRA Please contact us for details.

Here are the three investment options we offer;

1. A 12% annual guaranteed rate of return with a $50,000 minimum investment for a two-year period. Interest is paid semi-annually on the anniversary date of the funds being received.
2. A 14% annual guaranteed rate of return with a $75,000 minimum investment for a three-year period. Interest is paid semi-annually on the anniversary date of the funds being received.
3. Purchase properties directly from SEI. With a $100,000 minimum investment at 12% to 14%, you will receive a 3 day advanced notice to purchase before properties are made available to other investors or homebuyers.

Generally, all properties are sold in our "advanced notice" stage. Less than 10% of our homes make it to the open market. This is our way of rewarding you for investing with us.

CLICK HERE to contact us:

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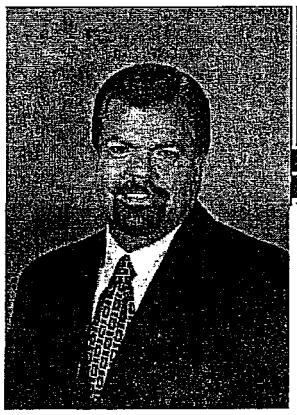

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Home

Investments

REO Process

Statistics

Free Report

Buy Properties

Contact Us

Our Blog

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WHY WOULD BANKS SELL HOMES TO US AT LARGE DISCOUNTS?

Plain and simple...Banks hate REO's/FORECLOSURES. (REO's = Foreclosed property in banking terms)

Remember - controversy CREATES OPPORTUNITY for the savvy entrepreneur.

Below are some points that will expose the profit potential in bank FORECLOSURES so you can take advantage of the reality of the doom-and gloom and catch the wave...

How do banks get the homes back in the first place?

It's quite simple: The home was foreclosed on because the owner of the home failed to make their scheduled payments. This allowed the bank to take possession of the home.

What's so great about FORECLOSURES?

Savvy investors consider FORECLOSURES property to be an untapped source of wealth. An REO is different from a foreclosure property in that the bank has already tried to sell it at a foreclosure auction and has had no luck getting bids. Because the property was not bid on, the bank then became the owner of the property.

Banks are not in the real estate business and don't want to keep the REO's any longer than necessary.

You might say they are a special category of "don't want it". This makes it a great opportunity for an investor. Not every FORECLOSURE is a good deal, but when you look at many FORECLOSURES you'll commonly find that there is a lot of money to be made.

Why No Foreclosure Auction Bidders?

When a bank makes a mortgage loan it is legally able to foreclose on the property if the borrower/owner stops making payments on the loan.

Foreclosure law allows the bank to recover the amount still owing on the loan, plus the expenses of the foreclosure.

That amount is called the bank's "credit bid" at the foreclosure auction. For example: The bank made a mortgage loan of $200,000, the borrower owned the home for 2-years before defaulting. During those two years they paid down the principal of the loan by $20,000.

That means the bank is still owed $180,000 on the loan. Add $4,500 in legal costs and expenses and the bank would have a foreclosure credit bid of $184,500.
On the day of the sale if no one was willing to bid more than that amount the property title would transfer to the bank and become part of the bank's FORECLOSURE inventory.

Just because the bank owns a property does not make it a good deal. In fact, when

you see that a home or property is a FORECLOSURE you have to wonder exactly what IS wrong with it.

If a home doesn't sell at a foreclosure auction, isn't that a sign that there's something wrong with the property?

Not necessarily. There are several reasons why a property does not sell at a foreclosure auction. Here are a few.....

1. The property had little or no equity.
2. The property needs extensive repair and no one would take the risk of buying it at the auction.

Why do banks sell FORECLOSURES at discounts?

A FORECLOSURE on a bank's balance sheet is a liability rather than an asset. Every month that the FORECLOSURE remains unsold, the bank loses money. Here are several reasons that a bank would sell a FORECLOSURE to you at a deep discount:

1. The bank has received a large cash settlement from their Private mortgage Insurance Company. Private Mortgage Insurance is also known as PMI. PMI is insurance that covers the bank for losses when it must foreclose upon a homeowner and is not able to sell the property for the amount still owing on the mortgage loan.

   PMI does not cover the full exposure of the lender. PMI covers the top slice of the loan, maybe 20% plus some fees. In the case of a 90% loan, then PMI usually covers 10% of the loan amount.

   This settlement helps offset any loss of money the bank may have when it sells the FORECLOSURES at a discount.

2. Banks are regulated by the federal government. The Feds penalize banks for having too many FORECLOSURES. A bank with a large portfolio of FORECLOSURES may not be able to borrow money from the Federal Reserve or may have to pay a higher interest rate on the money that the Federal Reserve loans it.

3. Banks are not organized to manage real estate. This makes it feasible for an investor who understands the process to make the bank a low offer and have it accepted.

4. Banks sometimes own mortgages on out of state properties. When a property is foreclosed upon and a bank ends up with a FORECLOSURE that is located in another state, it makes it doubly difficult for the bank to make decisions about the sale of the property.

   In most cases it doesn't make financial sense to have a bank representative travel to an out of state property, assess its condition, then hire contractors, oversee

to an out of state property, assess its condition, then hire contractors, oversee fix-
up and then list the property for sale with a real estate broker.

5. The FORECLOSURES will have carrying costs associated with the property.

These include property taxes, water and sewer bills, insurance bills and electricity
bills. If the property is a condominium, there will be condominium fees. If it is a townhouse, there will be homeowner's association fees.

In addition to carrying costs, there are seasonal maintenance costs. The property
must be winterized in the colder months. In the milder months, the lawn has to be
cut and the shrubs trimmed.

Banks want to avoid these responsibilities whenever possible and so have incentive for a quick sale.

6. Carrying costs mount up, making the bank more and more anxious to sell. The bank must hire a real estate agent to market the property. This will cost the bank
around 6% of the total sales price. In cases where the bank is willing to sell directly to an investor, it can save the six percent commission that a real estate

agent will charge.

Advantages You Have When Buying Bank FORECLOSURES Properties...

** All liens against the property are removed once it becomes a FORECLOSURE, and taxes are paid.

** While many foreclosures are often in deplorable condition, FORECLOSURES are sometimes restored to at least a readily salable condition by the lending bank.

** You can save money in your title search if you use the same title company that the lender
used during foreclosure.

** While in hot markets, you may not see a difference in price between a FORECLOSURE and a typical property, during slower markets, you can buy FORECLOSURES at deep discounts to the property's actual value.

** All back taxes and liens are removed.

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Home

Investments

REO Process

Statistics

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FORECLOSURE STATISTICS

Single family residences continue to represent the lion's share of foreclosure activity; an average of 81% nationwide, although this proportion can vary widely state by state. Pressure from three main areas suggests that a noticeably higher number of bank foreclosures are and will be coming to market in 2007 and 2008.
One group of home owners most at risk for future foreclosures are those who relied on house price appreciation to build equity against which they need to borrow, with some industry forecasters estimating around $1 trillion worth of adjustable rate mortgages resetting at higher rates this year. Negative equity equals more bank repossessions on the market.

A slowing of the housing market, which includes a growing inventory of unsold homes, may make it difficult for property owners to avoid foreclosure.

The number of speculative investors in many real estate markets nationwide spiked during the real estate boom from 2002-2006. Many of these spec investors are now holding inventories of real estate that they are unable to rent or sell resulting in a flood of foreclosures.

Inevitably, there will be less credit available for borrowers to refinance their way out of debt. Banks and other financial institutions in the sub prime lending business have been hit hard with delinquencies in the last year. Whether the problem is symptomatic of a wider credit problem or related to lax lending standards; by late last year there was an increase in the numbers of sub prime mortgages in default by more than 60 days.

Rising numbers of all foreclosures will put pressure on lending institutions to reduce the inventories of REO in a timely manner. In particular if REO properties sit too long on the market, carrying costs pile up and shareholders get impatient. Additionally, many federally chartered banks are now under scrutiny and pressure from the OTS and other regulatory institutions. In many cases, they have been under orders to cease any further lending practices until their existing REO inventories are liquidated.

STATISTICS BY STATE

REO statistics for March 2007 include California REO up 37%, Florida up 34% and Arizona and Nevada 27% and 19% respectively. Texas recorded the most REO including bank filings in March 2007 with 14,000 year to date, up from 11,000 same period last year. Harris County, TX, up 147%, got top billing.

Looking at REO's by region

1. Southwest Texas leads the region (and the country) in REO filings for the first quarter 2007.
2. Midwest Michigan and Ohio are ranked 3rd and 4th nationally.
3. Southeast Arizona closely followed by Georgia.
4. Northeast - the region in general does not offer the activity in REO foreclosures of

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the other regions in the nation.

5. Monroe County, PA recorded 2.5 per 1000 households, the highest number of REO filings in the northeast in quarter 1.

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One Source Mortgage & Investments, Inc
11000 North Scottsdale Road
Suite 121
Scottsdale, AZ 85254

www.StrategicEquityInvestments.com
www.ProfitFromYourMortgage.com

By Phone: **(480) 222-5222**
By E-mail: **Click Here**

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FILE #7920

M000092

Bob Mangold

From: Michael Caolo, Jr. [michael.caolo@caololaw.com]
Sent: Wednesday, February 28, 2007 10:29 PM
To: Bob Mangold
Cc: Ron Johnson; Rick Coleman
Subject: MACC NEW LOAN DOCS

Bob,

After visiting with Ron Johnson and Rick Coleman regarding the One Source relationship and the many questions posed, I am not able to draft any kind of satisfactory set of new loan docs before we all have an opportunity to visit tomorrow and better understand the parameters, mechanics, objectives and limitations of this whole dynamic between our respective companies.
Simply put, I have to get more information and answers to questions (many from you after your discussions with Ron, Rick and Bill).
Hopefully, we can leave Phoenix with a good comprehensive and better understanding and agreement as to how best to move forward...with mutually agreed "rules of the game" so to speak.
See you in the A.M.

Michael

Michael Caolo Jr.
Michael Caolo & Associates
Attorneys and Counselors
600 E. John Carpenter Freeway, Suite 170 Irving, Texas 75062
Office: 972-717-5212 Fax: 972-717-5208
Direct: 972-871-2002 Cell: 214-284-4692
www.caololaw.com

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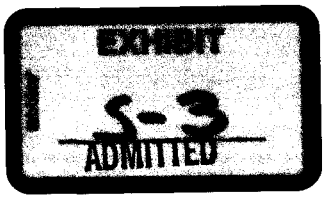

Bob Mangold

From: Michael Caolo, Jr. [michael.caolo@caololaw.com]
Sent: Tuesday, September 11, 2007 9:00 AM
To: Bob Mangold
Cc: Ron Johnson; Ron Johnson MACC; Robert J. Johnston; Rick Coleman MACC
Subject: FW: securities

Bob,
Just FYI

Michael Caolo Jr.
Michael Caolo & Associates
Attorneys and Counselors
600 E. John Carpenter Freeway, Suite 170
Irving, Texas 75062
Office: 972-717-5212 Fax: 972-717-5208
Direct: 972-871-2002 Cell: 214-284-4692
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From: Michael Caolo, Jr. [mailto:michael.caolo@caololaw.com]
Sent: Thursday, March 23, 2006 7:14 PM
To: 'Bob'
Subject: RE: securities

Bob,
Call me right away at 972-871-2002 please

Michael Caolo Jr.
Michael Caolo & Associates
Attorneys and Counselors
600 E. John Carpenter Freeway, Suite 170
Irving, Texas 75062
Office: 972-717-5212 Fax: 972-717-5208
Direct: 972-871-2002 Cell: 214-284-4692
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From: Bob [mailto:bmangold@[redacted]]
Sent: Thursday, March 23, 2006 10:37 AM
To: michael.caolo@caololaw.com

Cc: dale.hensel@[redacted]; dan.barnett@[redacted]; 'Michelle Taylor-MAC'
Subject: securities

Michael;

Good morning. I have attached some information concerning AZ Securities law. As we have discussed, I want to be absolutely sure that by "pooling" money I am not creating a securities or a REIT.

Please le me know your thoughts.

Bob Mangold
President/CEO
One Source Mortgage & Investments
(480) 222-5222
bmangold@osmi.net

Bob Mangold

From: Michael Caolo, Jr. [michael.caolo@caololaw.com]
Sent: Tuesday, September 11, 2007 12:32 PM
To: 'bob mangold'
Cc: RJohn91904@[redacted]; Rick Coleman MACC
Subject: RE: MACC MANGOLD - NOTES AS SECURITIES

Bob,

Please don't shoot the messenger. The law is what it is. We all have no choice but to comply with the law even if it reduces our expectations. MACC continues to stand by its agreements and to fulfill all of its obligations in the proposed FINANCING AGREEMENT. The caveat is that the funds must come from "accredited investors". While this might force an adjustment to your strategy, especially targeting IRA funds, there still should be plenty of opportunity for big success.

While the tone of your last email seems terse, I hope upon reflection that we can all accommodate each other in a positive way.

Please give me a call at your earliest convenience.

Michael Caolo Jr.
Michael Caolo & Associates
Attorneys and Counselors
600 E. John Carpenter Freeway, Suite 170 Irving, Texas 75062
Office: 972-717-5212 Fax: 972-717-5208
Direct: 972-871-2002 Cell: 214-284-4692
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-----Original Message-----
From: bob mangold [mailto:bmangold@osmi.net]
Sent: Tuesday, September 11, 2007 11:16 AM
To: michael.caolo@caololaw.com
Cc: RJohn91904@[redacted]
Subject: RE: MACC MANGOLD - NOTES AS SECURITIES

Michael;

Based on the this e-mail, I will clearly need to re-evaluate my relationship with MACC. Please have MACC return the $100,000 that I loaned to them several weeks ago as per my agreement. And, the $200,000 no later than October 10th.

In addition, please have all funds due to me paid upon receipt of my invoice.

I will seek local counsel and determine my options.

Thanks,

Bob Mangold

ACC000330
FILE #7920

President/CEO
One Source Mortgage & Investments
(480) 222-5222
bmangold@osmi.net

-----Original Message-----
From: Michael Caolo, Jr. [mailto:michael.caolo@caololaw.com]
Sent: Tuesday, September 11, 2007 8:58 AM
To: Bob Mangold; Ron Johnson; Ron Johnson MACC
Cc: Rick Coleman MACC; Bill Payne; Robert J. Johnston
Subject: MACC MANGOLD - NOTES AS SECURITIES

Bob,

Here is the email I sent you March 2006 regarding your need for securities counsel referencing selling notes and giving you the attorney's contact info. I know you visited with him and he wanted $25,000 retainer which you rejected as too expensive at the time.
Clearly, you want to comply with the laws of each state in which you operate as well as the federal securities laws. Only your own lawyer can advise you.
MACC has no options but to comply.
I would be happy to discuss the ongoing structure and plan with your counsel whenever.

Michael

Michael Caolo Jr.
Michael Caolo & Associates
Attorneys and Counselors
600 E. John Carpenter Freeway, Suite 170 Irving, Texas 75062
Office: 972-717-5212 Fax: 972-717-5208
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-----Original Message-----
From: Bob Mangold [mailto:bobmangold@[redacted]]
Sent: Friday, March 24, 2006 6:38 PM
To: michael.caolo@caololaw.com
Subject: Re: OneSource/Mortgage Assistance Center Corporation (MACC)

Michael:

I have left a message foir him and will schedule a time with him next week.
He sets his own appointments, so I will take his first available time.

Have a good weekend.

Bob
Bob Mangold
President/CEO
480-222-5222
bobmangold@osraz.com

-----Original Message-----
From: "Michael Caolo, Jr." <michael.caolo@caololaw.com>
Date: Fri, 24 Mar 2006 16:51:36
To:"Bob Mangold" <bmangold@osmi.net>
Cc:<dshein@cslawyers.com>, <mchester@cslawyers.com>
Subject: OneSource/Mortgage Assistance Center Corporation (MACC)

To: Bob Mangold
President/CEO
One Source Mortgage & Investments
(480) 222-5222
bmangold@osmi.net

With reference to our continuing conversations regarding the possibility of your raising monies through OneSource from your many clients (many of whom would not be "accredited investors") to form a mortgage investment fund or vehicle that would purchase one or more one year 12% debentures secured by a pool of non-performing mortgages from my client MACC, please be advised:

Today I spoke with attorney Dave Shein (see below) regarding the above situation.
Dave was very generous with his time and very helpful to me.
I was impressed with his knowledge and professionalism.
Without giving me any legal advice but just discussing the situation with me out of professional courtesy, Dave was helpful in confirming some of my reservations concerning the proposed structure.
Dave referenced his partner, Mark Chester, as the attorney most familiar with the securities laws.
I recommend you contact Mark as soon as possible(Telephone: 480-922-3933) and try to get his professional advice and counsel as to whether there is any comfortable basis for you to continue discussions with MACC.

For your convenience, I am including some information on his firm.

I hope this direction proves helpful.

Michael

****
****

Chester & Shein practices in the following areas of law:
Commercial Litigation, Real Estate Development and Finance, Securities Law and NASD Arbitrations, Commercial Transactions, Construction Law, Tax and Business Planning, Technology Law.

Firm Size: 4

Mark D. Chester (Member) born New York, N. Y., [redacted]; admitted to bar, 1987, Arizona and U.S. District Court, District of Arizona. Education:
University of Virginia (B.S., Commerce, 1983); Arizona State University (J.D., 1987). Dean's List. Atlantic Coast Conference Honor Roll, University of Virginia. Member: State Bar of Arizona (Member, Sections on: Construction Law, 1990-2002; Securities Regulation, 1988-2002, Chairman, 2001-2002); National Association of Securities Dealers.
Practice Areas: Securities; Commercial Litigation; Construction Law; Real Estate Litigation; Business Litigation.

David E. Shein (Member) born Jersey City, New Jersey, [redacted], admitted to bar, 1987, Arizona. Education: University of Arizona (B.S., with distinction, dual degrees in Accounting and Finance, 1984); Arizona State University (J.D., cum laude, 1987). Certified Specialist, Real Estate Law, Arizona Board of Legal Specialization; Judge Pro Tem, Maricopa County Superior Court. Practice Areas: Real Estate Acquisitions; Real Estate Development; Real Estate Finance; Entity Formation; Tax Planning; Commercial Transactions; Mergers and Acquisitions; Commercial Leasing.

Gainey Ranch Corporate Center 8777 N. Gainey Center Drive, Suite 191 Scottsdale, Arizona 85258
Telephone: 480-922-3933
Fax: 480-922-3969
****
****

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PROMISSORY NOTE

Date: July 31, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: James & Laura Alger

Place for Payment:

Principal Amount $110,000

Interest Rate: Twelve Percent (12%)

Maturity Date: July ____, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By:_____
Title: Robert Mangold, President/CEO

EXHIBIT
S-4
ADMITTED

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Alger

OSMI PN - 31

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	Value
1	556 BANK STREET	WARREN	OH	44483	$ 76,962.65	$16,000.00
2	2104 CHAMBERLIN AVENUE	DAYTON	OH	45406	$ 48,170.30	$ 32,000.00
3	352 RAYMER BOULEVARD	TOLEDO	OH	43605	$ 81,523.15	$ 35,000.00
4	479 JACKSON	PERU	IN	46970	$ 54,328.61	$ 37,500.00
5						
6						
7						
totals					**$260,984.71**	**$120,500.00**

Seller

Buyer

Date

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" James and Laura Alger

OSMI PN - 43

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	19142 Annott Street	Detroit	MI	48205	6/11/07	$75,000.00
2	1931 West 14th Avenue	Gary	IN	46401	7/25/07	$51,000.00
Totals						**$126,000.00**

Robert Mangold
Seller

Buyer

10-8-07
Date

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" James and Laura Alger

OSMI PN - 43

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	19142 Annott Street	Detroit	MI	48205	6/11/07	$75,000.00
2	1931 West 14th Avenue	Gary	IN	46401	7/25/07	$51,000.00
Totals						**$126,000.00**

Seller

10-8-07

Date

Buyer

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" James and Laura Alger

OSMI PN - 43

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2	1931 West 14th Avenue	Gary	IN	46401	7/25/07	$51,000.00
Totals						**$126,000.00**

Seller

10-8-07

Date

Buyer

Buyer

COMPANY AGREEMENT

OF

Green River Capital LLC

A TEXAS LIMITED LIABILITY COMPANY

EFFECTIVE AS OF JUNE 13, 2007

THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES ACTS. SUCH INTERESTS ARE BEING ACQUIRED FOR INVESTMENT ONLY, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER SUCH ACTS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED WITH RESPECT TO THE PROPOSED DISPOSITION THEREOF AND THAT SUCH DISPOSITION WILL NOT CAUSE THE LOSS OF THE EXEMPTION UPON WHICH THE ISSUER RELIED IN SELLING THESE MEMBERSHIP INTERESTS TO THE ORIGINAL PURCHASER THEREOF.

THE MEMBERSHIP INTERESTS AND THE TRANSFER THEREOF ARE SUBJECT TO QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS SET FORTH IN THIS COMPANY AGREEMENT, AND THE MEMBERSHIP INTERESTS SHALL NOT BE TRANSFERRED UPON THE BOOKS OF THE COMPANY UNTIL THE TERMS AND CONDITIONS OF THIS AGREEMENT HAVE BEEN FULLY COMPLIED WITH.

TABLE OF CONTENTS

ARTICLE I. FORMATION 1

1.1. FORMATION 1
1.2. PRINCIPAL PLACE OF BUSINESS 1
1.3. REGISTERED AGENT OFFICE 1
1.4. TERM 1
1.5. PURPOSE 1

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS 2

2.1. MANAGEMENT OF COMPANY VESTED IN THE MANAGERS 2
2.2. CERTAIN POWERS OF MANAGERS 2
2.3. LIABILITY FOR CERTAIN ACTS 2
2.4. MEMBERS AND MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY 3
2.5. AUTHORITY OF MANAGERS TO DEAL WITH AFFILIATES 3
2.6. RESIGNATION AND REMOVAL OF MANAGERS 3
2.7. COMPENSATION AND FEES 3

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS 3

3.1. LIMITATION OF MEMBERS' LIABILITIES 3
3.2. NO CONTROL OF BUSINESS OR RIGHT TO ACT FOR COMPANY 4
3.3. PRIORITY AND RETURN OF CAPITAL 4
3.4. MEETINGS OF THE COMPANY; VOTING RIGHTS 4
3.5. POWERS RESERVED TO THE MEMBERS 5

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY 6

4.1. AMENDMENT OF AGREEMENT 6
4.2. BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS 6

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS 7

5.1. INITIAL CAPITAL CONTRIBUTIONS 7
5.2. ADDITIONAL CONTRIBUTIONS; ADDITIONAL UNITS; PREEMPTIVE RIGHTS 7
5.3. FAILURE TO CONTRIBUTE ADDITIONAL CONTRIBUTIONS 8
5.4. CAPITAL ACCOUNTS 8
5.5. SECURITIES MATTERS 8

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS 8

6.1. ALLOCATIONS OF PROFITS AND LOSSES 8
6.2. SPECIAL ALLOCATIONS 9
6.3. DISTRIBUTIONS 11

ARTICLE VII. TRANSFERABILITY 11

7.1. GENERAL 11
7.2. TRANSFERS NOT REQUIRING PRIOR CONSENT 11
7.3. VOLUNTARY TRANSFER PROCEDURE 12
7.4. PURCHASE PRICE 13
7.5. REMEDIES 13
7.6. EFFECT OF TRANSFER OF INTEREST 13

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS 14

8.1. ADMISSION OF MEMBERS 14
8.2. WITHDRAWAL OF MEMBERS 14

ARTICLE IX. WINDING UP AND TERMINATION 14

9.1. EVENTS REQUIRING WINDING UP 14
9.2. WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS 15
9.3 RETURN OF CONTRIBUTION NONRECOURSE TO MEMBERS 15

ARTICLE X. MISCELLANEOUS 16

10.1. NOTICE 16
10.2. WAIVER OF NOTICE 16
10.3. AUTHORITY TO BIND THE COMPANY 16
10.4. WAIVER OF ACTION FOR PARTITION 16
10.5. INDEMNIFICATION BY COMPANY 16
10.6. CONSTRUCTION 16
10.7. ARTICLES AND OTHER HEADINGS 16
10.8. SEVERABILITY 17
10.9. APPLICATION OF TEXAS LAW 17
10.10. DISREGARDED ENTITY TAX TREATMENT INTENDED IF ONE MEMBER 17
10.11. PARTNERSHIP TAX TREATMENT INTENDED IF MORE THAN ONE MEMBER; TAX ADMINISTRATIVE MATTERS. 17
10.12. NO PARTNERSHIP INTENDED FOR NON-TAX PURPOSES 17

CERTIFICATION 18

EXHIBIT A **MEMBER CAPITAL CONTRIBUTIONS** 19

EXHIBIT B **LIST OF ASSETS** 20

EXHIBIT C **SERVICING AGREEMENT** 21

This Company Agreement of GREEN RIVER CAPITAL LLC is adopted by the Managers and the undersigned Members, for the purpose of forming and operating GREEN RIVER CAPITAL LLC as a Texas limited liability company, and the undersigned Managers and Members do each mutually acknowledge and agree as follows:

DEFINITIONS

The following terms used in this Company Agreement shall have the following meanings unless otherwise expressly provided herein:

(i) **"Agreement"** shall mean this Company Agreement, as originally executed, and as amended from time to time in writing, including all exhibits and schedules hereto, which concerns the conduct of the business of the Company.

(ii) **"Capital Account"** shall mean the Capital Account maintained for each Member in accordance with Section 5.4.

(iii) **"Capital Contribution"** shall mean any contribution to the capital of the Company in cash or property by a Member whenever made.

(iv) **"Certificate of Formation"** shall mean the Certificate of Formation filed with the Texas Secretary of State for the purpose of organizing the Company, as the same may be amended or restated from time to time.

(v) **"Code"** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(vi) **"Company"** shall mean Green River Capital LLC, the Company organized pursuant to the Certificate of Formation and this Agreement.

(vii) **"Deficit Capital Account"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in company minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any member nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

This definition of Deficit Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(viii) **"Distributable Cash"** shall mean all cash, revenues and funds received by the Company from Company operations, including from the sale of any asset to the extent not reinvested in replacement assets, less the sum of the following to the extent paid or set aside by the Company: (a) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (b) all cash expenditures incurred incident to the purchase or sale of any asset and the normal operation of the Company's business; (c) reimbursement of expenses and payment of compensation to any Manager; and (d) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(ix) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association.

(x) **"Fair Market Value"** shall mean, on the date such Fair Market Value is to be determined, the excess of the value of all of the Company's assets minus all of the Company's liabilities. For purposes of determining Fair Market Value, (a) no value shall be placed on the goodwill or name of the Company or the office records, files, statistical data or any similar intangible assets of the Company not normally reflected in the Company's accounting records, (b) there shall be taken into consideration any related items of income earned but not received, expenses incurred but not yet paid, liabilities fixed or contingent, prepaid expenses to the extent not otherwise reflected in the books of account, and the value of options or commitments to purchase securities pursuant to agreements entered into on or prior to the valuation date, (c) determination of value of any publicly-traded security or bond, shall be the most recent closing sale price quoted for such security on the exchange on which it is traded, (d) determination of the value of other securities shall be based on all relevant factors, including without limitation, type of security, marketability, restrictions on disposition, and current financial position and operating results, (e) the value of real estate shall be deemed to be the most recent fair market value of such real estate as determined by a real estate appraiser selected by the Managers; and (f) as to the liabilities and any other assets of the Company, the book value carried on the books of the Company in accordance with Generally Accepted Accounting Principles, consistent with the Company's past practice.

(xi) **"Fiscal Year"** shall mean the Company's fiscal year, which shall end on December 31, of each year.

(xii) **"Initial Capital Contribution"** shall mean the initial contribution to the capital of the Company pursuant to this Agreement.

(xiii) **"Manager" and "Managers"** As used in this Agreement the term "Manager" shall mean each individual Manager of the Company from time to time. The term "Managers" shall refer (i) to the Manager of the Company at any time when the Company has one (1) Manager and (ii) collectively, to all of the Managers of the Company at any time when the

Company has multiple Managers. Initially, the Company shall have one Manager, which shall be Strategic Equity Investments, LLC, an Arizona corporation.

(xiv) **"Member"** shall mean any person that signs in person or by an attorney-in-fact, or otherwise is a party to the Agreement at the time that the Company is formed and is identified as a Member in the Agreement and any Person who is subsequently admitted as a Member in the Company in accordance with the Texas Act and the Agreement, until such time as such Person withdraws, is removed, or is otherwise no longer a Member of the Company.

(xv) **"Membership Interest"** shall mean a Member's entire interest in the Company, including such Member's right to participate in the decisions of the Members, as reflected by the ratio of such Member's Units to the aggregate of the Units of all Members.

(xvi) **"Net Profits"** and **"Net Losses"** shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined under the Company's adopted method of accounting at the close of each Fiscal Year.

(xvii) **"Offer"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xviii) **"Offered Interest"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xix) **"Percentage of Interest"** means, for a Member, the percentage equivalent of a fraction, the numerator of which is the number of Units owned by such Member and the denominator of which is the total number of Units owned by all Members.

(xx) **"Persons"** shall mean any individuals, partnerships, limited liability companies, corporations, trusts, business trusts, real estate investment trusts, estates and other associations or business entities.

(xxi) **"Reserves"** shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(xxii) **"Securities Acts"** shall mean the Securities Act of 1933 or any other applicable state securities laws.

(xxiii) **"Selling Member"** shall mean any Member who sells, assigns, or otherwise transfers for consideration, all or any portion of a Membership Interest.

(xiv) **"Texas Act"** shall mean the Texas Limited Liability Company Law, part of the Texas Business Organizations Code, as amended.

(xxv) A **"Transfer"** of all or any part of a Membership Interest means any type of disposition of any right, title or interest whatsoever in such Membership Interest, voluntarily or

involuntarily, directly or indirectly, including without limitation any sale, exchange, assignment, encumbrance, grant of security interest, pledge, hypothecation, gift, transfer by trust, transfer by will or intestate succession, or other disposition whatsoever.

(xxvi) **"Transferring Person"** shall have the meaning ascribed to such term in Section 7.3.

(xxvii) **"Treasury Regulations"** shall mean the proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Formation and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(xxviii) **"Units"** shall mean equity ownership in the Company represented by membership units ("Units"). The Company may issue such total number of Units as the Managers shall determine, and may issue partial Units.

ARTICLE I. FORMATION

1.1. **Formation.** On January 26, 2007, the Company was organized as a Texas limited liability company by execution and delivery of Certificate of Formation to the Texas Secretary of State in accordance with the Texas Act.

1.2. **Principal Place Of Business.** The principal place of business of the Company shall be located 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The Company at any time may change the location of such principal office and may have such other offices, either within or without the State of Texas, as the Members may designate or as the business of the Company may require.

1.3. **Registered Agent Office.** The initial registered agent is Strategic Equity Investments, LLC and the address of the initial registered agent office of the Company is; 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. registered agent office and the registered agent may be changed from time to time by the Managers, with the consent of the Members, filing the prescribed form with the Texas Secretary of State.

1.4. **Term.** The existence of the Company shall be perpetual, unless terminated or dissolved as set forth herein.

1.5. **Purpose.** The Company may conduct or promote any lawful businesses or purposes for which limited liability companies may be organized under the Texas Act. The Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion, or attainment of the businesses or purposes of the Company.

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS

2.1. **Management of Company Vested in the Managers.** The business and affairs of the Company shall be managed by the Managers. The consent of a majority in number of the Managers then-serving shall be the act of the Managers. The Managers shall direct, manage and control the business of the Company to the best of their ability. Except for situations in which the approval of the Members is expressly required herein and as specifically provided in Section 3.5, the Managers shall have full and complete authority, power and discretion to: (i) manage and control the business, affairs and property of the Company; (ii) make all decisions regarding the business, affairs and property of the Company; and (iii) perform any and all other acts incident to the management of the Company's business subject to the provisions of this Agreement. Subject to the limitations in the preceding sentence, the right, power, and authority of the Managers pursuant to this Agreement shall be liberally construed to encompass all acts and activities in which a Company may engage under the Texas Act.

2.2. **Certain Powers of Managers.** Without limiting the generality of the provisions set forth in Section 2.1 above, the Managers shall have the power to act on behalf of the Company:

(a) To enter into and execute, on behalf of the Company, all agreements, contracts, instruments and related documents in connection with the Company's business, on such terms as the Managers, in their reasonable discretion, deem to be in the best interests of the Company.

(b) To carry out the business of the Company.

(c) To acquire and enter into, on behalf of the Company, any contract of insurance, which the Managers reasonably deem necessary and proper for the protection of the Company, for the conservation of its property, or for any purpose beneficial to the Company.

(d) To employ persons (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) in the operation of the Company, on such terms and for such compensation as the Managers shall reasonably determine.

(e) To employ attorneys, accountants, consultants, brokers, and other outside entities or individuals (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) on behalf of the Company.

(f) To pay, collect, compromise, arbitrate, resort to legal action for or otherwise adjust claims or demands of or against the Company.

(g) To sell assets to another investor as well as maintain servicing and/or obtain other incentives as deemed in the best interest of the company.

2.3. **Liability for Certain Acts.** Each Manager shall perform its duties as a Manager in good faith, in a manner reasonably believed to be in the best interest of the Company, and with

such care as an ordinarily prudent person in a like position would use under similar circumstances. If any Manager so performs the duties as a Manager, it shall not have any liability by reason of being or having been a Manager. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

2.4. **Members and Managers Have No Exclusive Duty to Company.** The Managers, and affiliates of the Managers, shall not be required to manage the Company as their sole and exclusive function and each Member and Manager and their affiliates may have other business interests and may engage in other activities in addition to those relating to the Company, including business interests or other activities that directly compete with the business of the Company.

2.5. **Authority of Managers to Deal with Affiliates.** Any Manager may, on behalf of the Company, contract with any person, firm or corporation, including, without limitation, any of the Members, any entity in which any of the Members or any Manager has a direct or indirect interest and any affiliated or related corporation or other entity, for the performance of any and all services which may at any time be necessary, proper, convenient or advisable to carry on the business of the Company; provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated persons. Any goods or services provided by affiliates to the Company shall be pursuant to a written contract which sets forth the goods and services to be provided and the compensation to be paid.

2.6. **Resignation and Removal of Managers.** Any Manager may resign by giving thirty (30) days prior written notice to the Members. Any Manager may be removed by the unanimous vote of all of the Members. The Members shall by the unanimous vote of all Members then elect a successor Manager to begin serving simultaneously with the resignation or removal of any Manager. The Members may increase or decrease (but not below one (1)) the number of Managers constituting all of the Managers of the Company.

2.7. **Compensation and Fees.** Each Manager shall be reimbursed by the Company for all out of pocket expenses incurred by such Manager in furtherance of performing its obligations to the Company as Manager. Except as specifically provided in the Servicing Agreement (as described in Section 3.5(c) herein), Manager shall receive no compensation other than reimbursement of out-of-pocket expenses incurred by Manager in furtherance of the business of the Company. No Manager shall receive any additional compensation except as the Members shall decide.

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS

3.1. **Limitation of Members' Liabilities.** Based on the Texas Act, a Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company or the Manager, and such Member's liability shall be limited solely to the amount of its Capital Contributions, whether or not returned to such Member, together with the undistributed share of the profits of the Company from time to time credited to such Member's Capital Account and

any money or other property wrongfully paid or conveyed to such Member on account of its Capital Contribution, including but not limited to money or property to which creditors were legally entitled, paid or conveyed to a Member, and, under certain circumstances, interest on returned capital.

3.2. **No Control of Business or Right to Act for Company.** No Member shall have any right or authority to act for or bind the Company or to vote on matters other than the matters set forth in this Agreement, except as specifically required by applicable law.

3.3. **Priority and Return of Capital.** Except as provided herein, no Member shall have priority over any other Member, as to the return of Capital Contributions, Net Profits, Net Losses or distributions.

3.4. **Meetings of the Company; Voting Rights.**

(a) Meetings of the Company may be called by the Managers and shall be called by it upon the written request of Members with the authority to vote an aggregate of not less than 49% Percentage of Interest. Upon receipt of such a written request, stating the purpose of the proposed meeting, the Managers shall provide each Member, within ten (10) days of such request, with written notification of a meeting and the purpose of such meeting. Such meetings shall be held not less than fifteen (15) days or more than sixty (60) days after the receipt of such request and shall be held at the principal place of business or principal executive office of the Company or such other place as the Members shall unanimously decide.

(b) At all meetings of the Company, any decision, determination, consent, approval or action by or of the Members shall be affected by the favorable vote of all of the Members of the Company, unless the vote of a greater or lesser number is otherwise required by the Act, the Certificate of Formation or this Agreement.

(c) At all meetings of the Company, a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company at least one (1) day before the meeting. Unless otherwise provided in the proxy, no proxy shall be effective after eleven (11) months after the date of its execution.

(d) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to a Manager for inclusion in the minutes or for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed a consent, unless the consent specifies a different effective date.

(e) When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice.

3.5. **Powers Reserved to the Members.** Each of the following actions on behalf of the Company shall require the unanimous approval of the Members:

(a) the acquisition of any real property in excess of $100,000 per parcel of real estate;

(b) the acquisition of any loan or portfolio of loans in excess of $100,000 per loan;

(c) the execution, on behalf of the Company, of a servicing agreement in the form of Exhibit B, attached hereto and incorporated herein by this reference, or any amendment thereto, to service the Initial Loan Portfolio (as defined in Section 5.6 herein) and an additional portfolio of loans owned by the Company (hereinafter referred to as a "Servicing Agreement").

(d) the sale, exchange or other disposition of substantially all of the assets of the Company;

(e) the filing by the Company of any voluntary petition in bankruptcy or delivery of any assignment for the benefit of creditors;

(f) the lending of Company funds to any person (except as otherwise set forth herein), or obligating the Company as surety, guarantor or accommodation party, except that the Company shall be able to guarantee credit accounts with suppliers in the ordinary course of business;

(g) the incurrence of any debt on behalf of the Company, other than trade debt incurred in the ordinary course of the Company's business;

(h) the investment or participation by the Company in any other entity;

(i) the merger or consolidation of the Company;

(j) the admission of new Members of the Company, except as specifically provided in Section 8.1; or

(k) the establishment of reserves to help meet anticipated Company expenses and the investment of such reserves pending utilization.

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY

4.1. **Amendment of Agreement.**

(a) Amendment. Any amendment to this Agreement must be approved in writing by all of the Members and by the Managers.

(b) Recording of Amendment. In making any amendments, there shall be prepared and filed for recordation by the Managers such documents and certificates, if any, as shall be required to be prepared and filed under the Texas Act and under the laws of the other jurisdictions in which the Company is then formed or qualified.

4.2. **Books and Records, Accounting, Reports, Tax Elections.**

(a) Availability. At all times during the existence of the Company, the Managers shall keep or cause to be kept full and true books and records of account. Such books and records of account shall be maintained at the principal place of business of the Company or such other place or places as may be determined by the Managers from time to time. In addition, the Company shall maintain at its principal office (i) a current list of the full name and last known business address of each Member set forth in alphabetical order, (ii) a copy of this Agreement and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendment has been executed, (iii) copies of the Company's federal, state and local tax returns and reports, if any, for the three (3) most recent years, and (iv) accounting records of the Company. Any Member or his, her or its duly authorized representative shall have the right to inspect and copy the books and records of the Company upon reasonable notice during business hours.

(b) Financial Reports. The Managers shall cause to be prepared and delivered to each Member, at the expense of the Company, such financial reports as shall be decided by the Members.

(c) Income Tax Information. The Managers shall cause income tax returns for the Company to be prepared by the Company's accountant and filed with the appropriate authorities and shall furnish to each Member within ninety (90) days after the close of the taxable year of the Company, all tax information with respect to the Company as may be required by the Member for the preparation of his, her or its individual federal and state tax returns, at the expense of the Company.

(d) Accounting Principles. The Company's books shall be maintained in accordance with generally accepted accounting principles determined by the Company's accountants, which accounting principles shall be consistently applied.

(e) Bank Accounts. The Managers are authorized to open a bank or investment account for the Company and withdraw funds or sign checks withdrawing funds from such bank or investment account for the sole purpose of paying all ordinary and necessary

charges and expenses incident to or arising out of the operations of the Company in the ordinary course of business (including expenses arising out of a Servicing Agreement provided said Servicing Agreement has been approved by the Members as required herein), and that such banks and investment companies be, and hereby are, authorized and directed to honor, pay and charge to the account of this Company all checks and orders for the payment of money so drawn when so signed. The Managers are authorized to certify to any bank or other investment company a copy of this Section 4.2(e) and the names and signatures of the Company's Managers authorized to sign checks as provided in this Section 4.2(e), and such bank or other investment company is hereby authorized to rely upon such certificate until formally advised of any changes therein.

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS

5.1. **Initial Capital Contributions.** Each Member shall contribute the amount set forth for such Member in Exhibit A, attached hereto and incorporated herein, as his, her or its Initial Capital Contribution. Exhibit A shall be revised from time to time as necessary to record all Capital Contributions and all changes in the Company and ownership of the Company effected in accordance with this Agreement, and Exhibit A as so revised shall be furnished to each Member.

5.2. **Additional Contributions; Additional Units; Preemptive Rights.**

(a) Unless approved by all of the Members, no additional Capital Contributions shall be required from any Members. Upon such approval, the Managers shall give written notice to each Member of the amount of any required additional Capital Contributions, and each Member shall deliver to the Company his, her or its pro rata share thereof based upon such Member's Percentage of Interest no later than thirty (30) days following the date such notice is given.

(b) Unless approved by the Members, the Company shall not offer additional Units or any other interest in the Company for sale to third parties. If authorized by the Members, the purchase price for which additional Units shall be offered shall be determined by the Members. Purchasers of additional Units pursuant to this paragraph who are not already Members shall be admitted to the Company as Members in accordance with Section 8.1 hereof. The Managers are authorized to adjust the Percentages of Interest of the Members as appropriate to reflect the issuance of additional Units. Exhibit A shall be revised from time to time as necessary to record all changes in the ownership of the Company affected in accordance with this section, and Exhibit A as so revised shall be furnished to each Member.

5.3. **Failure to Contribute Additional Contributions.** In the event that a Member does not contribute his, her or its portion of the additional Capital Contribution provided for in Section 5.2(a) when due, then such Member's Membership Interest shall be reduced pro-rata by the proportion of the unpaid additional Capital Contribution of such Member to the aggregate of all Capital Contributions actually made by such Member pursuant to Section 5.1 and 5.2.

5.4. **Capital Accounts.**

(a) A Capital Account will be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Each Member's Capital Account will be increased by: (i) the amount of money or the fair market value of property contributed by such Member to the Company; (ii) allocations to each Member of Net Profits; and (iii) allocations to each Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account will be decreased by: (a) the amount of money distributed to each Member by the Company; (b) the Fair Market Value of property distributed to each Member by the Company, net of liabilities secured by such distributed property that such Member is considered to assume or take subject to, pursuant to Code Section 752; (c) allocations to the Member for expenditures described in Code Section 705(a)(2)(B); (d) allocations to each Member of Net Losses; and (e) allocations to the account of such Member of other Company losses and deductions as set forth in the Treasury Regulations.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(c) A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them.

5.5. **Securities Matters.** The undersigned Members understand: (i) that the Membership Interests evidenced by this Agreement have not been, and will not be, registered under the Securities Acts because the Company is issuing these Membership Interests in reliance upon the exemptions from the registration requirements of the Securities Acts; (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment; and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS

6.1. **Allocations of Profits and Losses.**

(a) Except as provided in Section 6.2, Net Profits of the Company for each Fiscal Year shall be allocated to each Member in proportion to their Percentage of Interests.

(b) Except as provided in Section 6.2, Net Losses of the Company for each Fiscal Year shall be allocated to the Members in proportion to their Percentage of Interests.

6.2. **Special Allocations.**

Notwithstanding any other provisions of this Agreement to the contrary:

(a) No allocation of loss, deduction, and/or expenditures described in Code Section 705(a)(2)(B) shall be charged to the Capital Account of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of each Member who would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3) and shall be applied and interpreted consistent therewith.

(c) In the event any Member would have a Deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-l(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Treasury Regulation Section 1.704-2(g)(1), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this section 6.2, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section 6.2(d) is intended to comply with the minimum gain chargeback requirement of Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirements in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Code Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as member nonrecourse deductions under Treasury Regulation Section 1.704-2(i) shall be allocated to the Members' Capital Accounts in accordance with Treasury Regulation Section 1.704-2(i).

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions," as described in Treasury Regulation Section 1.704-2(b), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company Net Profit or Net Loss for such period.

(g) In connection with a Capital Contribution by a new or existing Member as consideration for one or more Units, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member as consideration for one or more Units, the Capital Accounts of the Members shall be adjusted to reflect a revaluation of Company property including intangible assets in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Treasury Regulation Section 1.704-1(b)(2)(iv)(f) Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and Fair Market Value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Code Section 704(c).

(h) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Members to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Member is allocated any gain from the sale or other disposition of such Company property.

(i) Any credit or charge to the Capital Accounts of the Members under this section 6.2 shall be taken into account in computing subsequent allocations of profits and losses, so that the net amount of any items charged or credited to Capital Accounts shall be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article if the special allocations required by this Section 6.2 had not occurred.

(j) In accordance with Code Section 704(c)(1)(A) and Treasury Regulation Section 1.704-3, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution.

6.3. **Distributions.**

(a) Notwithstanding anything herein to the contrary, the Managers may distribute available funds on an asset by asset basis or quarterly basis. If the managing member elects to distribute when an asset is sold, then a distribution will be made the following month. The priority for "distribution of proceeds" is as follows:

1) Costs to third parties or Managers expenses and servicing fees (for all assets)
2) Return of capital contribution in proportion to members' contribution for the sold assets.
3) Excess proceeds (or profit) in proportion to the Members' Percentage of Interest.

(b) The Company shall make a distribution to any Member from Distributable Cash to the extent that such Member is allocated income pursuant to Section 6.1 or Section 6.2 in excess of distributions received pursuant to Section 6.3(a), in an amount sufficient to defray federal, state and local tax liabilities of such Member with respect to such excess for the Fiscal Year, based upon the then-current highest marginal federal tax rate plus the then-current highest marginal state tax rate for the State of Texas.

ARTICLE VII. TRANSFERABILITY

7.1. **General.** Except as provided herein or as otherwise consented to in writing by the Members, a Member shall not Transfer all or any part of a Membership Interest. Any purported or attempted Transfer of all or any part of a Membership Interest in violation of this Article 7 shall be null and void and the purported transferee of such invalid Transfer shall not be entitled to have any interest in the Company transferred to such purported transferee on the books of the Company.

7.2. **Transfers Not Requiring Prior Consent.**

(a) A Member may, without first obtaining the written consents required in Section 7.1 above, Transfer by sale or gift all or any undivided share of its Membership Interest to any one or more of the following: (i) a partnership, limited liability company or corporation in which fifty percent (50%) or more of the capital and profit interests (in the case of a partnership or a limited liability company) or in which fifty percent (50%) or more of the capital stock (in the case of a corporation) is owned by or for the benefit of the Member; (ii) the Member's partners (if the Member is a partnership), the Member's members (if the Member is a limited liability company) or the Member's shareholders (if the Member is a corporation); (iii) the Company; and (iv) a Member or Members; provided any such transferee shall agree in writing to be bound by the terms and conditions of this Agreement as they applied to the transferring Member on the date of execution of this Agreement in the same manner as if the transferring Member had retained ownership of its Membership Interest (upon meeting the foregoing requirements, such transferee shall be referred to as a "Permitted Transferee").

(b) The Managing Member may, without first obtaining the written consents required in Section 7.1, transfer by sale, assignment or gift all or any undivided share over and above its fifty percent Membership Interest to a third party.

7.3. **Voluntary Transfer Procedure.**

(a) A Member who desires to Transfer all or any portion of a Membership Interest (the "Transferring Person") to a third party, except as permitted under Section 7.2, shall obtain from such third party a bona fide written offer to purchase such Membership Interest (the "Offered Interest"), stating the terms and conditions upon which the purchase is to be made and the consideration offered therefore (the "Offer"). The Transferring Person shall give written notification to the Managers and each of the Members, by certified mail or personal delivery, of his, her or its intention to Transfer the Offered Interest, furnishing to the Managers and each Member a copy of the Offer.

(b) Upon receipt of the written notice required under paragraph (a) above, the Company and the Members shall comply with the following procedure:

(i) The Company shall have thirty (30) days from the date of delivery of the notice required by paragraph (a) above to notify the Transferring Person in writing of the Company's election to redeem all or a part of the Offered Interest at the purchase price set forth in Section 7.4 of this Agreement, which decision of the Company shall be made by an affirmative vote of all of the Members.

(ii) If the Company does not elect to redeem all of the Offered Interest, the other Members shall have the right, within thirty (30) days of the date of the notice of nonelection by the Company or election as to less than all of the Offered Interest, to elect to purchase the remaining Offered Interest, and the Transferring Person shall sell such interest to the other Members at the purchase price set forth in Section 7.4 of this Agreement. Any Member desiring to acquire any or all of the Offered Interest shall deliver to the Managers and each of the Members a written election to purchase the Offered Interest.

(iii) If two or more Members of the Company elect to exercise the option to purchase the Offered Interest then, in the absence of an agreement between them, each Member shall have priority to purchase such proportion of the available interest that such Member's Percentage of Interest bears to the total Percentage of Interests held by all other Members electing to purchase. The portion of the Offered Interest not purchased on such a priority basis shall be allocated in one or more successive allocations to those Members electing to purchase more than the proportion of the Percentage of Interest to which they have a priority right, up to the proportion of the Offered Interest specified in their respective notices, in the proportion that the Percentage of Interests held by each of them bears to the total Percentage of Interest held by all of them.

(iv) If the Company and the Members do not exercise their rights to redeem or purchase, as the case may be, all of the Offered Interest pursuant to the terms set forth

in Section 7.3(b)(i) and Section 7.3(b)(ii) above, then the Transferring Person shall be free to Transfer the remaining part of the Offered Interest to the bona fide purchaser set forth in the Offer under the terms of the Offer, subject to the restrictions on such Transfer imposed by this Agreement or any other agreement or by law.

(v) If the Company exercises its right to redeem all or a part of the Offered Interest in accordance with Section 7.3(b)(i) above, the Transferring Person shall be obligated to sell such Offered Interest to the Company. If any or all of the Members exercise their rights to purchase all or a part of the Offered Interest in accordance with Section 7.3(b)(ii) above, the Transferring Person shall be obligated to sell such Offered Interest to such exercising Members. The closing of the Transfer of the Offered Interest from the Transferring Person to the Company or any Members pursuant to this Section shall be held at the principal offices of the Company not later than ninety (90) days after receipt of notice required by paragraph (a) above.

(c) In the event of the Transfer of all or any part of any Offered Interest by a Transferring Person to any third party, and as a condition to recognizing the effectiveness and binding nature of any such Transfer, the Company may require the Transferring Person or Transferring Person and the third party, as the case may be, to execute, acknowledge and deliver to the Members or Managers such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the Managers deem necessary or desirable.

7.4. **Purchase Price.** The purchase price to be paid to a Transferring Person for all or any part of such Transferring Person's Membership Interest redeemed by the Company or purchased by a Member under Section 7.3(b) shall be the lower of (i) the purchase price set forth in the Offer for such Membership Interest, or (ii) the product of (A) the Percentage of Interest represented by the Offered Interest multiplied by (B) the Fair Market Value of the Company as of the date of such redemption or purchase.

7.5. **Remedies.** The Members agree that a violation by any of them of this Article 7 will cause such damage to the Company and to the other Members as will be irreparable and the exact amount of which will be impossible to ascertain. For this reason, the Members agree that the Company shall be entitled as a matter of right to a decree of specific performance of the terms of this Article 7 or for temporary or permanent injunctive relief from any court of competent jurisdiction restraining any attempted or purported Transfer of interest in the Company in violation of this Article 7. In addition, any Member attempting or purporting to Transfer an interest in the Company in violation of this Article 7 and the purported transferee participating in the attempted or purported Transfer, shall be jointly and severally liable to reimburse and pay the Company for any and all costs, fees and expenses including without limitation any attorneys', accountants', and other professional fees and expenses actually expended or incurred by the Company in connection with any such violation, whether or not litigation ensues. The remedies set forth in this Section 7.6 shall be cumulative and in addition to whatever other rights and remedies the Company and the Members may have to protect their respective rights in the event of a violation of the provisions of this Article 7, including without limitation the right to recover damages including actual, compensatory, consequential, incidental and punitive damages.

7.6. **Effect of Transfer of Interest.** Upon the Transfer of any interest in the Company in accordance with the provisions of this Article 7, the transferee of such interest shall own and hold such interest in the Company as a transferee, subject to all the terms, conditions, and limitations of this Agreement, including without limitation restriction on any further Transfer of such interest as provided in this Article 7. Consent to such Transfer shall not constitute consent to the admission of the transferee as a Member of the Company. A transferee may become a Member only in accordance with the provisions of Section 8.1. Unless a transferee is admitted to the Company as a Member in accordance with the provisions of Section 8.1, such transferee shall not be entitled to any of the rights or benefits of a Member hereunder except the right to the share of profits and losses and distributions of assets based on the transferee's Percentage of Interest. Without limiting the generality of the preceding sentence, such transferee shall have no right (i) to vote upon, approve, or consent to, any matter requiring the vote, approval or consent of the Members, or (ii) to receive any information from the Company of the kind to which Members are entitled, or any other information.

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS

8.1. **Admission of Members.** No additional Member may be admitted to the Company, except upon the prior written consent of and upon such additional Member signing, in person or by attorney-in-fact, or otherwise becoming a party to this Agreement; provided, however, each Permitted Assignee (as defined in Section 7.1) shall automatically be deemed to be a Member of the Company regardless of whether or not the Members consented to said transfer. No Member shall have the power to grant a transferee, and no transferee shall have, the right to become a Member of the Company except as specifically provided in the preceding sentence. If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage person or property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property and shall have any power the Member had to give his or her assignee a Percentage of Interest in Net Profits and Net Losses. Said assignee may not be admitted as a Member of the Company except upon the prior written consent of the Members.

8.2. **Withdrawal of Members.** No Member shall have any right to withdraw or resign as a Member of the Company prior to the dissolution and winding up of the Company, except upon a Transfer of all of his, her or its interest in the Company in accordance with the terms and conditions of Article 7. A Member who resigns or whose Membership Interest is otherwise terminated for any reason, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Damages for breach of this section 8.2 shall be monetary damages only and not specific performance, and such damages may be offset against distributions by the Company to which such Member would otherwise be entitled.

ARTICLE IX. WINDING UP AND TERMINATION

9.1. **Events Requiring Winding Up.** The Company shall be wound up upon the occurrence of any of the following events:

(a) Unanimous written consent of the Members; or

(b) The consent of a majority in number of the remaining Members to wind up the Company within ninety (90) days after the Company is wound up in accordance with the Texas Act.

9.2. **Winding Up, Liquidation and Distribution of Assets.** If an event requiring the winding up of the Company occurs, the Managers shall wind up the business of the Company and shall apply or distribute the assets of the Company, or shall sell the assets of the Company and apply or distribute proceeds thereof, as promptly as practicable and in the following order of priority:

(a) First, if there are sufficient assets therefore, to creditors of the Company, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members; and if there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefore; and if there is any contingent, conditional, or unmatured debt, claim, obligation, or liability known to the Company, a reserve shall be established for it in accordance with law, in an amount determined by the Managers to be appropriate for such purpose;

(b) Second, to Members in satisfaction of liabilities for distributions; and

(c) Third, any remaining assets, to the Members in proportion to the positive balances in their respective Capital Accounts, and after all Capital Accounts have been reduced to zero, in accordance with their respective Percentages of Interest. The Company may offset damages for breach of this Agreement by a Member against the amount otherwise distributable to such Member hereunder.

(d) At the time final distributions, exclusive of any reserves for contingent, conditional or unmatured items, are made in accordance with clause (c) above, the Company shall terminate, but, if at any time thereafter, any reserve is released because the Managers determine the need for such reserve is ended, then such reserve shall be distributed in accordance with clause (c) above.

9.3. **Return of Contribution Nonrecourse to Members.** Except as provided by law or as expressly provided in this Agreement, upon winding up, each Member shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is

insufficient to return the Capital Contribution of one or more Members, such Member or Members shall have no recourse against any other Member or the Manager.

ARTICLE X. MISCELLANEOUS

10.1. **Notice.** Any notice required or permitted to be given pursuant to the provisions of the Texas Act or this Agreement shall be effective as of the date personally delivered, delivered via facsimile with electronic confirmation, or delivered via overnight express mail, or if sent by certified mail, return receipt requested, three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at the last known address as shown in the Company's records.

10.2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Act or this Agreement, a waiver thereof, in writing, signed by the person entitled to such notice shall be deemed equivalent to the giving of such notice.

10.3. **Authority to Bind the Company.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniary for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

10.4. **Waiver of Action For Partition.** Each Member irrevocably waives any right to maintain an action for partition with respect to the property of the Company during the term of the Company.

10.5. **Indemnification By Company.** The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Managers determine that he, she or it acted in good faith and in a manner reasonably believed to be in the best interest of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the Person did or did not act in good faith and in a manner which was reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

10.6. **Construction.** Whenever the context requires, as used in this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter genders, and vice versa.

10.7. **Articles and Other Headings.** The Articles and headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation thereof.

10.8. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected.

10.9. **Application of Texas Law.** This Agreement will be governed by the laws of the State of Texas, without giving effect to its conflicts of laws provisions.

10.10. **Disregarded Entity Tax Treatment Intended If One Member.** At any time when the Company has only one (1) Member, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a disregarded entity under the Code and not as a corporation, and the Managers and each Member shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.11. **Partnership Tax Treatment Intended If More Than One Member; Tax Administrative Matters.** At any time when there is more than one Member of the Company, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a partnership under the Code and not as a corporation, and the Managers and Members shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company. The Members hereby designate Strategic Equity Investments, LLC as the tax matters partner of the Company pursuant to Section 6231(a)(7) of the Code. The person designated tax matters partner shall not take any action contemplated by Section 6222 through 6232 of the Code without the approval of the Members.

10.12. **No Partnership Intended For Non-Tax Purposes.** The undersigned Members have formed the Company under the Texas Act, and as long as there is more than one Member of the Company such parties expressly do not intend hereby to form a partnership under either the Revised Uniform Partnership Act of the State of Texas nor the Revised Uniform Limited Partnership Act of the State of Texas. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

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CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Green River Capital LLC as of the date indicated below.

Strategic Equity Investments, LLC, as Member Manager

Date:_____

By:_____
Its:_____
Name:_____

Cal National Bank, Custodian
FBO Michael Bales, IRA as Member

Date:_____

By: [signature] 6.22.07
Its: Authorized Signature
Name: TERRI K. REMILLARD

EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

AS OF JUNE 13, 2007

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Strategic Equity Investments, LLC 11000 N. Scottsdale Rd Suite 121 Scottsdale, AZ 85254-6168	None	50	50%
Dynamic RE Investments, LLC 3520 Black Oak Drive Rocklin, CA 95765	$300,000		16.636.%
JR Reed	$100,000		5.5460%
Paul Baron	$200,000		11.092%
Michael Bales & Jill Elsdon California National Bank Cust FBO Michael Bales #[redacted]010	$80,000 $120,000		4.437% 6.65%
Tim & Debra Hennessey	$101,678.20		5.635%
Total	$901,678.20	**100**	**100%**

EXHIBIT B

ASSET LIST

Address	City	State	Zip	Green River Purchase Price
20260 Archdale St	DETROIT	MI	48235	$ 29,661.35
23020 Quinn Road	CLINTON TOWNSHIP	MI	48035	$ 26,932.53
13232 Bloom	HAMTRAMCK	MI	48212	$ 16,985.56
284 Goodell	RIVER ROUGE	MI	48218	$ 24,203.72
20036 Coventry	HIGHLAND PARK	MI	48203	$ 26,932.53
9616 Bessemore Street	DETROIT	MI	48213	$ 3,429.51
3874 19th Street	ECORSE	MI	48229	$ 32,390.16
21230 Lyndon St	DETROIT	MI	48223	$ 28,569.82
11670 Asbury Park	DETROIT	MI	48227	$ 21,474.90
11236 Packard	WARREN	MI	48089	$ 29,661.35
1848 Russell	LINCOLN PARK	MI	48146	$ 28,569.82
1581 Grant Ave	LINCOLN PARK	MI	48146	$ 36,210.51
19344 Harned Street	DETROIT	MI	48234	$ 34,682.37
15337 Lamphere Street	DETROIT	MI	48223	$ 16,985.56
13322 E State Fair St	DETROIT	MI	48205	$ 30,207.11
6828 Rutherford	DETROIT	MI	48228	$ 37,847.79
1203 Burlingame Street	DETROIT	MI	48202	$ 37,847.79
8621 Vaughan	DETROIT	MI	48228	$ 32,935.93
18295 Wormer Street	DETROIT	MI	48219	$ 36,210.51
18920 Edinborough	DETROIT	MI	48219	$ 43,305.43
6850 Mettetal	DETROIT	MI	48228	$ 46,034.24
14801 Indiana Street	DETROIT	MI	48238	$ 29,661.35
19264 Binder	DETROIT	MI	48234	$ 12,936.35
7400 Montrose Street	DETROIT	MI	48228	$ 40,576.61
8401 18 Mile Rd	STERLING HEIGHTS	MI	48314	$ 48,763.06
15277 Seymour St.	DETROIT	MI	48205	$ 40,576.61
18777 Glastonbury Rd	DETROIT	MI	48219	$ 47,125.77
13430 East State Fair	DETROIT	MI	48205	$ 34,027.45
				$901,678.20

EXHIBIT C

SERVICING AGREEMENT

Owner:	Green River Capital, LLC.
Owner's Address:	11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254
Servicer:	Strategic Equity Investments, LLC
Servicer Address:	11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254
Notes and/or REOs:	Attachment A

This servicing agreement was made and entered into this _____ day of _____, 2007, between SERVICER and OWNER.

OWNER shall initial below where appropriate.

Section 1. Servicing of Notes

Note Servicing:_OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "NOTES" and in that connection, to do the following:

A. To receive any and all payments due OWNER on the NOTES, which includes but is not limited to all monthly payments, all late payments and all payoffs in full or in part. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account;

B. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

C. To transmit OWNER's portion of such payments of principal and interest as required by laws, rules and regulations which are applicable. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

D. To provide periodic reporting on the OWNER's NOTES that SERVICER is servicing per this contract.

E. If the source of payment is not the maker of the NOTES, to so inform OWNER;

F. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

G. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the NOTES including but not limited to instituting foreclosure proceedings in the event of default or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the security of the Security Agreement or the priority thereof;

H. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have under the NOTES, including but not limited to Request for Reconveyance, Payoff Demands, Beneficiary Statements, Declarations and Notices of Default, bidding authorizations and other instructions to the Trustee of the NOTES;

I. To receive Notices of Default of prior encumbrances and to promptly notify OWNER of any default upon the Notes and any prior encumbrances;

J. To grant such extensions or loan modifications as SERVICER deems reasonably appropriate;

K. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the NOTES;

L. THE FOLLOWING PROVISIONS (1) & (2) APPLY ONLY TO LOANS IN WHICH OWNER HOLDS AN UNDIVIDED FRACTIONAL INTEREST IN THE NOTES:

1. A default upon any interest in the NOTES shall constitute a default upon all interests. A simple majority in interest of lenders may determine and direct the actions to be taken on behalf of all lenders in the event of default or with respect to other matters requiring the direction or approval of lenders, and such majority may designate the SERVICER to so act in their behalf.
2. SERVICER shall furnish to OWNER a list of names and addresses of all lenders holding an interest in the NOTES upon five (5) days written notice.

M. Fees will be according to the attached Fee Schedule.

Section 2 – Servicing of REOs

I. REO Servicing: OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "REOs" and in that connection, to do the following:

A. Authorize SERVICER to act on behalf of OWNER as landlord to the REOs, where applicable;

B. Authorize SERVICER to manage, operate, control, rent and lease OWNER'S REOs.

C. Authorize SERVICER to contract for or undertake the making of all necessary repairs and the performance of all other necessary work for the benefit of the REOs including all required alterations to properly carry out this agreement. SERVICER agrees to secure prior written approval of the OWNER on expenditures in excess of $1,000 except emergency repairs in excess of the maximum if, in the opinion of SERVICER, such repairs are necessary to protect the property from damage, prevent damage to life or to the property of others;

D. To collect any and all payments due OWNER, which includes but is not limited to, all monthly RENT payments and all LATE payments. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

E. Any trust account SERVICER maintains under this agreement may be an interest-bearing or income producing account. SERVICER may retain any interest or income from such account as compensation under this agreement.

F. To hold security deposits from tenants in escrow or trust account until the end of tenancy.

G. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

H. To provide periodic reporting on the OWNER's REOs that SERVICER is servicing per this contract;

I. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

J. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the REOs including but not limited to instituting eviction proceedings in the event of default or selling of the REOs or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the OWNER's interest in the property. To advertise the property and display signs thereon; to rent and lease the property; to sign, renew and cancel rental agreements and leases for the property or any part thereof; to sue or recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits;

K. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have

as to the REOs, including but not limited to evictions, listing the property for sale, selling the property, or renting the property;

L. To pay all operating expenses and such other expenses as requested by the OWNER from the rents received. This may include the payment of taxes and insurance;

M. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the REOs;

N. OWNER hereby agrees to hold SERVICER harmless from any and all claims, charges, debts, demand and lawsuits, including attorney's fees related to SERVICER's management of OWNER's REOs, and from any liability for injury on or about the properties which may be suffered by an employee, tenant or guest upon the properties.

O. Fees will be according to the attached Fee Schedule.

Section 3 – General Provisions

OWNER represents that all of the persons designated above are over the age of 18 and are competent.

Make OWNER Check Payable To:_Green River Capital LLC_____

Address: _11000 North Scottsdale Road, Suite 121_____

City, State, Zip Code: Scottsdale, AZ 85254_____

Tax ID Number: _____

DEFAULT: A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. SERVICER is also entitled to recover any compensation SERVICER would have been entitled to receive if Owner did not breach this agreement.

MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the cost of mediation equally.

ATTORNEY'S FEES: If OWNER or SERVICER is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

SPECIAL PROVISIONS: This Agreement may be amended from time to time by the parties pursuant to a written agreement or addendum signed by the SERVICER and the OWNER.

ENTIRE AGREEMENT: This document contains the entire agreement of the parties and may not be changed except by written agreement.

ASSIGNMENTS: Neither party may assign this agreement without the written consent of the other party.

BINDING EFFECT: OWNER's obligations to SERVICER under this agreement are binding upon OWNER and OWNER's heirs, executors, successors, and permitted assignees.

JOINT AND SEVERAL: OWNERS executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to , refund to , or signature of, any one or more of the OWNERS regarding any term of this agreement or its termination is binding on all OWNERS executing this agreement.

GOVERNING LAW: Texas law governs the interpretation, validity, performance, and enforcement of this agreement.

SEVERABILITY: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected and all other provisions of this agreement will remain valid and enforceable.

CONTEXT: When the context requires, singular nouns and pronouns include the plural.

NOTICES: Notices between the parties must be in writing and are effective when sent to the receiving party's address as stated in this agreement.

OWNER: Green River Capital LLC
Signed: _____ Date _____
Print Name: _____
Title: _____

SERVICER: Strategic Equity Investments, LLC
Signed: _____ Date _____
Print Name: _____
Title: _____

Fee Schedule

1. Note Servicing: (for current notes)
$12.00 per note per month for standard servicing support that includes, but not limited to item such as monthly mailings of statements and responding to borrower requests. In addition, Owners will pay any directly related expenses.

1. Default Management Fee: *(for non-performing and REO)*
$188.00 per Note or REO per month for standard default management support such as collections, skip tracing, coordinating foreclosures, responding to bankruptcy claims, and any overhead related to default management plus REO sales coordination, forced insurance placements, property management and evictions. In addition, all directly related fees or commissions, internal or outsourced, will be charged to OWNER's account

ATTACHMENT A

Address	City	State	Zip	Green River Purchase Price
20260 Archdale St	DETROIT	MI	48235	$ 29,661.35
23020 Quinn Road	CLINTON TOWNSHIP	MI	48035	$ 26,932.53
13232 Bloom	HAMTRAMCK	MI	48212	$ 16,985.56
284 Goodell	RIVER ROUGE	MI	48218	$ 24,203.72
20036 Coventry	HIGHLAND PARK	MI	48203	$ 26,932.53
9616 Bessemore Street	DETROIT	MI	48213	$ 3,429.51
3874 19th Street	ECORSE	MI	48229	$ 32,390.16
21230 Lyndon St	DETROIT	MI	48223	$ 28,569.82
11670 Asbury Park	DETROIT	MI	48227	$ 21,474.90
11236 Packard	WARREN	MI	48089	$ 29,661.35
1848 Russell	LINCOLN PARK	MI	48146	$ 28,569.82
1581 Grant Ave	LINCOLN PARK	MI	48146	$ 36,210.51
19344 Harned Street	DETROIT	MI	48234	$ 34,682.37
15337 Lamphere Street	DETROIT	MI	48223	$ 16,985.56
13322 E State Fair St	DETROIT	MI	48205	$ 30,207.11
6828 Rutherford	DETROIT	MI	48228	$ 37,847.79
1203 Burlingame Street	DETROIT	MI	48202	$ 37,847.79
8621 Vaughan	DETROIT	MI	48228	$ 32,935.93
18295 Wormer Street	DETROIT	MI	48219	$ 36,210.51
18920 Edinborough	DETROIT	MI	48219	$ 43,305.43
6850 Mettetal	DETROIT	MI	48228	$ 46,034.24
14801 Indiana Street	DETROIT	MI	48238	$ 29,661.35
19264 Binder	DETROIT	MI	48234	$ 12,936.35
7400 Montrose Street	DETROIT	MI	48228	$ 40,576.61
8401 18 Mile Rd	STERLING HEIGHTS	MI	48314	$ 48,763.06
15277 Seymour St.	DETROIT	MI	48205	$ 40,576.61
18777 Glastonbury Rd	DETROIT	MI	48219	$ 47,125.77
13430 East State Fair	DETROIT	MI	48205	$ 34,027.45
				$901,678.20

CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Green River Capital LLC as of the date indicated below.

Strategic Equity Investments, LLC, as Member Manager

Date:_____

By:_____
Its:_____
Name:_____

Michael Bales as Member

Date: 6-27-07

By: Michael Bales
Its:_____
Name: Michael Bales

Jill Elsdon as Member

Date: 6/27/07

By: Jill Elsdon
Its:_____
Name: JILL A. ELSDON

EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

AS OF JUNE 13, 2007

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Strategic Equity Investments, LLC 11000 N. Scottsdale Rd Suite 121 Scottsdale, AZ 85254-6168	None	50	50%
Dynamic RE Investments, LLC 3520 Black Oak Drive Rocklin, CA 95765	$300,000		16.636.%
JR Reed	$100,000		5.5460%
Paul Baron Paul Baron Bruce Moon	$112,000 $88,000		5.972% 5.12%
Michael Bales & Jill Elsdon California National Bank Cust FBO Michael Bales #[redacted]010	$80,000 $120,000		4.437% 6.65%
Tim & Debra Hennessey	$101,678.20		5.635%
Total	$901,678.20	**100**	**100%**

EXHIBIT
S-6
ADMITTED

polycomp

We Deliver Performance

CalNational BANK

DIRECTION LETTER

c/o Polycomp Administrative Services, Inc., IRA Dept., 6400 Canoga Avenue, Suite 250, Woodland Hills, CA 91367

Name _____ Account # _____

Polycomp Administrative Services, Inc. is hereby instructed to authorize Cal National Bank, the Custodian, to:

☐ **SELL** the following asset in this IRA. Asset Name _____ Quantity: _____

☐ **SIGN** the attached paperwork related to the following asset. I have read and approved the paperwork.

Name of Asset: _____

Custodian is hereby authorized to execute all documents on my behalf to effect this transaction.

☐ **DEBIT** my account to:

☐ **PURCHASE** the following asset: _____

_____ $_____
Purchase Amount

☐ Please sign the attached paperwork in connection with the asset described above. I have read and approved the paperwork.

☐ **MAKE PAYMENT** to maintain the following asset: _____

_____ $_____
Reason for payment (capital call, foreclosure fees, property taxes, etc.) Payment Amount

☐ **DISTRIBUTE** cash to me in the amount of: $_____
An IRA withdrawal statement is required for all distributions.

☐ **TERMINATE** my account. I understand termination fees will apply.
An original direction letter and an original IRA withdrawal statement are required to process a termination.

☐ **MAKE CHECK PAYABLE TO:** STRATEGIC EQUITY INVESTMENTS, LLC

☐ **MAIL to:** ***FEDEX to:** ☐ **HOLD for pick-up at** _____

11000 No SCOTTSDALE ROAD, SUITE 121 SCOTTSDALE, AZ 85254
Name, Address and Phone Number

480-222-5222

***FEDEX** requires street address and phone number. Overnight service fees apply unless FedEx account number is provided above or return envelope is enclosed.

☒ **WIRE FUNDS.** Wiring Instructions Attached. Bank wire fees apply.

ADDITIONAL INSTRUCTIONS: _____

I understand that additional fees may apply for special services. It is further understood that neither Polycomp nor the Custodian will accept any liability for complying with the above instructions and that neither Polycomp nor the Custodian has recommended or rendered any advice with respect to this investment. I am aware that I am not eligible to effect a rollover to another IRA if I have made an IRA-to-IRA rollover within the last 12 months.

X _____ _____
IRA Holder's Signature Date

_____ _____
Authorized by Polycomp Administrative Services, Inc. Date

_____ _____
Authorized by Cal National Bank Date

See reverse side for Documentation Required to Purchase an Asset.

Rev. 10/06

polycomp

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CalNational BANK

Documentation Required to Purchase an Asset

Asset Purchases require a signed *Direction Letter* and the following drafts of document(s):

Note and Deed of Trust: A draft of the *"Note"* and *"Deed of Trust"* designating the beneficiary as "California National Bank Custodian FBO *Client Name* IRA/Roth IRA # ".

Assignment of Note and Deed of Trust: A copy of the original *"Note"* and recorded *"Deed of Trust"*, a draft of the *"Assignment of Note"* and *"Assignment of Deed of Trust"* designating the beneficiary as "California National Bank Custodian FBO *Client Name* IRA/Roth IRA # ".

Note Secured by UCC1/Lien: A draft of the *"Note"* and *"UCC1 Financing Statement"* designating the beneficiary as "California National Bank Custodian FBO *Client Name* IRA/Roth IRA # ".

Unsecured Note: This type of asset requires a draft copy of the *"Note"* designating the lender as "California National Bank Custodian FBO *Client Name* IRA/Roth IRA # ".

Limited Partnership: A *"Subscription Agreement"* or *"Partnership Agreement"* identifying the investor/limited partner as "California National Bank Custodian FBO *Client Name* IRA/Roth IRA # ". The partner's identification number is the FEIN of the custodial bank: 20-1079214. California National Bank, as legal owner, must sign the document.

Limited Liability Company: An *"Operating Agreement"* or *"Membership Agreement"* identifying the investor/member as "California National Bank Custodian FBO *Client Name* IRA/Roth IRA # ". The member's identification number is the FEIN of the custodial bank: 20-1079214. California National Bank, as legal owner, must sign the document.

Private Placement (Stock): A *"Subscription Agreement"* or *"Purchase Agreement"* identifying the investor as "California National Bank Custodian FBO *Client Name* IRA/Roth IRA # ". The investor's identification number is the FEIN of the custodial bank: 20-1079214. California National Bank, as legal owner, must sign the document.

Documentation Required to Complete Asset File*

Note & Deed of Trust/Assignment of Note & Deed of Trust (Multi-beneficiary): A *copy* of the executed Note/Assignment of Note and recorded Deed of Trust/ Assignment of Deed of Trust.

Note & Deed of Trust/Assignment of Note & Deed of Trust (Single-beneficiary): *Original* executed Note/Assignment of Note and recorded Deed of Trust/Assignment of Deed of Trust. (Original documents are held in safekeeping at the custodial bank.)

Note Secured by UCC1/Lien: Original executed Note and state recorded UCC1 Financing Statement / Lien. (Original documents are held in safekeeping at the custodial bank.)

Unsecured Note: Original executed note. (Original documents are held in safekeeping at the custodial bank.)

Limited Partnership & Limited Liability Company: An executed copy of the agreement's signature page including the General Partner and/or Representative's signature(s).

Private Placement (Stock): Stock Certificate (Original document is held in safekeeping at the custodial bank.)

* Include Amortization Schedule, if applicable.

Draft documents can be faxed to 818-346-8672 Attn: IRA Dept. ACH payments are accepted.
If you have any questions please contact IRA Team at 800-736-7090.

Rev. 10/06

CHASE WIRING INSTRUCTIONS
FOR Strategic Equity Investments, LLC

CHASE ADDRESS:

15415 North 65th Place
Scottsdale, AZ 85254

ACCOUNT NUMBER:

[redacted]0997

ROUTING NUMBER:

122100024

COMPANY AGREEMENT

OF

Green River Capital LLC

A TEXAS LIMITED LIABILITY COMPANY

EFFECTIVE AS OF JUNE 13, 2007

THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES ACTS. SUCH INTERESTS ARE BEING ACQUIRED FOR INVESTMENT ONLY, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER SUCH ACTS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED WITH RESPECT TO THE PROPOSED DISPOSITION THEREOF AND THAT SUCH DISPOSITION WILL NOT CAUSE THE LOSS OF THE EXEMPTION UPON WHICH THE ISSUER RELIED IN SELLING THESE MEMBERSHIP INTERESTS TO THE ORIGINAL PURCHASER THEREOF.

THE MEMBERSHIP INTERESTS AND THE TRANSFER THEREOF ARE SUBJECT TO QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS SET FORTH IN THIS COMPANY AGREEMENT, AND THE MEMBERSHIP INTERESTS SHALL NOT BE TRANSFERRED UPON THE BOOKS OF THE COMPANY UNTIL THE TERMS AND CONDITIONS OF THIS AGREEMENT HAVE BEEN FULLY COMPLIED WITH.

TABLE OF CONTENTS

ARTICLE I. FORMATION 1

1.1. FORMATION 1
1.2. PRINCIPAL PLACE OF BUSINESS 1
1.3. REGISTERED AGENT OFFICE 1
1.4. TERM 1
1.5. PURPOSE 1

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS 2

2.1. MANAGEMENT OF COMPANY VESTED IN THE MANAGERS 2
2.2. CERTAIN POWERS OF MANAGERS 2
2.3. LIABILITY FOR CERTAIN ACTS 2
2.4. MEMBERS AND MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY 3
2.5. AUTHORITY OF MANAGERS TO DEAL WITH AFFILIATES 3
2.6. RESIGNATION AND REMOVAL OF MANAGERS 3
2.7. COMPENSATION AND FEES 3

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS 3

3.1. LIMITATION OF MEMBERS' LIABILITIES 3
3.2. NO CONTROL OF BUSINESS OR RIGHT TO ACT FOR COMPANY 4
3.3. PRIORITY AND RETURN OF CAPITAL 4
3.4. MEETINGS OF THE COMPANY; VOTING RIGHTS 4
3.5. POWERS RESERVED TO THE MEMBERS 5

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY 6

4.1. AMENDMENT OF AGREEMENT 6
4.2. BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS 6

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS 7

5.1. INITIAL CAPITAL CONTRIBUTIONS 7
5.2. ADDITIONAL CONTRIBUTIONS; ADDITIONAL UNITS; PREEMPTIVE RIGHTS 7
5.3. FAILURE TO CONTRIBUTE ADDITIONAL CONTRIBUTIONS 8
5.4. CAPITAL ACCOUNTS 8
5.5. SECURITIES MATTERS 8

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS 8

6.1. ALLOCATIONS OF PROFITS AND LOSSES 8
6.2. SPECIAL ALLOCATIONS 9
6.3. DISTRIBUTIONS 11

ARTICLE VII. TRANSFERABILITY 11

7.1. GENERAL 11
7.2. TRANSFERS NOT REQUIRING PRIOR CONSENT 11
7.3. VOLUNTARY TRANSFER PROCEDURE 12
7.4. PURCHASE PRICE 13
7.5. REMEDIES 13
7.6. EFFECT OF TRANSFER OF INTEREST 13

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS 14

8.1. ADMISSION OF MEMBERS 14
8.2. WITHDRAWAL OF MEMBERS 14

ARTICLE IX. WINDING UP AND TERMINATION 14

9.1. EVENTS REQUIRING WINDING UP 14
9.2. WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS 15
9.3 RETURN OF CONTRIBUTION NONRECOURSE TO MEMBERS 15

ARTICLE X. MISCELLANEOUS 16

10.1. NOTICE 16
10.2. WAIVER OF NOTICE 16
10.3. AUTHORITY TO BIND THE COMPANY 16
10.4. WAIVER OF ACTION FOR PARTITION 16
10.5. INDEMNIFICATION BY COMPANY 16
10.6. CONSTRUCTION 16
10.7. ARTICLES AND OTHER HEADINGS 16
10.8. SEVERABILITY 17
10.9. APPLICATION OF TEXAS LAW 17
10.10. DISREGARDED ENTITY TAX TREATMENT INTENDED IF ONE MEMBER 17
10.11. PARTNERSHIP TAX TREATMENT INTENDED IF MORE THAN ONE MEMBER; TAX ADMINISTRATIVE MATTERS 17
10.12. NO PARTNERSHIP INTENDED FOR NON-TAX PURPOSES 17

CERTIFICATION 18

EXHIBIT A **MEMBER CAPITAL CONTRIBUTIONS** 19

EXHIBIT B **LIST OF ASSETS** 20

EXHIBIT C **SERVICING AGREEMENT** 21

This Company Agreement of GREEN RIVER CAPITAL LLC is adopted by the Managers and the undersigned Members, for the purpose of forming and operating GREEN RIVER CAPITAL LLC as a Texas limited liability company, and the undersigned Managers and Members do each mutually acknowledge and agree as follows:

DEFINITIONS

The following terms used in this Company Agreement shall have the following meanings unless otherwise expressly provided herein:

(i) **"Agreement"** shall mean this Company Agreement, as originally executed, and as amended from time to time in writing, including all exhibits and schedules hereto, which concerns the conduct of the business of the Company.

(ii) **"Capital Account"** shall mean the Capital Account maintained for each Member in accordance with Section 5.4.

(iii) **"Capital Contribution"** shall mean any contribution to the capital of the Company in cash or property by a Member whenever made.

(iv) **"Certificate of Formation"** shall mean the Certificate of Formation filed with the Texas Secretary of State for the purpose of organizing the Company, as the same may be amended or restated from time to time.

(v) **"Code"** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(vi) **"Company"** shall mean Green River Capital LLC, the Company organized pursuant to the Certificate of Formation and this Agreement.

(vii) **"Deficit Capital Account"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in company minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any member nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

This definition of Deficit Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(viii) **"Distributable Cash"** shall mean all cash, revenues and funds received by the Company from Company operations, including from the sale of any asset to the extent not reinvested in replacement assets, less the sum of the following to the extent paid or set aside by the Company: (a) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (b) all cash expenditures incurred incident to the purchase or sale of any asset and the normal operation of the Company's business; (c) reimbursement of expenses and payment of compensation to any Manager; and (d) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(ix) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association.

(x) **"Fair Market Value"** shall mean, on the date such Fair Market Value is to be determined, the excess of the value of all of the Company's assets minus all of the Company's liabilities. For purposes of determining Fair Market Value, (a) no value shall be placed on the goodwill or name of the Company or the office records, files, statistical data or any similar intangible assets of the Company not normally reflected in the Company's accounting records, (b) there shall be taken into consideration any related items of income earned but not received, expenses incurred but not yet paid, liabilities fixed or contingent, prepaid expenses to the extent not otherwise reflected in the books of account, and the value of options or commitments to purchase securities pursuant to agreements entered into on or prior to the valuation date, (c) determination of value of any publicly-traded security or bond, shall be the most recent closing sale price quoted for such security on the exchange on which it is traded, (d) determination of the value of other securities shall be based on all relevant factors, including without limitation, type of security, marketability, restrictions on disposition, and current financial position and operating results, (e) the value of real estate shall be deemed to be the most recent fair market value of such real estate as determined by a real estate appraiser selected by the Managers; and (f) as to the liabilities and any other assets of the Company, the book value carried on the books of the Company in accordance with Generally Accepted Accounting Principles, consistent with the Company's past practice.

(xi) **"Fiscal Year"** shall mean the Company's fiscal year, which shall end on December 31, of each year.

(xii) **"Initial Capital Contribution"** shall mean the initial contribution to the capital of the Company pursuant to this Agreement.

(xiii) **"Manager" and "Managers"** As used in this Agreement the term "Manager" shall mean each individual Manager of the Company from time to time. The term "Managers" shall refer (i) to the Manager of the Company at any time when the Company has one (1) Manager and (ii) collectively, to all of the Managers of the Company at any time when the

Company has multiple Managers. Initially, the Company shall have one Manager, which shall be Strategic Equity Investments, LLC, an Arizona corporation.

(xiv) **"Member"** shall mean any person that signs in person or by an attorney-in-fact, or otherwise is a party to the Agreement at the time that the Company is formed and is identified as a Member in the Agreement and any Person who is subsequently admitted as a Member in the Company in accordance with the Texas Act and the Agreement, until such time as such Person withdraws, is removed, or is otherwise no longer a Member of the Company.

(xv) **"Membership Interest"** shall mean a Member's entire interest in the Company, including such Member's right to participate in the decisions of the Members, as reflected by the ratio of such Member's Units to the aggregate of the Units of all Members.

(xvi) **"Net Profits"** and **"Net Losses"** shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined under the Company's adopted method of accounting at the close of each Fiscal Year.

(xvii) **"Offer"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xviii) **"Offered Interest"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xix) **"Percentage of Interest"** means, for a Member, the percentage equivalent of a fraction, the numerator of which is the number of Units owned by such Member and the denominator of which is the total number of Units owned by all Members.

(xx) **"Persons"** shall mean any individuals, partnerships, limited liability companies, corporations, trusts, business trusts, real estate investment trusts, estates and other associations or business entities.

(xxi) **"Reserves"** shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(xxii) **"Securities Acts"** shall mean the Securities Act of 1933 or any other applicable state securities laws.

(xxiii) **"Selling Member"** shall mean any Member who sells, assigns, or otherwise transfers for consideration, all or any portion of a Membership Interest.

(xiv) **"Texas Act"** shall mean the Texas Limited Liability Company Law, part of the Texas Business Organizations Code, as amended.

(xxv) A **"Transfer"** of all or any part of a Membership Interest means any type of disposition of any right, title or interest whatsoever in such Membership Interest, voluntarily or

involuntarily, directly or indirectly, including without limitation any sale, exchange, assignment, encumbrance, grant of security interest, pledge, hypothecation, gift, transfer by trust, transfer by will or intestate succession, or other disposition whatsoever.

(xxvi) **"Transferring Person"** shall have the meaning ascribed to such term in Section 7.3.

(xxvii) **"Treasury Regulations"** shall mean the proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Formation and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(xxviii) "**Units"** shall mean equity ownership in the Company represented by membership units ("Units"). The Company may issue such total number of Units as the Managers shall determine, and may issue partial Units.

ARTICLE I. FORMATION

1.1. **Formation.** On January 26, 2007, the Company was organized as a Texas limited liability company by execution and delivery of Certificate of Formation to the Texas Secretary of State in accordance with the Texas Act.

1.2. **Principal Place Of Business.** The principal place of business of the Company shall be located 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The Company at any time may change the location of such principal office and may have such other offices, either within or without the State of Texas, as the Members may designate or as the business of the Company may require.

1.3. **Registered Agent Office.** The initial registered agent is Strategic Equity Investments, LLC and the address of the initial registered agent office of the Company is; 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. registered agent office and the registered agent may be changed from time to time by the Managers, with the consent of the Members, filing the prescribed form with the Texas Secretary of State.

1.4. **Term.** The existence of the Company shall be perpetual, unless terminated or dissolved as set forth herein.

1.5. **Purpose.** The Company may conduct or promote any lawful businesses or purposes for which limited liability companies may be organized under the Texas Act. The Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion, or attainment of the businesses or purposes of the Company.

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS

2.1. **Management of Company Vested in the Managers.** The business and affairs of the Company shall be managed by the Managers. The consent of a majority in number of the Managers then-serving shall be the act of the Managers. The Managers shall direct, manage and control the business of the Company to the best of their ability. Except for situations in which the approval of the Members is expressly required herein and as specifically provided in Section 3.5, the Managers shall have full and complete authority, power and discretion to: (i) manage and control the business, affairs and property of the Company; (ii) make all decisions regarding the business, affairs and property of the Company; and (iii) perform any and all other acts incident to the management of the Company's business subject to the provisions of this Agreement. Subject to the limitations in the preceding sentence, the right, power, and authority of the Managers pursuant to this Agreement shall be liberally construed to encompass all acts and activities in which a Company may engage under the Texas Act.

2.2. **Certain Powers of Managers.** Without limiting the generality of the provisions set forth in Section 2.1 above, the Managers shall have the power to act on behalf of the Company:

(a) To enter into and execute, on behalf of the Company, all agreements, contracts, instruments and related documents in connection with the Company's business, on such terms as the Managers, in their reasonable discretion, deem to be in the best interests of the Company.

(b) To carry out the business of the Company.

(c) To acquire and enter into, on behalf of the Company, any contract of insurance, which the Managers reasonably deem necessary and proper for the protection of the Company, for the conservation of its property, or for any purpose beneficial to the Company.

(d) To employ persons (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) in the operation of the Company, on such terms and for such compensation as the Managers shall reasonably determine.

(e) To employ attorneys, accountants, consultants, brokers, and other outside entities or individuals (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) on behalf of the Company.

(f) To pay, collect, compromise, arbitrate, resort to legal action for or otherwise adjust claims or demands of or against the Company.

(g) To sell assets to another investor as well as maintain servicing and/or obtain other incentives as deemed in the best interest of the company.

2.3. **Liability for Certain Acts.** Each Manager shall perform its duties as a Manager in good faith, in a manner reasonably believed to be in the best interest of the Company, and with

such care as an ordinarily prudent person in a like position would use under similar circumstances. If any Manager so performs the duties as a Manager, it shall not have any liability by reason of being or having been a Manager. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

2.4. **Members and Managers Have No Exclusive Duty to Company.** The Managers, and affiliates of the Managers, shall not be required to manage the Company as their sole and exclusive function and each Member and Manager and their affiliates may have other business interests and may engage in other activities in addition to those relating to the Company, including business interests or other activities that directly compete with the business of the Company.

2.5. **Authority of Managers to Deal with Affiliates.** Any Manager may, on behalf of the Company, contract with any person, firm or corporation, including, without limitation, any of the Members, any entity in which any of the Members or any Manager has a direct or indirect interest and any affiliated or related corporation or other entity, for the performance of any and all services which may at any time be necessary, proper, convenient or advisable to carry on the business of the Company; provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated persons. Any goods or services provided by affiliates to the Company shall be pursuant to a written contract which sets forth the goods and services to be provided and the compensation to be paid.

2.6. **Resignation and Removal of Managers.** Any Manager may resign by giving thirty (30) days prior written notice to the Members. Any Manager may be removed by the unanimous vote of all of the Members. The Members shall by the unanimous vote of all Members then elect a successor Manager to begin serving simultaneously with the resignation or removal of any Manager. The Members may increase or decrease (but not below one (1)) the number of Managers constituting all of the Managers of the Company.

2.7. **Compensation and Fees.** Each Manager shall be reimbursed by the Company for all out of pocket expenses incurred by such Manager in furtherance of performing its obligations to the Company as Manager. Except as specifically provided in the Servicing Agreement (as described in Section 3.5(c) herein), Manager shall receive no compensation other than reimbursement of out-of-pocket expenses incurred by Manager in furtherance of the business of the Company. No Manager shall receive any additional compensation except as the Members shall decide.

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS

3.1. **Limitation of Members' Liabilities.** Based on the Texas Act, a Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company or the Manager, and such Member's liability shall be limited solely to the amount of its Capital Contributions, whether or not returned to such Member, together with the undistributed share of the profits of the Company from time to time credited to such Member's Capital Account and

any money or other property wrongfully paid or conveyed to such Member on account of its Capital Contribution, including but not limited to money or property to which creditors were legally entitled, paid or conveyed to a Member, and, under certain circumstances, interest on returned capital.

3.2. **No Control of Business or Right to Act for Company.** No Member shall have any right or authority to act for or bind the Company or to vote on matters other than the matters set forth in this Agreement, except as specifically required by applicable law.

3.3. **Priority and Return of Capital.** Except as provided herein, no Member shall have priority over any other Member, as to the return of Capital Contributions, Net Profits, Net Losses or distributions.

3.4. **Meetings of the Company; Voting Rights.**

(a) Meetings of the Company may be called by the Managers and shall be called by it upon the written request of Members with the authority to vote an aggregate of not less than 49% Percentage of Interest. Upon receipt of such a written request, stating the purpose of the proposed meeting, the Managers shall provide each Member, within ten (10) days of such request, with written notification of a meeting and the purpose of such meeting. Such meetings shall be held not less than fifteen (15) days or more than sixty (60) days after the receipt of such request and shall be held at the principal place of business or principal executive office of the Company or such other place as the Members shall unanimously decide.

(b) At all meetings of the Company, any decision, determination, consent, approval or action by or of the Members shall be affected by the favorable vote of all of the Members of the Company, unless the vote of a greater or lesser number is otherwise required by the Act, the Certificate of Formation or this Agreement.

(c) At all meetings of the Company, a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company at least one (1) day before the meeting. Unless otherwise provided in the proxy, no proxy shall be effective after eleven (11) months after the date of its execution.

(d) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to a Manager for inclusion in the minutes or for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed a consent, unless the consent specifies a different effective date.

(e) When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice.

3.5. **Powers Reserved to the Members.** Each of the following actions on behalf of the Company shall require the unanimous approval of the Members:

(a) the acquisition of any real property in excess of $100,000 per parcel of real estate;

(b) the acquisition of any loan or portfolio of loans in excess of $100,000 per loan;

(c) the execution, on behalf of the Company, of a servicing agreement in the form of Exhibit B, attached hereto and incorporated herein by this reference, or any amendment thereto, to service the Initial Loan Portfolio (as defined in Section 5.6 herein) and an additional portfolio of loans owned by the Company (hereinafter referred to as a "Servicing Agreement").

(d) the sale, exchange or other disposition of substantially all of the assets of the Company;

(e) the filing by the Company of any voluntary petition in bankruptcy or delivery of any assignment for the benefit of creditors;

(f) the lending of Company funds to any person (except as otherwise set forth herein), or obligating the Company as surety, guarantor or accommodation party, except that the Company shall be able to guarantee credit accounts with suppliers in the ordinary course of business;

(g) the incurrence of any debt on behalf of the Company, other than trade debt incurred in the ordinary course of the Company's business;

(h) the investment or participation by the Company in any other entity;

(i) the merger or consolidation of the Company;

(j) the admission of new Members of the Company, except as specifically provided in Section 8.1; or

(k) the establishment of reserves to help meet anticipated Company expenses and the investment of such reserves pending utilization.

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY

4.1. **Amendment of Agreement.**

(a) Amendment. Any amendment to this Agreement must be approved in writing by all of the Members and by the Managers.

(b) Recording of Amendment. In making any amendments, there shall be prepared and filed for recordation by the Managers such documents and certificates, if any, as shall be required to be prepared and filed under the Texas Act and under the laws of the other jurisdictions in which the Company is then formed or qualified.

4.2. **Books and Records, Accounting, Reports, Tax Elections.**

(a) Availability. At all times during the existence of the Company, the Managers shall keep or cause to be kept full and true books and records of account. Such books and records of account shall be maintained at the principal place of business of the Company or such other place or places as may be determined by the Managers from time to time. In addition, the Company shall maintain at its principal office (i) a current list of the full name and last known business address of each Member set forth in alphabetical order, (ii) a copy of this Agreement and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendment has been executed, (iii) copies of the Company's federal, state and local tax returns and reports, if any, for the three (3) most recent years, and (iv) accounting records of the Company. Any Member or his, her or its duly authorized representative shall have the right to inspect and copy the books and records of the Company upon reasonable notice during business hours.

(b) Financial Reports. The Managers shall cause to be prepared and delivered to each Member, at the expense of the Company, such financial reports as shall be decided by the Members.

(c) Income Tax Information. The Managers shall cause income tax returns for the Company to be prepared by the Company's accountant and filed with the appropriate authorities and shall furnish to each Member within ninety (90) days after the close of the taxable year of the Company, all tax information with respect to the Company as may be required by the Member for the preparation of his, her or its individual federal and state tax returns, at the expense of the Company.

(d) Accounting Principles. The Company's books shall be maintained in accordance with generally accepted accounting principles determined by the Company's accountants, which accounting principles shall be consistently applied.

(e) Bank Accounts. The Managers are authorized to open a bank or investment account for the Company and withdraw funds or sign checks withdrawing funds from such bank or investment account for the sole purpose of paying all ordinary and necessary

charges and expenses incident to or arising out of the operations of the Company in the ordinary course of business (including expenses arising out of a Servicing Agreement provided said Servicing Agreement has been approved by the Members as required herein), and that such banks and investment companies be, and hereby are, authorized and directed to honor, pay and charge to the account of this Company all checks and orders for the payment of money so drawn when so signed. The Managers are authorized to certify to any bank or other investment company a copy of this Section 4.2(e) and the names and signatures of the Company's Managers authorized to sign checks as provided in this Section 4.2(e), and such bank or other investment company is hereby authorized to rely upon such certificate until formally advised of any changes therein.

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS

5.1. **Initial Capital Contributions.** Each Member shall contribute the amount set forth for such Member in Exhibit A, attached hereto and incorporated herein, as his, her or its Initial Capital Contribution. Exhibit A shall be revised from time to time as necessary to record all Capital Contributions and all changes in the Company and ownership of the Company effected in accordance with this Agreement, and Exhibit A as so revised shall be furnished to each Member.

5.2. **Additional Contributions; Additional Units; Preemptive Rights.**

(a) Unless approved by all of the Members, no additional Capital Contributions shall be required from any Members. Upon such approval, the Managers shall give written notice to each Member of the amount of any required additional Capital Contributions, and each Member shall deliver to the Company his, her or its pro rata share thereof based upon such Member's Percentage of Interest no later than thirty (30) days following the date such notice is given.

(b) Unless approved by the Members, the Company shall not offer additional Units or any other interest in the Company for sale to third parties. If authorized by the Members, the purchase price for which additional Units shall be offered shall be determined by the Members. Purchasers of additional Units pursuant to this paragraph who are not already Members shall be admitted to the Company as Members in accordance with Section 8.1 hereof. The Managers are authorized to adjust the Percentages of Interest of the Members as appropriate to reflect the issuance of additional Units. Exhibit A shall be revised from time to time as necessary to record all changes in the ownership of the Company affected in accordance with this section, and Exhibit A as so revised shall be furnished to each Member.

5.3. **Failure to Contribute Additional Contributions.** In the event that a Member does not contribute his, her or its portion of the additional Capital Contribution provided for in Section 5.2(a) when due, then such Member's Membership Interest shall be reduced pro-rata by the proportion of the unpaid additional Capital Contribution of such Member to the aggregate of all Capital Contributions actually made by such Member pursuant to Section 5.1 and 5.2.

5.4. **Capital Accounts.**

(a) A Capital Account will be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Each Member's Capital Account will be increased by: (i) the amount of money or the fair market value of property contributed by such Member to the Company; (ii) allocations to each Member of Net Profits; and (iii) allocations to each Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account will be decreased by: (a) the amount of money distributed to each Member by the Company; (b) the Fair Market Value of property distributed to each Member by the Company, net of liabilities secured by such distributed property that such Member is considered to assume or take subject to, pursuant to Code Section 752; (c) allocations to the Member for expenditures described in Code Section 705(a)(2)(B); (d) allocations to each Member of Net Losses; and (e) allocations to the account of such Member of other Company losses and deductions as set forth in the Treasury Regulations.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(c) A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them.

5.5. **Securities Matters.** The undersigned Members understand: (i) that the Membership Interests evidenced by this Agreement have not been, and will not be, registered under the Securities Acts because the Company is issuing these Membership Interests in reliance upon the exemptions from the registration requirements of the Securities Acts; (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment; and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS

6.1. **Allocations of Profits and Losses.**

(a) Except as provided in Section 6.2, Net Profits of the Company for each Fiscal Year shall be allocated to each Member in proportion to their Percentage of Interests.

(b) Except as provided in Section 6.2, Net Losses of the Company for each Fiscal Year shall be allocated to the Members in proportion to their Percentage of Interests.

6.2. **Special Allocations.**

Notwithstanding any other provisions of this Agreement to the contrary:

(a) No allocation of loss, deduction, and/or expenditures described in Code Section 705(a)(2)(B) shall be charged to the Capital Account of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of each Member who would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3) and shall be applied and interpreted consistent therewith.

(c) In the event any Member would have a Deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-1(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Treasury Regulation Section 1.704-2(g)(1), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this section 6.2, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section 6.2(d) is intended to comply with the minimum gain chargeback requirement of Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirements in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Code Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as member nonrecourse deductions under Treasury Regulation Section 1.704-2(i) shall be allocated to the Members' Capital Accounts in accordance with Treasury Regulation Section 1.704-2(i).

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions," as described in Treasury Regulation Section 1.704-2(b), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company Net Profit or Net Loss for such period.

(g) In connection with a Capital Contribution by a new or existing Member as consideration for one or more Units, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member as consideration for one or more Units, the Capital Accounts of the Members shall be adjusted to reflect a revaluation of Company property including intangible assets in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Treasury Regulation Section 1.704-1(b)(2)(iv)(f) Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and Fair Market Value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Code Section 704(c).

(h) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Members to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Member is allocated any gain from the sale or other disposition of such Company property.

(i) Any credit or charge to the Capital Accounts of the Members under this section 6.2 shall be taken into account in computing subsequent allocations of profits and losses, so that the net amount of any items charged or credited to Capital Accounts shall be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article if the special allocations required by this Section 6.2 had not occurred.

(j) In accordance with Code Section 704(c)(1)(A) and Treasury Regulation Section 1.704-3, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution.

6.3. **Distributions.**

(a) Notwithstanding anything herein to the contrary, the Managers may distribute available funds on an asset by asset basis or quarterly basis. If the managing member elects to distribute when an asset is sold, then a distribution will be made the following month. The priority for "distribution of proceeds" is as follows:

1) Costs to third parties or Managers expenses and servicing fees (for all assets)
2) Return of capital contribution in proportion to members' contribution for the sold assets.
3) Excess proceeds (or profit) in proportion to the Members' Percentage of Interest.

(b) The Company shall make a distribution to any Member from Distributable Cash to the extent that such Member is allocated income pursuant to Section 6.1 or Section 6.2 in excess of distributions received pursuant to Section 6.3(a), in an amount sufficient to defray federal, state and local tax liabilities of such Member with respect to such excess for the Fiscal Year, based upon the then-current highest marginal federal tax rate plus the then-current highest marginal state tax rate for the State of Texas.

ARTICLE VII. TRANSFERABILITY

7.1. **General.** Except as provided herein or as otherwise consented to in writing by the Members, a Member shall not Transfer all or any part of a Membership Interest. Any purported or attempted Transfer of all or any part of a Membership Interest in violation of this Article 7 shall be null and void and the purported transferee of such invalid Transfer shall not be entitled to have any interest in the Company transferred to such purported transferee on the books of the Company.

7.2. **Transfers Not Requiring Prior Consent.**

(a) A Member may, without first obtaining the written consents required in Section 7.1 above, Transfer by sale or gift all or any undivided share of its Membership Interest to any one or more of the following: (i) a partnership, limited liability company or corporation in which fifty percent (50%) or more of the capital and profit interests (in the case of a partnership or a limited liability company) or in which fifty percent (50%) or more of the capital stock (in the case of a corporation) is owned by or for the benefit of the Member; (ii) the Member's partners (if the Member is a partnership), the Member's members (if the Member is a limited liability company) or the Member's shareholders (if the Member is a corporation); (iii) the Company; and (iv) a Member or Members; provided any such transferee shall agree in writing to be bound by the terms and conditions of this Agreement as they applied to the transferring Member on the date of execution of this Agreement in the same manner as if the transferring Member had retained ownership of its Membership Interest (upon meeting the foregoing requirements, such transferee shall be referred to as a "Permitted Transferee").

(b) The Managing Member may, without first obtaining the written consents required in Section 7.1, transfer by sale, assignment or gift all or any undivided share over and above its fifty percent Membership Interest to a third party.

7.3. **Voluntary Transfer Procedure.**

(a) A Member who desires to Transfer all or any portion of a Membership Interest (the "Transferring Person") to a third party, except as permitted under Section 7.2, shall obtain from such third party a bona fide written offer to purchase such Membership Interest (the "Offered Interest"), stating the terms and conditions upon which the purchase is to be made and the consideration offered therefore (the "Offer"). The Transferring Person shall give written notification to the Managers and each of the Members, by certified mail or personal delivery, of his, her or its intention to Transfer the Offered Interest, furnishing to the Managers and each Member a copy of the Offer.

(b) Upon receipt of the written notice required under paragraph (a) above, the Company and the Members shall comply with the following procedure:

(i) The Company shall have thirty (30) days from the date of delivery of the notice required by paragraph (a) above to notify the Transferring Person in writing of the Company's election to redeem all or a part of the Offered Interest at the purchase price set forth in Section 7.4 of this Agreement, which decision of the Company shall be made by an affirmative vote of all of the Members.

(ii) If the Company does not elect to redeem all of the Offered Interest, the other Members shall have the right, within thirty (30) days of the date of the notice of nonelection by the Company or election as to less than all of the Offered Interest, to elect to purchase the remaining Offered Interest, and the Transferring Person shall sell such interest to the other Members at the purchase price set forth in Section 7.4 of this Agreement. Any Member desiring to acquire any or all of the Offered Interest shall deliver to the Managers and each of the Members a written election to purchase the Offered Interest.

(iii) If two or more Members of the Company elect to exercise the option to purchase the Offered Interest then, in the absence of an agreement between them, each Member shall have priority to purchase such proportion of the available interest that such Member's Percentage of Interest bears to the total Percentage of Interests held by all other Members electing to purchase. The portion of the Offered Interest not purchased on such a priority basis shall be allocated in one or more successive allocations to those Members electing to purchase more than the proportion of the Percentage of Interest to which they have a priority right, up to the proportion of the Offered Interest specified in their respective notices, in the proportion that the Percentage of Interests held by each of them bears to the total Percentage of Interest held by all of them.

(iv) If the Company and the Members do not exercise their rights to redeem or purchase, as the case may be, all of the Offered Interest pursuant to the terms set forth

in Section 7.3(b)(i) and Section 7.3(b)(ii) above, then the Transferring Person shall be free to Transfer the remaining part of the Offered Interest to the bona fide purchaser set forth in the Offer under the terms of the Offer, subject to the restrictions on such Transfer imposed by this Agreement or any other agreement or by law.

(v) If the Company exercises its right to redeem all or a part of the Offered Interest in accordance with Section 7.3(b)(i) above, the Transferring Person shall be obligated to sell such Offered Interest to the Company. If any or all of the Members exercise their rights to purchase all or a part of the Offered Interest in accordance with Section 7.3(b)(ii) above, the Transferring Person shall be obligated to sell such Offered Interest to such exercising Members. The closing of the Transfer of the Offered Interest from the Transferring Person to the Company or any Members pursuant to this Section shall be held at the principal offices of the Company not later than ninety (90) days after receipt of notice required by paragraph (a) above.

(c) In the event of the Transfer of all or any part of any Offered Interest by a Transferring Person to any third party, and as a condition to recognizing the effectiveness and binding nature of any such Transfer, the Company may require the Transferring Person or Transferring Person and the third party, as the case may be, to execute, acknowledge and deliver to the Members or Managers such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the Managers deem necessary or desirable.

7.4. **Purchase Price.** The purchase price to be paid to a Transferring Person for all or any part of such Transferring Person's Membership Interest redeemed by the Company or purchased by a Member under Section 7.3(b) shall be the lower of (i) the purchase price set forth in the Offer for such Membership Interest, or (ii) the product of (A) the Percentage of Interest represented by the Offered Interest multiplied by (B) the Fair Market Value of the Company as of the date of such redemption or purchase.

7.5. **Remedies.** The Members agree that a violation by any of them of this Article 7 will cause such damage to the Company and to the other Members as will be irreparable and the exact amount of which will be impossible to ascertain. For this reason, the Members agree that the Company shall be entitled as a matter of right to a decree of specific performance of the terms of this Article 7 or for temporary or permanent injunctive relief from any court of competent jurisdiction restraining any attempted or purported Transfer of interest in the Company in violation of this Article 7. In addition, any Member attempting or purporting to Transfer an interest in the Company in violation of this Article 7 and the purported transferee participating in the attempted or purported Transfer, shall be jointly and severally liable to reimburse and pay the Company for any and all costs, fees and expenses including without limitation any attorneys', accountants', and other professional fees and expenses actually expended or incurred by the Company in connection with any such violation, whether or not litigation ensues. The remedies set forth in this Section 7.6 shall be cumulative and in addition to whatever other rights and remedies the Company and the Members may have to protect their respective rights in the event of a violation of the provisions of this Article 7, including without limitation the right to recover damages including actual, compensatory, consequential, incidental and punitive damages.

7.6. **Effect of Transfer of Interest.** Upon the Transfer of any interest in the Company in accordance with the provisions of this Article 7, the transferee of such interest shall own and hold such interest in the Company as a transferee, subject to all the terms, conditions, and limitations of this Agreement, including without limitation restriction on any further Transfer of such interest as provided in this Article 7. Consent to such Transfer shall not constitute consent to the admission of the transferee as a Member of the Company. A transferee may become a Member only in accordance with the provisions of Section 8.1. Unless a transferee is admitted to the Company as a Member in accordance with the provisions of Section 8.1, such transferee shall not be entitled to any of the rights or benefits of a Member hereunder except the right to the share of profits and losses and distributions of assets based on the transferee's Percentage of Interest. Without limiting the generality of the preceding sentence, such transferee shall have no right (i) to vote upon, approve, or consent to, any matter requiring the vote, approval or consent of the Members, or (ii) to receive any information from the Company of the kind to which Members are entitled, or any other information.

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS

8.1. **Admission of Members.** No additional Member may be admitted to the Company, except upon the prior written consent of and upon such additional Member signing, in person or by attorney-in-fact, or otherwise becoming a party to this Agreement; provided, however, each Permitted Assignee (as defined in Section 7.1) shall automatically be deemed to be a Member of the Company regardless of whether or not the Members consented to said transfer. No Member shall have the power to grant a transferee, and no transferee shall have, the right to become a Member of the Company except as specifically provided in the preceding sentence. If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage person or property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property and shall have any power the Member had to give his or her assignee a Percentage of Interest in Net Profits and Net Losses. Said assignee may not be admitted as a Member of the Company except upon the prior written consent of the Members.

8.2. **Withdrawal of Members.** No Member shall have any right to withdraw or resign as a Member of the Company prior to the dissolution and winding up of the Company, except upon a Transfer of all of his, her or its interest in the Company in accordance with the terms and conditions of Article 7. A Member who resigns or whose Membership Interest is otherwise terminated for any reason, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Damages for breach of this section 8.2 shall be monetary damages only and not specific performance, and such damages may be offset against distributions by the Company to which such Member would otherwise be entitled.

ARTICLE IX. WINDING UP AND TERMINATION

9.1. **Events Requiring Winding Up.** The Company shall be wound up upon the occurrence of any of the following events:

(a) Unanimous written consent of the Members; or

(b) The consent of a majority in number of the remaining Members to wind up the Company within ninety (90) days after the Company is wound up in accordance with the Texas Act.

9.2. **Winding Up, Liquidation and Distribution of Assets.** If an event requiring the winding up of the Company occurs, the Managers shall wind up the business of the Company and shall apply or distribute the assets of the Company, or shall sell the assets of the Company and apply or distribute proceeds thereof, as promptly as practicable and in the following order of priority:

(a) First, if there are sufficient assets therefore, to creditors of the Company, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members; and if there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefore; and if there is any contingent, conditional, or unmatured debt, claim, obligation, or liability known to the Company, a reserve shall be established for it in accordance with law, in an amount determined by the Managers to be appropriate for such purpose;

(b) Second, to Members in satisfaction of liabilities for distributions; and

(c) Third, any remaining assets, to the Members in proportion to the positive balances in their respective Capital Accounts, and after all Capital Accounts have been reduced to zero, in accordance with their respective Percentages of Interest. The Company may offset damages for breach of this Agreement by a Member against the amount otherwise distributable to such Member hereunder.

(d) At the time final distributions, exclusive of any reserves for contingent, conditional or unmatured items, are made in accordance with clause (c) above, the Company shall terminate, but, if at any time thereafter, any reserve is released because the Managers determine the need for such reserve is ended, then such reserve shall be distributed in accordance with clause (c) above.

9.3. **Return of Contribution Nonrecourse to Members.** Except as provided by law or as expressly provided in this Agreement, upon winding up, each Member shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is

insufficient to return the Capital Contribution of one or more Members, such Member or Members shall have no recourse against any other Member or the Manager.

ARTICLE X. MISCELLANEOUS

10.1. **Notice.** Any notice required or permitted to be given pursuant to the provisions of the Texas Act or this Agreement shall be effective as of the date personally delivered, delivered via facsimile with electronic confirmation, or delivered via overnight express mail, or if sent by certified mail, return receipt requested, three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at the last known address as shown in the Company's records.

10.2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Act or this Agreement, a waiver thereof, in writing, signed by the person entitled to such notice shall be deemed equivalent to the giving of such notice.

10.3. **Authority to Bind the Company.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniary for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

10.4. **Waiver of Action For Partition.** Each Member irrevocably waives any right to maintain an action for partition with respect to the property of the Company during the term of the Company.

10.5. **Indemnification By Company.** The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Managers determine that he, she or it acted in good faith and in a manner reasonably believed to be in the best interest of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the Person did or did not act in good faith and in a manner which was reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

10.6. **Construction.** Whenever the context requires, as used in this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter genders, and vice versa.

10.7. **Articles and Other Headings.** The Articles and headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation thereof.

10.8. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected.

10.9. **Application of Texas Law.** This Agreement will be governed by the laws of the State of Texas, without giving effect to its conflicts of laws provisions.

10.10. **Disregarded Entity Tax Treatment Intended If One Member.** At any time when the Company has only one (1) Member, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a disregarded entity under the Code and not as a corporation, and the Managers and each Member shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.11. **Partnership Tax Treatment Intended If More Than One Member; Tax Administrative Matters.** At any time when there is more than one Member of the Company, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a partnership under the Code and not as a corporation, and the Managers and Members shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company. The Members hereby designate Strategic Equity Investments, LLC as the tax matters partner of the Company pursuant to Section 6231(a)(7) of the Code. The person designated tax matters partner shall not take any action contemplated by Section 6222 through 6232 of the Code without the approval of the Members.

10.12. **No Partnership Intended For Non-Tax Purposes.** The undersigned Members have formed the Company under the Texas Act, and as long as there is more than one Member of the Company such parties expressly do not intend hereby to form a partnership under either the Revised Uniform Partnership Act of the State of Texas nor the Revised Uniform Limited Partnership Act of the State of Texas. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

[The remainder of this page is intentionally left blank.]

CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Green River Capital LLC as of the date indicated below.

Strategic Equity Investments, LLC, as Member Manager

Date:_____

By:_____
Its:_____
Name:_____

Bruce Moon as Member

Date:_____

By:_____
Its:_____
Name:_____

EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

AS OF JUNE 13, 2007

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Strategic Equity Investments, LLC 11000 N. Scottsdale Rd Suite 121 Scottsdale, AZ 85254-6168	None	50	50%
Dynamic RE Investments, LLC 3520 Black Oak Drive Rocklin, CA 95765	$300,000		16.636.%
JR Reed	$100,000		5.5460%
Paul Baron Bruce Moon	$112,000 $88,000		5.972% 5.12%
Michael Bales & Jill Elsdon California National Bank Cust FBO Michael Bales #[redacted]010	$80,000 $120,000		4.437% 6.65%
Tim & Debra Hennessey	$101,678.20		5.635%
Total	$901,678.20	**100**	**100%**

EXHIBIT B

ASSET LIST

Address	City	State	Zip	Green River Purchase Price
20260 Archdale St	DETROIT	MI	48235	$ 29,661.35
23020 Quinn Road	CLINTON TOWNSHIP	MI	48035	$ 26,932.53
13232 Bloom	HAMTRAMCK	MI	48212	$ 16,985.56
284 Goodell	RIVER ROUGE	MI	48218	$ 24,203.72
20036 Coventry	HIGHLAND PARK	MI	48203	$ 26,932.53
9616 Bessemore Street	DETROIT	MI	48213	$ 3,429.51
3874 19th Street	ECORSE	MI	48229	$ 32,390.16
21230 Lyndon St	DETROIT	MI	48223	$ 28,569.82
11670 Asbury Park	DETROIT	MI	48227	$ 21,474.90
11236 Packard	WARREN	MI	48089	$ 29,661.35
1848 Russell	LINCOLN PARK	MI	48146	$ 28,569.82
1581 Grant Ave	LINCOLN PARK	MI	48146	$ 36,210.51
19344 Harned Street	DETROIT	MI	48234	$ 34,682.37
15337 Lamphere Street	DETROIT	MI	48223	$ 16,985.56
13322 E State Fair St	DETROIT	MI	48205	$ 30,207.11
6828 Rutherford	DETROIT	MI	48228	$ 37,847.79
1203 Burlingame Street	DETROIT	MI	48202	$ 37,847.79
8621 Vaughan	DETROIT	MI	48228	$ 32,935.93
18295 Wormer Street	DETROIT	MI	48219	$ 36,210.51
18920 Edinborough	DETROIT	MI	48219	$ 43,305.43
6850 Mettetal	DETROIT	MI	48228	$ 46,034.24
14801 Indiana Street	DETROIT	MI	48238	$ 29,661.35
19264 Binder	DETROIT	MI	48234	$ 12,936.35
7400 Montrose Street	DETROIT	MI	48228	$ 40,576.61
8401 18 Mile Rd	STERLING HEIGHTS	MI	48314	$ 48,763.06
15277 Seymour St.	DETROIT	MI	48205	$ 40,576.61
18777 Glastonbury Rd	DETROIT	MI	48219	$ 47,125.77
13430 East State Fair	DETROIT	MI	48205	$ 34,027.45
				$901,678.20

EXHIBIT C

SERVICING AGREEMENT

Owner:	Green River Capital, LLC.
Owner's Address:	11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254
Servicer:	Strategic Equity Investments, LLC
Servicer Address:	11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254
Notes and/or REOs:	Attachment A

This servicing agreement was made and entered into this _____ day of _____, 2007, between SERVICER and OWNER.

OWNER shall initial below where appropriate.

Section 1. Servicing of Notes

Note Servicing:_OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "NOTES" and in that connection, to do the following:

A. To receive any and all payments due OWNER on the NOTES, which includes but is not limited to all monthly payments, all late payments and all payoffs in full or in part. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account;

B. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

C. To transmit OWNER's portion of such payments of principal and interest as required by laws, rules and regulations which are applicable. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

D. To provide periodic reporting on the OWNER's NOTES that SERVICER is servicing per this contract.

E. If the source of payment is not the maker of the NOTES, to so inform OWNER;

F. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

G. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the NOTES including but not limited to instituting foreclosure proceedings in the event of default or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the security of the Security Agreement or the priority thereof;

H. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have under the NOTES, including but not limited to Request for Reconveyance, Payoff Demands, Beneficiary Statements, Declarations and Notices of Default, bidding authorizations and other instructions to the Trustee of the NOTES;

I. To receive Notices of Default of prior encumbrances and to promptly notify OWNER of any default upon the Notes and any prior encumbrances;

J. To grant such extensions or loan modifications as SERVICER deems reasonably appropriate;

K. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the NOTES;

L. THE FOLLOWING PROVISIONS (1) & (2) APPLY ONLY TO LOANS IN WHICH OWNER HOLDS AN UNDIVIDED FRACTIONAL INTEREST IN THE NOTES:

1. A default upon any interest in the NOTES shall constitute a default upon all interests. A simple majority in interest of lenders may determine and direct the actions to be taken on behalf of all lenders in the event of default or with respect to other matters requiring the direction or approval of lenders, and such majority may designate the SERVICER to so act in their behalf.
2. SERVICER shall furnish to OWNER a list of names and addresses of all lenders holding an interest in the NOTES upon five (5) days written notice.

M. Fees will be according to the attached Fee Schedule.

Section 2 – Servicing of REOs

I. REO Servicing: OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "REOs" and in that connection, to do the following:

A. Authorize SERVICER to act on behalf of OWNER as landlord to the REOs, where applicable;

B. Authorize SERVICER to manage, operate, control, rent and lease OWNER'S REOs.

C. Authorize SERVICER to contract for or undertake the making of all necessary repairs and the performance of all other necessary work for the benefit of the REOs including all required alterations to properly carry out this agreement. SERVICER agrees to secure prior written approval of the OWNER on expenditures in excess of $1,000 except emergency repairs in excess of the maximum if, in the opinion of SERVICER, such repairs are necessary to protect the property from damage, prevent damage to life or to the property of others;

D. To collect any and all payments due OWNER, which includes but is not limited to, all monthly RENT payments and all LATE payments. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

E. Any trust account SERVICER maintains under this agreement may be an interest-bearing or income producing account. SERVICER may retain any interest or income from such account as compensation under this agreement.

F. To hold security deposits from tenants in escrow or trust account until the end of tenancy.

G. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

H. To provide periodic reporting on the OWNER's REOs that SERVICER is servicing per this contract;

I. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

J. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the REOs including but not limited to instituting eviction proceedings in the event of default or selling of the REOs or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the OWNER's interest in the property. To advertise the property and display signs thereon; to rent and lease the property; to sign, renew and cancel rental agreements and leases for the property or any part thereof; to sue or recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits;

K. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have

as to the REOs, including but not limited to evictions, listing the property for sale, selling the property, or renting the property;

L. To pay all operating expenses and such other expenses as requested by the OWNER from the rents received. This may include the payment of taxes and insurance;

M. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the REOs;

N. OWNER hereby agrees to hold SERVICER harmless from any and all claims, charges, debts, demand and lawsuits, including attorney's fees related to SERVICER's management of OWNER's REOs, and from any liability for injury on or about the properties which may be suffered by an employee, tenant or guest upon the properties.

O. Fees will be according to the attached Fee Schedule.

Section 3 – General Provisions

OWNER represents that all of the persons designated above are over the age of 18 and are competent.

Make OWNER Check Payable To:_Green River Capital LLC_____

Address: _11000 North Scottsdale Road, Suite 121_____

City, State, Zip Code: Scottsdale, AZ 85254_____

Tax ID Number: _____

DEFAULT: A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. SERVICER is also entitled to recover any compensation SERVICER would have been entitled to receive if Owner did not breach this agreement.

MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the cost of mediation equally.

ATTORNEY'S FEES: If OWNER or SERVICER is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

SPECIAL PROVISIONS: This Agreement may be amended from time to time by the parties pursuant to a written agreement or addendum signed by the SERVICER and the OWNER.

ENTIRE AGREEMENT: This document contains the entire agreement of the parties and may not be changed except by written agreement.

ASSIGNMENTS: Neither party may assign this agreement without the written consent of the other party.

BINDING EFFECT: OWNER's obligations to SERVICER under this agreement are binding upon OWNER and OWNER's heirs, executors, successors, and permitted assignees.

JOINT AND SEVERAL: OWNERS executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to , refund to , or signature of, any one or more of the OWNERS regarding any term of this agreement or its termination is binding on all OWNERS executing this agreement.

GOVERNING LAW: Texas law governs the interpretation, validity, performance, and enforcement of this agreement.

SEVERABILITY: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected and all other provisions of this agreement will remain valid and enforceable.

CONTEXT: When the context requires, singular nouns and pronouns include the plural.

NOTICES: Notices between the parties must be in writing and are effective when sent to the receiving party's address as stated in this agreement.

OWNER: Bruce Moon as Member
Signed: _____ Date _____
Print Name: _____
Title: _____

SERVICER: Strategic Equity Investments, LLC
Signed: _____ Date _____
Print Name: _____
Title: _____

Fee Schedule

1. **Note Servicing:** (for current notes)
$12.00 per note per month for standard servicing support that includes, but not limited to item such as monthly mailings of statements and responding to borrower requests. In addition, Owners will pay any directly related expenses.

1. **Default Management Fee:** *(for non-performing and REO)*
$188.00 per Note or REO per month for standard default management support such as collections, skip tracing, coordinating foreclosures, responding to bankruptcy claims, and any overhead related to default management plus REO sales coordination, forced insurance placements, property management and evictions. In addition, all directly related fees or commissions, internal or outsourced, will be charged to OWNER's account

ATTACHMENT A

Address	City	State	Zip	Green River Purchase Price
20260 Archdale St	DETROIT	MI	48235	$ 29,661.35
23020 Quinn Road	CLINTON TOWNSHIP	MI	48035	$ 26,932.53
13232 Bloom	HAMTRAMCK	MI	48212	$ 16,985.56
284 Goodell	RIVER ROUGE	MI	48218	$ 24,203.72
20036 Coventry	HIGHLAND PARK	MI	48203	$ 26,932.53
9616 Bessemore Street	DETROIT	MI	48213	$ 3,429.51
3874 19th Street	ECORSE	MI	48229	$ 32,390.16
21230 Lyndon St	DETROIT	MI	48223	$ 28,569.82
11670 Asbury Park	DETROIT	MI	48227	$ 21,474.90
11236 Packard	WARREN	MI	48089	$ 29,661.35
1848 Russell	LINCOLN PARK	MI	48146	$ 28,569.82
1581 Grant Ave	LINCOLN PARK	MI	48146	$ 36,210.51
19344 Harned Street	DETROIT	MI	48234	$ 34,682.37
15337 Lamphere Street	DETROIT	MI	48223	$ 16,985.56
13322 E State Fair St	DETROIT	MI	48205	$ 30,207.11
6828 Rutherford	DETROIT	MI	48228	$ 37,847.79
1203 Burlingame Street	DETROIT	MI	48202	$ 37,847.79
8621 Vaughan	DETROIT	MI	48228	$ 32,935.93
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14801 Indiana Street	DETROIT	MI	48238	$ 29,661.35
19264 Binder	DETROIT	MI	48234	$ 12,936.35
7400 Montrose Street	DETROIT	MI	48228	$ 40,576.61
8401 18 Mile Rd	STERLING HEIGHTS	MI	48314	$ 48,763.06
15277 Seymour St.	DETROIT	MI	48205	$ 40,576.61
18777 Glastonbury Rd	DETROIT	MI	48219	$ 47,125.77
13430 East State Fair	DETROIT	MI	48205	$ 34,027.45
				$901,678.20

PROMISSORY NOTE

Date: November 03, 2006

Borrower: One Source Mortgage & Investments

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Lamoine Brown

Place for Payment:

Principal Amount $100,000

Interest Rate: Twelve Percent (12%)

Maturity Date: November 03, 2008

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

One Source Mortgage & Investments, Inc.

By: Robert Margold

Title: Robert Margold, President/CEO

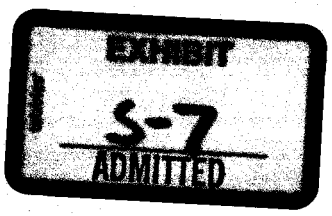

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments., ("Seller"), and Lamoine Brown ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 3 accounts with an aggregate principal balance of $100,000.

Executed this 3rd day of November, 2006.

Seller, One Source Mortgage & Investments, Inc

Signed: Robert Mangold

Date: 11-3-06

Dan BarnettX:\Bobs Team\Team Docs\Notes\Brown\Bill of Sale EXHIBIT B_Brown.doc

one source MORTGAGE & INVESTMENTS

Schedule "A" Lamoine Brown

OSMI PN - 9

COUNT		CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	1128 Jefferson Avenue	Evansville	IN	47714	January	Donald	$ 25,821.50	$ 39,500.00
2	34 Harvey Place	Buffalo	NY	14210	Kilianski	Thomas	$ 39,578.02	$ 38,000.00
3	1572 Tompkins St	Gary	IN	46406	Jackson	Marcell	$ 48,107.22	$ 35,000.00
totals							$113,506.74	$112,500.00

Seller

11-3-06

Date

Buyer

11-3-06

Date

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments., ("Seller"), and LG Brown, LLC ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 3 accounts with an aggregate principal balance of **$100,000**.

Executed this 3RD day of November, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: _____

Date: 11-3-06

Dan BarnettX:\Bobs Team\Team Docs\Notes\Brown\Bill of Sale EXHIBIT B_Brown.doc

PROMISSORY NOTE

Date: November 03, 2006

Borrower: One Source Mortgage & Investments

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: LG Brown, LLC

Place for Payment: 10979 Indian Wells Dr
Goodyear Az 85338

Principal Amount $100,000

Interest Rate: Twelve Percent (12%)

Maturity Date: November 03, 2008

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

One Source Mortgage & Investments, Inc.

By: _____

Title: Robert Mangold, President/CEO

SECURITY AGREEMENT

Date: November 03, 2006

Debtor: One Source Mortgage & Investments, Inc.

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: LG Brown, LLC

Secured Party's Mailing Address: 10979 Indian Wells Dr, Goodyear, Az 85338

Amount of Promissory Note: $100,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **One Source Mortgage & Investments, Inc.**

Robert Mangold, President/CEO 11-3-06 Date

Signed: **Lender**

Monty Brown MEMBER LG BROWN, LLC 11-3-06 Date

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 3rd day of November, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

Patricia Jones
Notary Public
My Commission Expires: November 29, 2009

one source MORTGAGE & INVESTMENTS

Schedule "A" LG Brown,LLC

OSMI PN - 9

COUNT		CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	1128 Jefferson Avenue	Evansville	IN	47714	January	Donald	$ 25,821.50	$ 39,500.00
2	34 Harvey Place	Buffalo	NY	14210	Kilianski	Thomas	$ 39,578.02	$ 38,000.00
3	1572 Tompkins St	Gary	IN	46406	Jackson	Marcell	$ 48,107.22	$ 35,000.00
totals							$113,506.74	$112,500.00

Seller

11-3-06

Date

Buyer

11-3-06

Date

M000180

BROWN

Wire Transfer Services
Outgoing Wire Transfer Request

480 222 5222

WELLS FARGO

A customer or team member, with the customer present, completes this form when requesting to send a wire. Outgoing wires can only be sent for Wells Fargo customers. Retain the original copy in the bank and provide a copy to the customer ensuring you give the customer the Agreement for Outgoing Wire Transfer Request (page 2 when form is accessed on-line & preprinted on the back of printed forms). Required information is noted with an asterisk. Note: Wells Fargo Wire Transfer Services will route wires based on correspondent banking relationships.

*Today's Date: 11-6-06

*Send Date (If next day submit wire after 3:30 CT. Store must hold if other than today or next day date.): 11-7-06

1. Originator's Information

*Customer's Name: ONE SOURCE MORTGAGE & INVESTMENTS

*Phone Number: 480-222-5222

*Customer's Address, City, State, Zip Code: 11000 NO SCOTTSDALE ROAD SUITE 121 SCOTTSDALE, AZ 85254

Tax ID Type – Type & No. are required when customer's account is not debited: ☐ Social Security ☐ ITIN ☐ Non-U.S. Citizen without TIN ☒ Employer ID

Tax ID No. (if non-citizen provide Alien ID #, Passport # & Country): 46-0474884

*Name on ID used by customer: ROBERT MANGOLD

*1st ID Type, number, issued by State/Country, & Expiration Date: [redacted] 12-21

*2nd ID Type, number, issued by State/Country, & Expiration Date: Wells C.C. 7/09 EXP

*Transfer from Wells Fargo Bank 10 digit Account No. (Must be checking, savings, market rate or wholesale checking account): 6426400864

*U.S. Dollar Wire Amount: 100,000

*International Wire only: Foreign Currency Type/Name (FX will be used unless specified otherwise):

*Currency Code (if known):

*Foreign Currency Amount:

2. Beneficiary/Recipient Information (This is the ultimate recipient of the wire transfer funds.)

*Beneficiary/Recipient Name: MORTGAGE ASSISTANCE CORP

*Beneficiary Account Number (or Mexican CLABE # if applicable): 8042178163

Beneficiary Address, City, State, Zip Code: P.O. BOX 131618 DALLAS, TX 75313

Information for the Beneficiary (invoice number, Purchase order number, etc.):

Beneficiary Phone Number: 214-670-0005

3. Beneficiary Bank Information (This is the financial institution or broker dealer (i.e., Merrill Lynch) where the beneficiary maintains their account.)

*Beneficiary Bank RTN or SWIFT Bank Identifier Code (BIC): COLONIAL BANK CNBGUS44

*International Sort/Routing/Clearing Code (if applicable): 062001319

*Beneficiary Bank Name: COLONIAL BANK

Beneficiary Bank Address, City, State, Zip, Country (optional information): 717 HARWOOD STREET DALLAS, TX 75201

Information for Beneficiary Bank (wires to Mexican banks require the CLABE account number in the Beneficiary Account number field to ensure correct payment.)

4. Intermediary Bank Information (This is a financial institution that the wire must pass through before reaching the final beneficiary bank.) This section is optional and not required for all wires. Please note that routing may be altered depending on Wells Fargo Bank's correspondent relationships.

Optional: *Intermediary Beneficiary Bank RTN or SWIFT BIC:

International Sort/Routing/Clearing Code (if applicable):

*Intermediary Bank Name:

*Intermediary Bank Account No.:

Intermediary Bank Address City, State, Zip, Country (optional information):

Information for Intermediary Bank:

5. Wire Fee & Customer Signature

Wire Fee Amount (the Transfer From account will be charged the fee.) The region that houses the account being debited determines the fee amount. Use the fee information available through Teamworks and/or the Banker's Guide. Do not use SVT/SVP for fee when account is not in your region.

*AU where the Originator's account is located: 06324

*Fee Amount: $

My signature here indicates agreement to all of the information on this Outgoing Wire Transfer Request and to the terms and conditions on the second page of this Request. Wells Fargo Bank is authorized to rely on the information on this Request in making the requested funds transfer.

*X Robert Mangold

*Date: 11-6-06

6. Bank Use Only — Bank Approval & Exception Process – Following MUST be completed for All outgoing wires

International Wire Foreign Currency Information

Rate:

Contract # (required when $15,000 or more U.S. $):

FX Trader Contact:

*Wire Transaction/FAS Number:

M000181

PROMISSORY NOTE

Date: October 18, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $100,000 (one hundred thousand dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: October 18, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

OSMI-PN-9

SECURITY AGREEMENT

Date: October 18, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage Investments, Inc

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 852254

Amount of Promissory Note: $100,000.00

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

SECURITY AGREEMENT

Date: October 18, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: 2614 Main St. Dallas, Dallas County, Texas 75313

Secured Party: Robert & Michele Mangold

Secured Party's Mailing Address: [redacted], [redacted] AZ [redacted]

Amount of Promissory Note: $100,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Secured Party Obligations:

1. The original loan documents will be maintained in a secure location at the Secured Party's primary office until the Promissory Note is paid in full.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed:

Mortgage Assistance Corporation

Dan Barnett, Vice President Date

Dale Hensel, President 10/19/06
Date

, Witness

, Witness

State of Texas:

County of Dallas:

Before me, a Notary Public in and for the State of Texas this 19 day of October, 2006, appeared Dan Barnett & Dale Hensel, who is personally known to me and who acknowledged she/he signed the foregoing document.

MELISSA ANN GUTIERREZ
Notary Public, State of Texas
My Commission Expires
November 14, 2009

Notary Public
My Commission Expires: 11/14/2009

Mortgage Assistance Corporation
P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

LAST NAME	FIRST NAME	COLLATERAL ADDRESS	CITY	ST	ZIP	COUNTY	PROP TYPE	UPB	ORIG LOAN AMT	BPO
January	Donald	1128 Jefferson Avenue	Evansvill	IN	47714	Vanderburgh	SFR	$ 25,821.50	$ 27,650.00	$ 39,500.00
Kilianski	Thomas	34 Harvey Place	Buffalo	NY	14210	Erie	2-Family Dwelling	$ 39,578.02	$ 40,000.00	$ 38,000.00
Jackson	Marcell	1572 Tompkins St	Gary	IN	46406	Lake	SFR	$ 48,107.22	$ 48,400.00	$ 35,000.00
								$ 113,506.74	$ 116,050.00	$ 112,500.00

Dale Hensel
President of Mortgage Assistance Corporation

Dan Barnett
Vice President of Mortgage Assistance Corporation

SECURITY AGREEMENT

Date: August 29, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Mark Clark

Secured Party's Mailing Address:

Amount of Promissory Note: $150,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

8/29/07

Mark Clark Date

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 28 day of August, 2007, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

Patricia Jones
Notary Public
My Commission Expires: 11/29/2009

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments,LLC ("Seller"), and Mark Clark ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 3 accounts with an aggregate principal balance of **$150,000**.

Executed this 28th day of August, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: 8/29/07

Dan BarnettX:\Bobs Team\Team Docs\Notes\Clark\Bill of Sale EXHIBIT B_Clark.doc

PROMISSORY NOTE

Date: August 29, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Mark Clark

Place for Payment:

Principal Amount $150,000

Interest Rate: Twelve Percent (12%)

Maturity Date: August 29, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

M000199

STRATEGIC
EQUITY INVESTMENTS

OSMI PN-33

Asset Type	Last Payment Received	UPB	Address	City	State	Zip	BPO	BPO Date
Non-Performing Note	27-Nov-06	$49,882.78	1644 EAST SOUTHERN AVENUE	INDIANAPOLIS	IN	46203	$ 54,000.00	7/26/2007
Non-Performing Note	07-Dec-06	$62,277.23	3339 NORTH PARK AVENUE	INDIANAPOLIS	IN	46205	$ 54,000.00	7/26/2007
Non-Performing Note	07-Dec-06	$74,188.83	1167 TULIP STREET	AKRON	OH	44301	$ 56,000.00	7/26/2007
							$ 164,000.00	

Secured

Date 8/29/07

Debtor

Date 8-29-07

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Mark Clark

OSMI PN - 33

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1167 Tulip Street	Akron	OH	44301	7/26/07	$56,000.00
2	1644 East Southern Avenue	Indianapolis	IN	46203	7/26/07	$54,000.00
3	3339 North Park Avenue	Indianapolis	IN	46205	7/26/07	$54,000.00
4	1725 North Brookfield Street	South Bend	IN	46628	7/25/07	$25,000.00
Totals						**$189,000.00**

Robert Mangold

Seller

Buyer

10-8-07

Date

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Mark Clark

OSMI PN - 33

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1167 Tulip Street	Akron	OH	44301	7/26/07	$56,000.00
2	1644 East Southern Avenue	Indianapolis	IN	46203	7/26/07	$54,000.00
3	3339 North Park Avenue	Indianapolis	IN	46205	7/26/07	$54,000.00
4	1725 North Brookfield Street	South Bend	IN	46628	7/25/07	$25,000.00
Totals						**$189,000.00**

Seller

10-8-07

Date

Buyer

Buyer

SECURITY AGREEMENT

Date: June 21, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Concialdi Holdings, LLC

Secured Party's Mailing Address:

Amount of Promissory Note: $60,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

6-21-07

Robert Mangold, President/CEO Date

Signed: **Lender**

6-21-07

Joe Concialdi as Member Date

6-21-07

Julie Concialdi as Member

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 22nd day of June, 2007, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones
Notary Public
My Commission Expires: 11/29/2009

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments, LLC ("Seller"), and Concialdi Holdings, LLC ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 2 accounts with an aggregate principal balance of **$60,000**.

Executed this _____ day of June, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: _____

Dan BarnettX:\Bobs Team\Team Docs\Notes\Concialdi\Bill of Sale EXHIBIT B_Concialdi.doc

PROMISSORY NOTE

Date: June 21, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Concialdi Holdings, LLC

Place for Payment:

Principal Amount $60,000

Interest Rate: Twelve Percent (12%)

Maturity Date: June 21, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Concialdi Holdings, LLC

OSMI PN

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	Value
1	13322 E State Fair St	DETROIT	MI	48205	$30,207.11	$45,000.00
2	6828 Rutherford	DETROIT	MI	48228	$37,847.79	$ 45,000.00
3						
4						
5						
6						
7						
totals					$68,054.90	$90,000.00

Seller

Buyer

6-21-07

Date

Date

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Joseph and Julie Concialdi

OSMI PN - 37

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1389 Grovewood Drive	Columbus	OH	43207	7/25/07	$30,000.00
2	1476 Ingomar	Toledo	OH	43609	7/25/07	$38,000.00
Totals						**$68,000.00**

Seller

10-8-07

Date

Buyer

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Concialdi Holdings LLC.

OSMI PN - 37

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1389 Grovewood Drive	Columbus	OH	43207	7/25/07	$30,000.00
2	1476 Ingomar	Toledo	OH	43609	7/25/07	$38,000.00
Totals						**$68,000.00**

Seller

Buyer

Date

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Concialdi Holdings LLC.

OSMI PN - 37

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1389 Grovewood Drive	Columbus	OH	43207	7/25/07	$30,000.00
2	1476 Ingomar	Toledo	OH	43609	7/25/07	$38,000.00
Totals						**$68,000.00**

Seller

Buyer

10/21/07

Date

Buyer

COPY

COMPANY AGREEMENT

OF

Bluestone Capital, L.L.C.

A TEXAS LIMITED LIABILITY COMPANY

EFFECTIVE AS OF AUGUST 25, 2006

THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES ACTS. SUCH INTERESTS ARE BEING ACQUIRED FOR INVESTMENT ONLY, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER SUCH ACTS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED WITH RESPECT TO THE PROPOSED DISPOSITION THEREOF AND THAT SUCH DISPOSITION WILL NOT CAUSE THE LOSS OF THE EXEMPTION UPON WHICH THE ISSUER RELIED IN SELLING THESE MEMBERSHIP INTERESTS TO THE ORIGINAL PURCHASER THEREOF.

THE MEMBERSHIP INTERESTS AND THE TRANSFER THEREOF ARE SUBJECT TO QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS SET FORTH IN THIS COMPANY AGREEMENT, AND THE MEMBERSHIP INTERESTS SHALL NOT BE TRANSFERRED UPON THE BOOKS OF THE COMPANY UNTIL THE TERMS AND CONDITIONS OF THIS AGREEMENT HAVE BEEN FULLY COMPLIED WITH.

EXHIBIT
S-10a
ADMITTED

Y90

TABLE OF CONTENTS

ARTICLE I. FORMATION 1

1.1. FORMATION 1
1.2. PRINCIPAL PLACE OF BUSINESS 1
1.3. REGISTERED AGENT OFFICE 1
1.4. TERM 1
1.5. PURPOSE 1

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS 2

2.1. MANAGEMENT OF COMPANY VESTED IN THE MANAGERS 2
2.2. CERTAIN POWERS OF MANAGERS 2
2.3. LIABILITY FOR CERTAIN ACTS 2
2.4. MEMBERS AND MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY 3
2.5. AUTHORITY OF MANAGERS TO DEAL WITH AFFILIATES 3
2.6. RESIGNATION AND REMOVAL OF MANAGERS 3
2.7. COMPENSATION AND FEES 3

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS 3

3.1. LIMITATION OF MEMBERS' LIABILITIES 3
3.2. NO CONTROL OF BUSINESS OR RIGHT TO ACT FOR COMPANY 4
3.3. PRIORITY AND RETURN OF CAPITAL 4
3.4. MEETINGS OF THE COMPANY; VOTING RIGHTS 4
3.5. POWERS RESERVED TO THE MEMBERS 5

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY 6

4.1. AMENDMENT OF AGREEMENT 6
4.2. BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS 6

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS 7

5.1. INITIAL CAPITAL CONTRIBUTIONS 7
5.2. ADDITIONAL CONTRIBUTIONS; ADDITIONAL UNITS; PREEMPTIVE RIGHTS 7
5.3. FAILURE TO CONTRIBUTE ADDITIONAL CONTRIBUTIONS 8
5.4. CAPITAL ACCOUNTS 8
5.5. SECURITIES MATTERS 8

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS 8

6.1. ALLOCATIONS OF PROFITS AND LOSSES 8
6.2. SPECIAL ALLOCATIONS 9
6.3. DISTRIBUTIONS 11

ARTICLE VII. TRANSFERABILITY 11

7.1. GENERAL 11
7.2. TRANSFERS NOT REQUIRING PRIOR CONSENT 11
7.3. VOLUNTARY TRANSFER PROCEDURE 12
7.4. PURCHASE PRICE 13
7.5. REMEDIES 13
7.6. EFFECT OF TRANSFER OF INTEREST 13

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS 14

8.1. ADMISSION OF MEMBERS 14
8.2. WITHDRAWAL OF MEMBERS 14

ARTICLE IX. WINDING UP AND TERMINATION 14

9.1. EVENTS REQUIRING WINDING UP 14
9.2. WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS 15
9.3 RETURN OF CONTRIBUTION NONRECOURSE TO MEMBERS 15

ARTICLE X. MISCELLANEOUS 16

10.1. NOTICE 16
10.2. WAIVER OF NOTICE 16
10.3. AUTHORITY TO BIND THE COMPANY 16
10.4. WAIVER OF ACTION FOR PARTITION 16
10.5. INDEMNIFICATION BY COMPANY 16
10.6. CONSTRUCTION 16
10.7. ARTICLES AND OTHER HEADINGS 16
10.8. SEVERABILITY 17
10.9. APPLICATION OF TEXAS LAW 17
10.10. DISREGARDED ENTITY TAX TREATMENT INTENDED IF ONE MEMBER 17
10.11. PARTNERSHIP TAX TREATMENT INTENDED IF MORE THAN ONE MEMBER; TAX ADMINISTRATIVE MATTERS 17
10.12. NO PARTNERSHIP INTENDED FOR NON-TAX PURPOSES 17

CERTIFICATION 18

EXHIBIT A **MEMBER CAPITAL CONTRIBUTIONS** 19

EXHIBIT B **SERVICING AGREEMENT** 20

This Company Agreement of BLUESTONE CAPITAL, LLC is adopted by the Managers and the undersigned Members, for the purpose of forming and operating BLUESTONE CAPITAL, LLC as a Texas limited liability company, and the undersigned Managers and Members do each mutually acknowledge and agree as follows:

DEFINITIONS

The following terms used in this Company Agreement shall have the following meanings unless otherwise expressly provided herein:

(i) **"Agreement"** shall mean this Company Agreement, as originally executed, and as amended from time to time in writing, including all exhibits and schedules hereto, which concerns the conduct of the business of the Company.

(ii) **"Capital Account"** shall mean the Capital Account maintained for each Member in accordance with Section 5.4.

(iii) **"Capital Contribution"** shall mean any contribution to the capital of the Company in cash or property by a Member whenever made.

(iv) **"Certificate of Formation"** shall mean the Certificate of Formation filed with the Texas Secretary of State for the purpose of organizing the Company, as the same may be amended or restated from time to time.

(v) **"Code"** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(vi) **"Company"** shall mean Bluestone Capital, LLC, the Company organized pursuant to the Certificate of Formation and this Agreement.

(vii) **"Deficit Capital Account"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in company minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any member nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

This definition of Deficit Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(viii) **"Distributable Cash"** shall mean all cash, revenues and funds received by the Company from Company operations, including from the sale of any asset to the extent not reinvested in replacement assets, less the sum of the following to the extent paid or set aside by the Company: (a) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (b) all cash expenditures incurred incident to the purchase or sale of any asset and the normal operation of the Company's business; (c) reimbursement of expenses and payment of compensation to any Manager; and (d) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(ix) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association.

(x) **"Fair Market Value"** shall mean, on the date such Fair Market Value is to be determined, the excess of the value of all of the Company's assets minus all of the Company's liabilities. For purposes of determining Fair Market Value, (a) no value shall be placed on the goodwill or name of the Company or the office records, files, statistical data or any similar intangible assets of the Company not normally reflected in the Company's accounting records, (b) there shall be taken into consideration any related items of income earned but not received, expenses incurred but not yet paid, liabilities fixed or contingent, prepaid expenses to the extent not otherwise reflected in the books of account, and the value of options or commitments to purchase securities pursuant to agreements entered into on or prior to the valuation date, (c) determination of value of any publicly-traded security or bond, shall be the most recent closing sale price quoted for such security on the exchange on which it is traded, (d) determination of the value of other securities shall be based on all relevant factors, including without limitation, type of security, marketability, restrictions on disposition, and current financial position and operating results, (e) the value of real estate shall be deemed to be the most recent fair market value of such real estate as determined by a real estate appraiser selected by the Managers; and (f) as to the liabilities and any other assets of the Company, the book value carried on the books of the Company in accordance with Generally Accepted Accounting Principles, consistent with the Company's past practice.

(xi) **"Fiscal Year"** shall mean the Company's fiscal year, which shall end on December 31, of each year.

(xii) **"Initial Capital Contribution"** shall mean the initial contribution to the capital of the Company pursuant to this Agreement.

(xiii) **"Manager" and "Managers"** As used in this Agreement the term "Manager" shall mean each individual Manager of the Company from time to time. The term "Managers" shall refer (i) to the Manager of the Company at any time when the Company has one (1) Manager and (ii) collectively, to all of the Managers of the Company at any time when the

Company has multiple Managers. Initially, the Company shall have one Manager, which shall be Mortgage Assistance Corp., a Texas corporation.

(xiv) **"Member"** shall mean any person that signs in person or by an attorney-in-fact, or otherwise is a party to the Agreement at the time that the Company is formed and is identified as a Member in the Agreement and any Person who is subsequently admitted as a Member in the Company in accordance with the Texas Act and the Agreement, until such time as such Person withdraws, is removed, or is otherwise no longer a Member of the Company.

(xv) **"Membership Interest"** shall mean a Member's entire interest in the Company, including such Member's right to participate in the decisions of the Members, as reflected by the ratio of such Member's Units to the aggregate of the Units of all Members.

(xvi) **"Net Profits"** and **"Net Losses"** shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined under the Company's adopted method of accounting at the close of each Fiscal Year.

(xvii) **"Offer"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xviii) **"Offered Interest"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xix) **"Percentage of Interest"** means, for a Member, the percentage equivalent of a fraction, the numerator of which is the number of Units owned by such Member and the denominator of which is the total number of Units owned by all Members.

(xx) **"Persons"** shall mean any individuals, partnerships, limited liability companies, corporations, trusts, business trusts, real estate investment trusts, estates and other associations or business entities.

(xxi) **"Reserves"** shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(xxii) **"Securities Acts"** shall mean the Securities Act of 1933 or any other applicable state securities laws.

(xxiii) **"Selling Member"** shall mean any Member who sells, assigns, or otherwise transfers for consideration, all or any portion of a Membership Interest.

(xiv) **"Texas Act"** shall mean the Texas Limited Liability Company Law, part of the Texas Business Organizations Code, as amended.

(xxv) A **"Transfer"** of all or any part of a Membership Interest means any type of disposition of any right, title or interest whatsoever in such Membership Interest, voluntarily or

involuntarily, directly or indirectly, including without limitation any sale, exchange, assignment, encumbrance, grant of security interest, pledge, hypothecation, gift, transfer by trust, transfer by will or intestate succession, or other disposition whatsoever.

(xxvi) **"Transferring Person"** shall have the meaning ascribed to such term in Section 7.3.

(xxvii) **"Treasury Regulations"** shall mean the proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Formation and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(xxviii) **"Units"** shall mean equity ownership in the Company represented by membership units ("Units"). The Company may issue such total number of Units as the Managers shall determine, and may issue partial Units.

ARTICLE I. FORMATION

1.1. **Formation.** On August 25, 2006, the Company was organized as a Texas limited liability company by execution and delivery of Certificate of Formation to the Texas Secretary of State in accordance with the Texas Act.

1.2. **Principal Place Of Business.** The principal place of business of the Company shall be located 2614 Main Street, Dallas, Texas 75226. The Company at any time may change the location of such principal office and may have such other offices, either within or without the State of Texas, as the Members may designate or as the business of the Company may require.

1.3. **Registered Agent Office.** The initial registered agent is Mortgage Assistance Corporation and the address of the initial registered agent office of the Company is 2614 Main Street, Dallas, Texas 75226. The registered agent office and the registered agent may be changed from time to time by the Managers, with the consent of the Members, filing the prescribed form with the Texas Secretary of State.

1.4. **Term.** The existence of the Company shall be perpetual, unless terminated or dissolved as set forth herein.

1.5. **Purpose.** The Company may conduct or promote any lawful businesses or purposes for which limited liability companies may be organized under the Texas Act. The Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion, or attainment of the businesses or purposes of the Company.

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS

2.1. **Management of Company Vested in the Managers.** The business and affairs of the Company shall be managed by the Managers. The consent of a majority in number of the Managers then-serving shall be the act of the Managers. The Managers shall direct, manage and control the business of the Company to the best of their ability. Except for situations in which the approval of the Members is expressly required herein and as specifically provided in Section 3.5, the Managers shall have full and complete authority, power and discretion to: (i) manage and control the business, affairs and property of the Company; (ii) make all decisions regarding the business, affairs and property of the Company; and (iii) perform any and all other acts incident to the management of the Company's business subject to the provisions of this Agreement. Subject to the limitations in the preceding sentence, the right, power, and authority of the Managers pursuant to this Agreement shall be liberally construed to encompass all acts and activities in which a Company may engage under the Texas Act.

2.2. **Certain Powers of Managers.** Without limiting the generality of the provisions set forth in Section 2.1 above, the Managers shall have the power to act on behalf of the Company:

(a) To enter into and execute, on behalf of the Company, all agreements, contracts, instruments and related documents in connection with the Company's business, on such terms as the Managers, in their reasonable discretion, deem to be in the best interests of the Company.

(b) To carry out the business of the Company.

(c) To acquire and enter into, on behalf of the Company, any contract of insurance, which the Managers reasonably deem necessary and proper for the protection of the Company, for the conservation of its property, or for any purpose beneficial to the Company.

(d) To employ persons (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) in the operation of the Company, on such terms and for such compensation as the Managers shall reasonably determine.

(e) To employ attorneys, accountants, consultants, brokers, and other outside entities or individuals (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) on behalf of the Company.

(f) To pay, collect, compromise, arbitrate, resort to legal action for or otherwise adjust claims or demands of or against the Company.

(g) To sell assets to another investor as well as maintain servicing and/or obtain other incentives as deemed in the best interest of the company.

2.3. **Liability for Certain Acts.** Each Manager shall perform its duties as a Manager in good faith, in a manner reasonably believed to be in the best interest of the Company, and with

such care as an ordinarily prudent person in a like position would use under similar circumstances. If any Manager so performs the duties as a Manager, it shall not have any liability by reason of being or having been a Manager. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

2.4. **Members and Managers Have No Exclusive Duty to Company.** The Managers, and affiliates of the Managers, shall not be required to manage the Company as their sole and exclusive function and each Member and Manager and their affiliates may have other business interests and may engage in other activities in addition to those relating to the Company, including business interests or other activities that directly compete with the business of the Company.

2.5. **Authority of Managers to Deal with Affiliates.** Any Manager may, on behalf of the Company, contract with any person, firm or corporation, including, without limitation, any of the Members, any entity in which any of the Members or any Manager has a direct or indirect interest and any affiliated or related corporation or other entity, for the performance of any and all services which may at any time be necessary, proper, convenient or advisable to carry on the business of the Company; provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated persons. Any goods or services provided by affiliates to the Company shall be pursuant to a written contract which sets forth the goods and services to be provided and the compensation to be paid.

2.6. **Resignation and Removal of Managers.** Any Manager may resign by giving thirty (30) days prior written notice to the Members. Any Manager may be removed by the unanimous vote of all of the Members. The Members shall by the unanimous vote of all Members then elect a successor Manager to begin serving simultaneously with the resignation or removal of any Manager. The Members may increase or decrease (but not below one (1)) the number of Managers constituting all of the Managers of the Company.

2.7. **Compensation and Fees.** Each Manager shall be reimbursed by the Company for all out of pocket expenses incurred by such Manager in furtherance of performing its obligations to the Company as Manager. Except as specifically provided in the Servicing Agreement (as described in Section 3.5(c) herein), Manager shall receive no compensation other than reimbursement of out-of-pocket expenses incurred by Manager in furtherance of the business of the Company. No Manager shall receive any additional compensation except as the Members shall decide.

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS

3.1. **Limitation of Members' Liabilities.** Based on the Texas Act, a Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company or the Manager, and such Member's liability shall be limited solely to the amount of its Capital Contributions, whether or not returned to such Member, together with the undistributed share of the profits of the Company from time to time credited to such Member's Capital Account and

any money or other property wrongfully paid or conveyed to such Member on account of its Capital Contribution, including but not limited to money or property to which creditors were legally entitled, paid or conveyed to a Member, and, under certain circumstances, interest on returned capital.

3.2. **No Control of Business or Right to Act for Company.** No Member shall have any right or authority to act for or bind the Company or to vote on matters other than the matters set forth in this Agreement, except as specifically required by applicable law.

3.3. **Priority and Return of Capital.** Except as provided herein, no Member shall have priority over any other Member, as to the return of Capital Contributions, Net Profits, Net Losses or distributions.

3.4. **Meetings of the Company; Voting Rights.**

(a) Meetings of the Company may be called by the Managers and shall be called by it upon the written request of Members with the authority to vote an aggregate of not less than 49% Percentage of Interest. Upon receipt of such a written request, stating the purpose of the proposed meeting, the Managers shall provide each Member, within ten (10) days of such request, with written notification of a meeting and the purpose of such meeting. Such meetings shall be held not less than fifteen (15) days or more than sixty (60) days after the receipt of such request and shall be held at the principal place of business or principal executive office of the Company or such other place as the Members shall unanimously decide.

(b) At all meetings of the Company, any decision, determination, consent, approval or action by or of the Members shall be affected by the favorable vote of all of the Members of the Company, unless the vote of a greater or lesser number is otherwise required by the Act, the Certificate of Formation or this Agreement.

(c) At all meetings of the Company, a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company at least one (1) day before the meeting. Unless otherwise provided in the proxy, no proxy shall be effective after eleven (11) months after the date of its execution.

(d) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to a Manager for inclusion in the minutes or for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed a consent, unless the consent specifies a different effective date.

(e) When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice.

3.5. **Powers Reserved to the Members.** Each of the following actions on behalf of the Company shall require the unanimous approval of the Members:

(a) the acquisition of any real property in excess of $100,000 per parcel of real estate;

(b) the acquisition of any loan or portfolio of loans in excess of $100,000 per loan;

(c) the execution, on behalf of the Company, of a servicing agreement in the form of Exhibit B, attached hereto and incorporated herein by this reference, or any amendment thereto, to service the Initial Loan Portfolio (as defined in Section 5.6 herein) and an additional portfolio of loans owned by the Company (hereinafter referred to as a "Servicing Agreement").

(d) the sale, exchange or other disposition of substantially all of the assets of the Company;

(e) the filing by the Company of any voluntary petition in bankruptcy or delivery of any assignment for the benefit of creditors;

(f) the lending of Company funds to any person (except as otherwise set forth herein), or obligating the Company as surety, guarantor or accommodation party, except that the Company shall be able to guarantee credit accounts with suppliers in the ordinary course of business;

(g) the incurrence of any debt on behalf of the Company, other than trade debt incurred in the ordinary course of the Company's business;

(h) the investment or participation by the Company in any other entity;

(i) the merger or consolidation of the Company;

(j) the admission of new Members of the Company, except as specifically provided in Section 8.1; or

(k) the establishment of reserves to help meet anticipated Company expenses and the investment of such reserves pending utilization.

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY

4.1. **Amendment of Agreement.**

(a) Amendment. Any amendment to this Agreement must be approved in writing by all of the Members and by the Managers.

(b) Recording of Amendment. In making any amendments, there shall be prepared and filed for recordation by the Managers such documents and certificates, if any, as shall be required to be prepared and filed under the Texas Act and under the laws of the other jurisdictions in which the Company is then formed or qualified.

4.2. **Books and Records, Accounting, Reports, Tax Elections.**

(a) Availability. At all times during the existence of the Company, the Managers shall keep or cause to be kept full and true books and records of account. Such books and records of account shall be maintained at the principal place of business of the Company or such other place or places as may be determined by the Managers from time to time. In addition, the Company shall maintain at its principal office (i) a current list of the full name and last known business address of each Member set forth in alphabetical order, (ii) a copy of this Agreement and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendment has been executed, (iii) copies of the Company's federal, state and local tax returns and reports, if any, for the three (3) most recent years, and (iv) accounting records of the Company. Any Member or his, her or its duly authorized representative shall have the right to inspect and copy the books and records of the Company upon reasonable notice during business hours.

(b) Financial Reports. The Managers shall cause to be prepared and delivered to each Member, at the expense of the Company, such financial reports as shall be decided by the Members.

(c) Income Tax Information. The Managers shall cause income tax returns for the Company to be prepared by the Company's accountant and filed with the appropriate authorities and shall furnish to each Member within ninety (90) days after the close of the taxable year of the Company, all tax information with respect to the Company as may be required by the Member for the preparation of his, her or its individual federal and state tax returns, at the expense of the Company.

(d) Accounting Principles. The Company's books shall be maintained in accordance with generally accepted accounting principles determined by the Company's accountants, which accounting principles shall be consistently applied.

(e) Bank Accounts. The Managers are authorized to open a bank or investment account for the Company and withdraw funds or sign checks withdrawing funds from such bank or investment account for the sole purpose of paying all ordinary and necessary

charges and expenses incident to or arising out of the operations of the Company in the ordinary course of business (including expenses arising out of a Servicing Agreement provided said Servicing Agreement has been approved by the Members as required herein), and that such banks and investment companies be, and hereby are, authorized and directed to honor, pay and charge to the account of this Company all checks and orders for the payment of money so drawn when so signed. The Managers are authorized to certify to any bank or other investment company a copy of this Section 4.2(e) and the names and signatures of the Company's Managers authorized to sign checks as provided in this Section 4.2(e), and such bank or other investment company is hereby authorized to rely upon such certificate until formally advised of any changes therein.

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS

5.1. **Initial Capital Contributions.** Each Member shall contribute the amount set forth for such Member in Exhibit A, attached hereto and incorporated herein, as his, her or its Initial Capital Contribution. Exhibit A shall be revised from time to time as necessary to record all Capital Contributions and all changes in the Company and ownership of the Company effected in accordance with this Agreement, and Exhibit A as so revised shall be furnished to each Member.

5.2. **Additional Contributions; Additional Units; Preemptive Rights.**

(a) Unless approved by all of the Members, no additional Capital Contributions shall be required from any Members. Upon such approval, the Managers shall give written notice to each Member of the amount of any required additional Capital Contributions, and each Member shall deliver to the Company his, her or its pro rata share thereof based upon such Member's Percentage of Interest no later than thirty (30) days following the date such notice is given.

(b) Unless approved by the Members, the Company shall not offer additional Units or any other interest in the Company for sale to third parties. If authorized by the Members, the purchase price for which additional Units shall be offered shall be determined by the Members. Purchasers of additional Units pursuant to this paragraph who are not already Members shall be admitted to the Company as Members in accordance with Section 8.1 hereof. The Managers are authorized to adjust the Percentages of Interest of the Members as appropriate to reflect the issuance of additional Units. Exhibit A shall be revised from time to time as necessary to record all changes in the ownership of the Company affected in accordance with this section, and Exhibit A as so revised shall be furnished to each Member.

5.3. **Failure to Contribute Additional Contributions.** In the event that a Member does not contribute his, her or its portion of the additional Capital Contribution provided for in Section 5.2(a) when due, then such Member's Membership Interest shall be reduced pro-rata by the proportion of the unpaid additional Capital Contribution of such Member to the aggregate of all Capital Contributions actually made by such Member pursuant to Section 5.1 and 5.2.

5.4. **Capital Accounts.**

(a) A Capital Account will be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Each Member's Capital Account will be increased by: (i) the amount of money or the fair market value of property contributed by such Member to the Company; (ii) allocations to each Member of Net Profits; and (iii) allocations to each Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account will be decreased by: (a) the amount of money distributed to each Member by the Company; (b) the Fair Market Value of property distributed to each Member by the Company, net of liabilities secured by such distributed property that such Member is considered to assume or take subject to, pursuant to Code Section 752; (c) allocations to the Member for expenditures described in Code Section 705(a)(2)(B); (d) allocations to each Member of Net Losses; and (e) allocations to the account of such Member of other Company losses and deductions as set forth in the Treasury Regulations.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(c) A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them.

5.5. **Securities Matters.** The undersigned Members understand: (i) that the Membership Interests evidenced by this Agreement have not been, and will not be, registered under the Securities Acts because the Company is issuing these Membership Interests in reliance upon the exemptions from the registration requirements of the Securities Acts; (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment; and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS

6.1. **Allocations of Profits and Losses.**

(a) Except as provided in Section 6.2, Net Profits of the Company for each Fiscal Year shall be allocated to each Member in proportion to their Percentage of Interests.

(b) Except as provided in Section 6.2, Net Losses of the Company for each Fiscal Year shall be allocated to the Members in proportion to their Percentage of Interests.

6.2. **Special Allocations.**

Notwithstanding any other provisions of this Agreement to the contrary:

(a) No allocation of loss, deduction, and/or expenditures described in Code Section 705(a)(2)(B) shall be charged to the Capital Account of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of each Member who would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3) and shall be applied and interpreted consistent therewith.

(c) In the event any Member would have a Deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-l(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Treasury Regulation Section 1.704-2(g)(1), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this section 6.2, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section 6.2(d) is intended to comply with the minimum gain chargeback requirement of Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirements in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Code Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as member nonrecourse deductions under Treasury Regulation Section 1.704-2(i) shall be allocated to the Members' Capital Accounts in accordance with Treasury Regulation Section 1.704-2(i).

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions," as described in Treasury Regulation Section 1.704-2(b), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company Net Profit or Net Loss for such period.

(g) In connection with a Capital Contribution by a new or existing Member as consideration for one or more Units, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member as consideration for one or more Units, the Capital Accounts of the Members shall be adjusted to reflect a revaluation of Company property including intangible assets in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Treasury Regulation Section 1.704-1(b)(2)(iv)(f) Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and Fair Market Value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Code Section 704(c).

(h) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Members to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Member is allocated any gain from the sale or other disposition of such Company property.

(i) Any credit or charge to the Capital Accounts of the Members under this section 6.2 shall be taken into account in computing subsequent allocations of profits and losses, so that the net amount of any items charged or credited to Capital Accounts shall be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article if the special allocations required by this Section 6.2 had not occurred.

(j) In accordance with Code Section 704(c)(1)(A) and Treasury Regulation Section 1.704-3, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution.

6.3. **Distributions.**

(a) Notwithstanding anything herein to the contrary, the Managers may distribute available funds on an asset by asset basis or quarterly basis. If the managing member elects to distribute when an asset is sold, then a distribution will be made the following month. The priority for "distribution of proceeds" is as follows:

1) Costs to third parties or Managers expenses and servicing fees (for all assets)
2) Return of capital contribution in proportion to members' contribution for the sold assets.
3) Excess proceeds (or profit) in proportion to the Members' Percentage of Interest.

(b) The Company shall make a distribution to any Member from Distributable Cash to the extent that such Member is allocated income pursuant to Section 6.1 or Section 6.2 in excess of distributions received pursuant to Section 6.3(a), in an amount sufficient to defray federal, state and local tax liabilities of such Member with respect to such excess for the Fiscal Year, based upon the then-current highest marginal federal tax rate plus the then-current highest marginal state tax rate for the State of Texas.

ARTICLE VII. TRANSFERABILITY

7.1. **General.** Except as provided herein or as otherwise consented to in writing by the Members, a Member shall not Transfer all or any part of a Membership Interest. Any purported or attempted Transfer of all or any part of a Membership Interest in violation of this Article 7 shall be null and void and the purported transferee of such invalid Transfer shall not be entitled to have any interest in the Company transferred to such purported transferee on the books of the Company.

7.2. **Transfers Not Requiring Prior Consent.** A Member may, without first obtaining the written consents required in Section 7.1 above, Transfer by sale or gift all or any undivided share of its Membership Interest to any one or more of the following: (i) a partnership, limited liability company or corporation in which fifty percent (50%) or more of the capital and profit interests (in the case of a partnership or a limited liability company) or in which fifty percent (50%) or more of the capital stock (in the case of a corporation) is owned by or for the benefit of the Member; (ii) the Member's partners (if the Member is a partnership), the Member's members (if the Member is a limited liability company) or the Member's shareholders (if the Member is a corporation); (iii) the Company; and (iv) a Member or Members; provided any such transferee shall agree in writing to be bound by the terms and conditions of this Agreement as they applied to the transferring Member on the date of execution of this Agreement in the same manner as if the transferring Member had retained ownership of its Membership Interest (upon meeting the foregoing requirements, such transferee shall be referred to as a "Permitted Transferee").

7.3. **Voluntary Transfer Procedure.**

(a) A Member who desires to Transfer all or any portion of a Membership Interest (the "Transferring Person") to a third party, except as permitted under Section 7.2, shall obtain from such third party a bona fide written offer to purchase such Membership Interest (the "Offered Interest"), stating the terms and conditions upon which the purchase is to be made and the consideration offered therefore (the "Offer"). The Transferring Person shall give written notification to the Managers and each of the Members, by certified mail or personal delivery, of his, her or its intention to Transfer the Offered Interest, furnishing to the Managers and each Member a copy of the Offer.

(b) Upon receipt of the written notice required under paragraph (a) above, the Company and the Members shall comply with the following procedure:

(i) The Company shall have thirty (30) days from the date of delivery of the notice required by paragraph (a) above to notify the Transferring Person in writing of the Company's election to redeem all or a part of the Offered Interest at the purchase price set forth in Section 7.4 of this Agreement, which decision of the Company shall be made by an affirmative vote of all of the Members.

(ii) If the Company does not elect to redeem all of the Offered Interest, the other Members shall have the right, within thirty (30) days of the date of the notice of nonelection by the Company or election as to less than all of the Offered Interest, to elect to purchase the remaining Offered Interest, and the Transferring Person shall sell such interest to the other Members at the purchase price set forth in Section 7.4 of this Agreement. Any Member desiring to acquire any or all of the Offered Interest shall deliver to the Managers and each of the Members a written election to purchase the Offered Interest.

(iii) If two or more Members of the Company elect to exercise the option to purchase the Offered Interest then, in the absence of an agreement between them, each Member shall have priority to purchase such proportion of the available interest that such Member's Percentage of Interest bears to the total Percentage of Interests held by all other Members electing to purchase. The portion of the Offered Interest not purchased on such a priority basis shall be allocated in one or more successive allocations to those Members electing to purchase more than the proportion of the Percentage of Interest to which they have a priority right, up to the proportion of the Offered Interest specified in their respective notices, in the proportion that the Percentage of Interests held by each of them bears to the total Percentage of Interest held by all of them.

(iv) If the Company and the Members do not exercise their rights to redeem or purchase, as the case may be, all of the Offered Interest pursuant to the terms set forth in Section 7.3(b)(i) and Section 7.3(b)(ii) above, then the Transferring Person shall be free to Transfer the remaining part of the Offered Interest to the bona fide purchaser set forth in the Offer under the terms of the Offer, subject to the restrictions on such Transfer imposed by this Agreement or any other agreement or by law.

(v) If the Company exercises its right to redeem all or a part of the Offered Interest in accordance with Section 7.3(b)(i) above, the Transferring Person shall be obligated to sell such Offered Interest to the Company. If any or all of the Members exercise their rights to purchase all or a part of the Offered Interest in accordance with Section 7.3(b)(ii) above, the Transferring Person shall be obligated to sell such Offered Interest to such exercising Members. The closing of the Transfer of the Offered Interest from the Transferring Person to the Company or any Members pursuant to this Section shall be held at the principal offices of the Company not later than ninety (90) days after receipt of notice required by paragraph (a) above.

(c) In the event of the Transfer of all or any part of any Offered Interest by a Transferring Person to any third party, and as a condition to recognizing the effectiveness and binding nature of any such Transfer, the Company may require the Transferring Person or Transferring Person and the third party, as the case may be, to execute, acknowledge and deliver to the Members or Managers such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the Managers deem necessary or desirable.

7.4. **Purchase Price.** The purchase price to be paid to a Transferring Person for all or any part of such Transferring Person's Membership Interest redeemed by the Company or purchased by a Member under Section 7.3(b) shall be the lower of (i) the purchase price set forth in the Offer for such Membership Interest, or (ii) the product of (A) the Percentage of Interest represented by the Offered Interest multiplied by (B) the Fair Market Value of the Company as of the date of such redemption or purchase.

7.5. **Remedies.** The Members agree that a violation by any of them of this Article 7 will cause such damage to the Company and to the other Members as will be irreparable and the exact amount of which will be impossible to ascertain. For this reason, the Members agree that the Company shall be entitled as a matter of right to a decree of specific performance of the terms of this Article 7 or for temporary or permanent injunctive relief from any court of competent jurisdiction restraining any attempted or purported Transfer of interest in the Company in violation of this Article 7. In addition, any Member attempting or purporting to Transfer an interest in the Company in violation of this Article 7 and the purported transferee participating in the attempted or purported Transfer, shall be jointly and severally liable to reimburse and pay the Company for any and all costs, fees and expenses including without limitation any attorneys', accountants', and other professional fees and expenses actually expended or incurred by the Company in connection with any such violation, whether or not litigation ensues. The remedies set forth in this Section 7.6 shall be cumulative and in addition to whatever other rights and remedies the Company and the Members may have to protect their respective rights in the event of a violation of the provisions of this Article 7, including without limitation the right to recover damages including actual, compensatory, consequential, incidental and punitive damages.

7.6. **Effect of Transfer of Interest.** Upon the Transfer of any interest in the Company in accordance with the provisions of this Article 7, the transferee of such interest shall own and hold such interest in the Company as a transferee, subject to all the terms, conditions, and limitations of this Agreement, including without limitation restriction on any further Transfer of

such interest as provided in this Article 7. Consent to such Transfer shall not constitute consent to the admission of the transferee as a Member of the Company. A transferee may become a Member only in accordance with the provisions of Section 8.1. Unless a transferee is admitted to the Company as a Member in accordance with the provisions of Section 8.1, such transferee shall not be entitled to any of the rights or benefits of a Member hereunder except the right to the share of profits and losses and distributions of assets based on the transferee's Percentage of Interest. Without limiting the generality of the preceding sentence, such transferee shall have no right (i) to vote upon, approve, or consent to, any matter requiring the vote, approval or consent of the Members, or (ii) to receive any information from the Company of the kind to which Members are entitled, or any other information.

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS

8.1. **Admission of Members.** No additional Member may be admitted to the Company, except upon the prior written consent of and upon such additional Member signing, in person or by attorney-in-fact, or otherwise becoming a party to this Agreement; provided, however, each Permitted Assignee (as defined in Section 7.1) shall automatically be deemed to be a Member of the Company regardless of whether or not the Members consented to said transfer. No Member shall have the power to grant a transferee, and no transferee shall have, the right to become a Member of the Company except as specifically provided in the preceding sentence. If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage person or property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property and shall have any power the Member had to give his or her assignee a Percentage of Interest in Net Profits and Net Losses. Said assignee may not be admitted as a Member of the Company except upon the prior written consent of the Members.

8.2. **Withdrawal of Members.** No Member shall have any right to withdraw or resign as a Member of the Company prior to the dissolution and winding up of the Company, except upon a Transfer of all of his, her or its interest in the Company in accordance with the terms and conditions of Article 7. A Member who resigns or whose Membership Interest is otherwise terminated for any reason, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Damages for breach of this section 8.2 shall be monetary damages only and not specific performance, and such damages may be offset against distributions by the Company to which such Member would otherwise be entitled.

ARTICLE IX. WINDING UP AND TERMINATION

9.1. **Events Requiring Winding Up.** The Company shall be wound up upon the occurrence of any of the following events:

(a) Unanimous written consent of the Members; or

(b) The consent of a majority in number of the remaining Members to wind up the Company within ninety (90) days after the Company is wound up in accordance with the Texas Act.

9.2. **Winding Up, Liquidation and Distribution of Assets.** If an event requiring the winding up of the Company occurs, the Managers shall wind up the business of the Company and shall apply or distribute the assets of the Company, or shall sell the assets of the Company and apply or distribute proceeds thereof, as promptly as practicable and in the following order of priority:

(a) First, if there are sufficient assets therefore, to creditors of the Company, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members; and if there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefore; and if there is any contingent, conditional, or unmatured debt, claim, obligation, or liability known to the Company, a reserve shall be established for it in accordance with law, in an amount determined by the Managers to be appropriate for such purpose;

(b) Second, to Members in satisfaction of liabilities for distributions; and

(c) Third, any remaining assets, to the Members in proportion to the positive balances in their respective Capital Accounts, and after all Capital Accounts have been reduced to zero, in accordance with their respective Percentages of Interest. The Company may offset damages for breach of this Agreement by a Member against the amount otherwise distributable to such Member hereunder.

(d) At the time final distributions, exclusive of any reserves for contingent, conditional or unmatured items, are made in accordance with clause (c) above, the Company shall terminate, but, if at any time thereafter, any reserve is released because the Managers determine the need for such reserve is ended, then such reserve shall be distributed in accordance with clause (c) above.

9.3. **Return of Contribution Nonrecourse to Members.** Except as provided by law or as expressly provided in this Agreement, upon winding up, each Member shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is insufficient to return the Capital Contribution of one or more Members, such Member or Members shall have no recourse against any other Member or the Manager.

ARTICLE X. MISCELLANEOUS

10.1. **Notice.** Any notice required or permitted to be given pursuant to the provisions of the Texas Act or this Agreement shall be effective as of the date personally delivered, delivered via facsimile with electronic confirmation, or delivered via overnight express mail, or if sent by certified mail, return receipt requested, three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at the last known address as shown in the Company's records.

10.2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Act or this Agreement, a waiver thereof, in writing, signed by the person entitled to such notice shall be deemed equivalent to the giving of such notice.

10.3. **Authority to Bind the Company.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniary for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

10.4. **Waiver of Action For Partition.** Each Member irrevocably waives any right to maintain an action for partition with respect to the property of the Company during the term of the Company.

10.5. **Indemnification By Company.** The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Managers determine that he, she or it acted in good faith and in a manner reasonably believed to be in the best interest of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the Person did or did not act in good faith and in a manner which was reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

10.6. **Construction.** Whenever the context requires, as used in this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter genders, and vice versa.

10.7. **Articles and Other Headings.** The Articles and headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation thereof.

10.8. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected.

10.9. **Application of Texas Law.** This Agreement will be governed by the laws of the State of Texas, without giving effect to its conflicts of laws provisions.

10.10. **Disregarded Entity Tax Treatment Intended If One Member.** At any time when the Company has only one (1) Member, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a disregarded entity under the Code and not as a corporation, and the Managers and each Member shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.11. **Partnership Tax Treatment Intended If More Than One Member; Tax Administrative Matters.** At any time when there is more than one Member of the Company, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a partnership under the Code and not as a corporation, and the Managers and Members shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company. The Members hereby designate Mortgage Assistance Corp. as the tax matters partner of the Company pursuant to Section 6231(a)(7) of the Code. The person designated tax matters partner shall not take any action contemplated by Section 6222 through 6232 of the Code without the approval of the Members.

10.12. **No Partnership Intended For Non-Tax Purposes.** The undersigned Members have formed the Company under the Texas Act, and as long as there is more than one Member of the Company such parties expressly do not intend hereby to form a partnership under either the Revised Uniform Partnership Act of the State of Texas nor the Revised Uniform Limited Partnership Act of the State of Texas. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

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CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Bluestone Capital, LLC as of the date indicated below.

Mortgage Assistance Corp., as Member and Manager

Date: 9/7/06

By: _____

Its: VPres

Name: Dan Barnett

EXHIBIT A

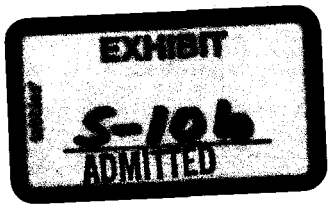
MEMBER CAPITAL CONTRIBUTIONS

AS OF AUGUST 25, 2006

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Mortgage Assistance Corp., a Texas Corporation 2614 Main Street Dallas, TX 75226	None	50	50%
Fiserviss Trustee FBO Michael Mullin P.O. Box 173859 Denver, CO 80217-3859 Fiserviss Tax I.D. #20-2054042	$ 45,000.00	7.41	7.41%
One Source Mortgage Investments [illegible] N. Scottsdale Rd. Suite 121 Scottsdale, AZ 85254	$258,610.00	42.59	42.59%
Total	$303,610.00	**100**	**100%**

September 24, 2008

Bob Mangold
Money Mastery Advisors, LLC
17470 N. Pacesetter Way, Suite 106
Scottsdale, AZ 85255



Mr. Mangold;

Since you have not responded to numerous phone calls and emails over the past month, MJD Group, LLC (MJD Group) has been forced to send this letter via certified mail.

You are not in compliance with paragraph "Accounting and Payments" in the joint venture Profit Sharing Agreement, signed November 18, 2008. The agreement states that "OSMI will provide Investor a monthly accounting of any payments due Investor or OSMI." Over the 22 month life of the joint venture, MJD Group has *never* received *any* accounting statements. Further, the agreement states that "When an asset is sold, a distribution will be made the following month without waiting on all of the pool to be sold." According to the most recent "Bluestone Portfolio" update sent to MJD Group via email, about three quarters of it's assets have been sold. Sales have been made throughout the life of the joint venture, yet MJG Group, LLC has only received one wire transfer in the amount of $21,776.00 in mid-December 2007 that you called "return of principal." Since mid-December, many assets have sold, yet the proceeds have not been passed on to MJD Group.

As a payment has already been made to MJD Group, it is implied that OSMI's priority to be reimbursed for expenses as outlined in the Profit Sharing Agreement has been satisfied. Therefore, because OSMI is due no further reimbursement for expenses, OSMI owes MJD Group at least the following:

1. **$84,011.07** for five notes that, according to the all three Bluestone Portfolio updates, were purchased by OSMI in August of 2006 and returned to their original owners in September of 2006. OSMI obviously did not have possession of these notes in November of 2006 when the notes were "sold" to MJD Group.
2. **$11,592.68** for several notes that, according to the most recent Bluestone Portfolio update, were all sold on December 27, 2007. This sale took place *after* the payment of $21,776.00 was wired to MJD Group. This figure includes only principal and MJD Group's agreed upon 50% share of profits as outlined in the Profit Sharing Agreement. Only one asset sold on December 27, 2007 was profitable.
3. **$25,000.00** for a note that was successfully foreclosed on and sold as a single family home. The Bluestone Portfolio update from June 6, 2008 stated that this asset was under-contract to be sold as a home for $29,000.00. According to

MJD Group, LLC
8237 East Lippizan Trail — Scottsdale, Arizona 85258
T: 480.483.0973 E: mrd1086@yahoo.com

public records, the home was in fact sold for $29,000 on July 22, 2008. MJD Group acquired this asset for $21,000.00. A profit of $8,000.00 was realized, and according to the Profit Sharing Agreement, MJD Group is entitled to 50% of that profit. The initial investment and profit from this sale due MJD Group, therefore, totals $25,000.00.

4. **$19,502.83** for two assets that were paid for by, but never delivered to, MJD Group, according to the Bluestone Portfolio update of June 6, 2008.

TOTAL: $140,106.58

In addition to the figure above, MJD Group expects OSMI to continue managing the remaining assets in accordance with the Limited Power of Attorney (LPA) signed in November, 2006. MJD Group expects that when the remaining assets are sold, the proceeds from the sales will be delivered to MJD Group in accordance with the Profit Sharing Agreement.

MJD Group has lost it's patience with you and OSMI. You have used MJD Group's capital *interest free* for up to 22 months in some cases. MJD Group has generously decided to avoid legal action if OSMI's debts to MJD Group are satisfied no later than the close of business on October 3, 2008.

Please find MJD Group's mailing address and wiring instructions below.

Sincerely,

Mark Dundas

Mark Dundas
MJD Group, LLC

Mailing Address
MJD Group, LLC
8237 E Lippizan Trail
Scottsdale, AZ 85258

Wiring Instructions
MJD Group, LLC
Bank of America Account # [redacted] 4899
ABA # 026009593
SWIFT Code # BOFAUS3N

PROFIT SHARING AGREEMENT

This Profit Sharing Agreement is made on 19th day of November,, 2006 between ***One Source Mortgage and Investments*** *("OSMI"), an Arizona Corporation, and MJD Group, LLC ("Investor"). The parties agree to the following terms:*

Whereas, OSMI has a pool of notes listed in the attached Exhibit A available for partnering;
Whereas, Investor is willing to purchase these notes and is willing to profit share;
Whereas, OSMI is willing to service these notes for a share of the profits, and
Each party hereby agrees to the following Profit Sharing Agreement.

Profit Sharing:
The profit share percentages to be paid are 50% to OSMI and 50% to the Investor.

Profit is defined as all income minus all costs.

1. Income is the net proceeds from all sales plus all receipts such as monthly loan payments or payment of late fees.
2. Costs are defined as Acquisition Price (in the attached Exhibit A) plus Direct Costs (e.g., foreclosure, taxes, insurance, filing fees, commissions, servicing costs) or costs directly related to the assets costs.

Title and Legal:
The Investor agrees to the following items for the assets listed in Exhibit A:

1. Investor grants a durable and irrevocable Power of Attorney to OSMI, and OSMI is authorized to sign on behalf of Investor with regards to all expenditures and transactions related to these assets. (Exhibit C)
2. The Investor will not subordinate these assets or sell these assets to any party other than at OSMI's direction.

Consequently, OSMI agrees to the following:

1. OSMI will not subordinate these assets to any other party.

Servicing:
OSMI's fee for servicing these notes is the profit sharing terms delineated herein and the standard $188 per asset per month fee. OSMI will service these assets until every asset is sold unless mutually agreed upon in writing by both parties.

Future Capital Requirements: Any additional capital or cash requirements to service any notes shall be funded by OSMI, not the Investor unless approved in writing by Investor. If major additional capital is required (e.g., taxes or large foreclosure costs),

OSMI will first ask the Investor if they desire to "Loan" additional money at a competitive interest rate. If Investor declines, OSMI may secure funds from another Lender and deduct any interest charges from the profit.

Accounting and Payments: OSMI will provide Investor a monthly accounting of any payments due Investor or OSMI. When an asset is sold, a distribution will be made the following month without waiting on all of the pool to be sold. (Note – a foreclosure to obtain title to the property is NOT treated as a sale.) The priority for "distribution of proceeds" is as follows:

1) Costs to 3rd parties or OSMI expenses and servicing fees (for all assets)
2) Investor or OSMI capital contributions (for the sold asset)
3) Profit sharing payment to both parties (for the sold asset)

There are neither limits nor guarantees on the amount of the profit to be shared. Furthermore, if there is no profit to distribute, no profit will be paid to OSMI nor will additional funds be paid by OSMI; however, all proceeds will follow the "distribution of proceeds" contained herein.

Termination of agreement: This agreement terminates when the last asset of the pool in Exhibit A is sold or is no longer marketable to sell as a note or real estate. If either party wishes to purchase the other's interest in the remainder of the pool, the "purchasing party" will offer a price to the other, and the other party will have the option to either sell it for that price or pay the same price to acquire the "purchasing party's" interest within 30 days.

Miscellaneous:
This agreement is in effect upon funding from Investor or acquisition of the pool, whichever is later.

This agreement may be amended only by an instrument in writing signed by both parties.

This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction.

Payments to the Investor, as well as all reporting, will be mailed to the following addresses:

MJD Group, LLC
8237 East Lippizan Trail
Scottsdale, AZ 85258

AGREED:

One Source Mortgage & Investments, Inc.

Signature

PRESIDENT/CEO

Title

11/19-06

Date:

Investor: MJD Group, LLC

Signature

chairman

Title

Date:

Schedule "A" MJD Group, LLC

COUNT	DONI_#	COLLATERAL ADDRESS	CITY	ST	Unpaid Principal Balance	Sale price
1	03860037	906 West Creighton	Ft Wayne	IN	22,452.43	6,000.00
2	20000000	#3 JoAnn Court	Violet	IN	24,668.67	2,003.18
3	20030003	418 Frost St	Flint	MI	17,124.04	1,998.05
4	20000000	12289 Louisiana Avenue	Roseland	LA	61,553.76	1,433.25
5	07800113	913 Ketcham Street	Indianapolis	IN	46,078.61	10,500.00
6	09330073	825 North H Street	Richmond	IN	41,167.82	10,000.00
7	07800110	52 Augusta	Pontiac	MI	56,827.68	13,491.13
8	07800157	61 South 1030 East	Hyrum	UT	18,294.90	14,000.00
9	07800019	7271 Taloga LN	Union City	GA	39,308.03	12,000.00
10	07800164	1461 Shepard Street	Indianapolis	IN	60,036.00	11,000.00
11	07800146	939 West 34th Street	Indianapolis	IN	52,702.42	17,502.83
12		2417-2419 Arlington Ct W	Indianapolis	IN	95,694.89	19,286.28
13		2426-28 Arlington Ct W	Indianapolis	IN	93,355.30	18,581.83
14		3709 Juno Drive	Chalmette	LA	49,831.78	2,003.18
15		2213 Aiken Street	Baltimore	MD	24,551.02	21,642.96
16		136 Post	Battle Creek	MI	36,011.68	500.00
17		804 Grant	Eveleth	MN	29,490.95	21,000.00
18		703 Lincoln Street	Hattiesburg	MS	37,135.53	500.00
19		19 Cedar Avenue	Jamestown	NY	46,748.73	10,000.00
20		594 Broad Street	Macksburg	OH	51,199.04	3,500.00
21		4224 E. Morsetown	Columbus	OH	3,449.01	1,500.00
22		462 Ardella Avenue	Cleveland	OH	35,523.02	10,000.00
23		1320 Indiana Avenue	Toledo	OH	21,835.76	6,000.00
24		1211 South Liberty	Alliance	OH	28,691.37	4,000.00
25		43 Hollencamp	Dayton	OH	42,080.17	7,000.00

26	2433 Harding Avenue	Dayton	OH	69,712.10	10,000.00
27	1901 Southwest Blvd SW	Warren	OH	31,710.42	9,500.00
28	1155 Bedford Ave SW	Canton	OH	74,731.88	2,934.07
29	666 Fernowood Avenue	Toledo	OH	38,311.40	2,733.24
30	4433 East 144th Street	Columbus	OH	35,523.02	8,000.00
totals				1,285,801.4[illegible]	258,610.00

Seller

Date

Buyer

Date

Witness

Robert K Fischer
Printed Name

Vickie E. Stoddard
Witness

VICKIE E. STODDARD
Printed Name

ACKNOWLEDGEMENT

STATE OF Arizona

COUNTY OF Maricopa

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named Mark Dandas and _____ sign, seal, and as _____ and deed, deliver the within Power of Attorney, and that (s)he with the other witness above witnessed the execution thereof.

SWORN to before me this 19th day of November, 2006.

Notary Signature: Patricia Jones
Notary Public, State of Arizona
Notary's Name Printed Patricia Jones
My commission expires: November 29, 2009

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

ACC000310
FILE #7920

Address	City	State	Zip	Original BPO	Original Target Price	Value Date	Current Value	Purchase Price	Closed Sales	Projected Contract Price	Margin on Sales	TotalTax	Gross Profit	Equity	UPB	Contract Price	Contract Date	Actual Close	Saleable Group	Comments
N STREET	BALTIMORE	MD	21219	$75,000.00	$21,642.96	8/18/2006	$75,000.00	$21,642.96	$0.00	$21,642.96	$0.00			$63,357.04	$ 24,551.02	$0.00		9/19/2006	Note Returned	NOTE RETURNED
ARLINGTON CT. WEST	INDIANAPOLIS	IN	46218	$46,000.00	$19,286.28	8/13/2006	$46,000.00	$19,286.28	$0.00	$19,286.28	$0.00			$26,713.72	$ 95,694.88	$0.00		9/19/2006	Note Returned	NOTE RETURNED
RLINGTON CT. WEST	INDIANAPOLIS	IN	46218	$45,000.00	$18,581.83	8/15/2006	$45,000.00	$18,581.83	$0.00	$18,581.83	$0.00			$26,418.17	$ 95,355.30	$0.00		9/19/2006	Note Returned	NOTE RETURNED
MORSETOWN COURT	COLUMBUS	OH	43224	$38,000.00	$1,500.00	6/1/2007	$38,000.00	$1,500.00	$0.00	$1,500.00	$0.00			$36,500.00	$ 449.01	$0.00		9/19/2006	Note Return - PC	NOTE RETURN - PC
1030 EAST	HYRUM	UT	84319	$119,000.00	$14,000.00	8/14/2006	$119,000.00	$14,000.00	$0.00	$14,000.00	$0.00			$105,000.00	$ 18,294.90	$0.00		9/19/2006	Note Returned	NOTE RETURNED
AM STREET	INDIANAPOLIS	IN	46222	$33,000.00	$10,500.00	8/15/2006	$33,000.00	$10,500.00	$0.00	$10,500.00	$0.00			$22,500.00	$ 48,078.61	$0.00		9/19/2006	Note Returned	NOTE RETURNED
LAND	DETROIT	MI	48224	$199.00	$99.50	8/19/2006	$199.00	$0.01	$122.62	$99.50	$122.61		$ 122.61	$198.99	$ 50,191.76	$122.62	2/21/2007		SOLD	SOLD AS A NOTE 2/21/07
H DEPOT STREET	BRAZIL	IN	47834	$17,000.00	$8,500.00	8/17/2006	$17,000.00	$100.00	$2,141.92	$8,500.00	$2,041.92		$ 2,041.92	$16,900.00	$ 49,872.86	$2,141.92	2/21/2007		SOLD	SOLD AS A NOTE 2/21/07
T WILDWOOD AVENUE	FORT WAYNE	IN	46807	$18,000.00	$9,000.00	8/16/2006	$18,000.00	$500.00	$3,193.00	$9,000.00	$2,693.00		$ 2,693.00	$17,500.00	$ 56,913.40	$3,193.00	1/19/2007		SOLD	SOLD AS A NOTE 1/19/07
IBERS AVENUE	CLEVELAND	OH	44105	$15,000.00	$7,500.00	8/14/2006	$15,000.00	$100.00	$3,294.08	$7,500.00	$3,194.08		$ 3,194.08	$14,900.00	$ 24,769.14	$3,294.08	1/19/2007		SOLD	SOLD AS A NOTE 1/19/07
ONROE STREET	DECATUR	IL	62522	$10,000.00	$5,000.00	8/20/2006	$10,000.00	$100.00	$3,810.84	$5,000.00	$3,710.84		$ 3,710.84	$9,900.00	$ 20,786.72	$3,810.84	5/15/2007		SOLD	SOLD AS A NOTE 5/15/07
	BATTLE CREEK	MI	49014	$10,000.00	$5,000.00	8/19/2006	$10,000.00	$500.00	$4,511.23	$5,000.00	$4,011.23		$ 4,011.23	$9,500.00	$ 36,011.68	$4,511.23	1/31/2007		SOLD	SOLD AS A NOTE 1/31/07
LN STREET	HATTLESBURG	MS	39401	$8,000.00	$4,000.00	8/14/2006	$8,000.00	$500.00	$4,929.63	$4,000.00	$4,429.63		$ 4,429.63	$7,500.00	$ 37,135.53	$4,929.63	2/21/2007		SOLD	SOLD AS A NOTE 2/21/07
AVENUE	FLINT	MI	48506	$16,000.00	$8,000.00	8/16/2006	$16,000.00	$1,000.00	$4,983.29	$8,000.00	$3,983.29		$ 3,983.29	$15,000.00	$ 39,107.29	$4,983.29	1/31/2007		SOLD	SOLD AS A NOTE 1/31/07
SH STREET	TOLEDO	OH	43602	$10,000.00	$5,000.00	8/16/2006	$10,000.00	$500.00	$5,160.50	$5,000.00	$4,660.50		$ 4,660.50	$9,500.00	$ 50,351.53	$5,160.50	1/31/2007		SOLD	SOLD AS A NOTE 1/31/07
KWAY ST	FLINT	MI	48505	$11,000.00	$5,500.00	8/18/2006	$11,000.00	$759.38	$5,626.20	$5,500.00	$4,866.82		$ 4,866.82	$10,240.62	$ 44,481.89	$5,626.20	1/31/2007		SOLD	SOLD AS A NOTE 1/31/07
COURT	VIOLET	LA	70092	$20,000.00	$10,000.00	8/18/2006	$20,000.00	$2,003.18	$8,343.68	$10,000.00	$6,340.50		$ 6,340.50	$17,996.82	$ 24,668.67	$8,343.68	12/29/2006		SOLD	SOLD AS NOTE 12/29/06
DRIVE	CHALMETTE	LA	70043	$25,000.00	$12,500.00	8/15/2006	$25,000.00	$2,003.18	$8,343.68	$12,500.00	$6,340.50		$ 6,340.50	$22,996.82	$ 49,831.78	$8,343.68	12/29/2006		SOLD	SOLD AS A NOTE 12/29/06
ORD AVE SW	CANTON	OH	44710	$15,000.00	$7,500.00	8/16/2006	$15,000.00	$3,000.00	$5,867.96	$7,500.00	$5,867.96		$ 5,867.96	$12,000.00	$ 74,731.86	$5,867.96	2/21/2007		SOLD	SOLD AS A NOTE 2/21/07
ERTY AVENUE	ALLIANCE	OH	44601	$5,000.00	$4,500.00	7/17/2007	$5,000.00	$4,000.00		$4,500.00	$500.00	$998.38		$1,000.00	$ 28,691.37				AFS	The County shows the property owners as Freilb LLC. It was transfer to Freilb LLC on March 19, 2007. so cannot record our DIL. This property will go to the Oct. 07 Tax Sale. ROR expires 1 year.
ISIANA AVE	ROSELAND	LA	70456	$20,000.00	$10,000.00	4/24/2007	$20,000.00	$1,433.25		$10,000.00	$8,566.75	$0.00		$18,566.75	$ 61,533.76				AFS - FC	Per FMC, Awaiting Completion of service on the parties.
NA AVENUE	TOLEDO	OH	43607	$22,000.00	$11,000.00	7/17/2007	$22,000.00	$6,000.00		$11,000.00	$5,000.00			$16,000.00	$ 21,835.76				AFS - FC	12/11/07- FMC update- 12/11/2007 Judgment entered on the 12.07.07 in the amount of $28,687.93, 12.500% from 09.04.07. Order of Sale in process
DIAN AVE	GRANITE CITY	IL	62040	$5,000.00	$2,500.00	8/18/2006	$5,000.00	$100.00		$2,500.00	$2,400.00	$1,197.01		$4,900.00	$ 17,379.33				AFS	Low Value - Trying to sell as NOTE and attempting to locate borrower. The 2004 tax sale must be redeem prior to May 15, 2008. The 2005 Tax sale must be redeem prior to May 22, 2009.
ARD ST	INDIANAPOLIS	IN	46221	$20,000.00	$12,000.00	7/17/2007	$20,000.00	$11,000.00		$12,000.00	$1,000.00			$9,000.00	$ 60,036.00				AFS - FC	
AVENUE	JAMESTOWN	NY	14701	$32,000.00	$16,000.00	7/17/2007	$32,000.00	$10,000.00		$16,000.00	$6,000.00			$22,000.00	$ 46,748.73				AFS - FC	12/05/07- Sent e-mail to David N. w/FMC/fcl atty reg. srvc completion.
THWEST BLVD SW	WARREN	OH	44485	$11,000.00	$5,500.00	6/25/2007	$11,000.00	$9,500.00		$5,500.00	($4,000.00)			$1,500.00	$ 31,710.42				AFS	12/05/07- Awaiting completion of service.
DING AVE	DAYTON	OH	45414	$27,000.00	$24,300.00	7/24/2007	$27,000.00	$10,000.00		$24,300.00	$14,300.00			$17,000.00	$ 69,712.10				REO - Investor	11/20/07: Per borrower, mailed in pmt of $356.00 today. 7/5/07:Referred to NREO. Ppty is vacant. This property is Tax Lien Eligible. The Tax Sale is Nov. 2007, ROR 1 year. **Please pay all taxes due**Property listed. Tax pmt check requested. all taxes are current. Lowered list to $25.9K 11/28/07
EHART DRIVE	SAGINAW	MI	48601	$39,900.00	$19,950.00	7/17/2007	$39,900.00	$20,000.00		$19,950.00	($50.00)			$19,900.00	$ 35,906.95				REO - Investor	12/11/07- FMC update- Per FMC's website the redemption amt gdt Friday, 01/04/08 is $28,148.86, which amt includes the $27,500.00 bid amt and interest from the date of the sale (49 days @$8.14 p/day = $398.86); and the statutory atty's fee of $250.00.
R STREET	STRUTHERS	OH	44471	$24,000.00	$12,000.00	6/18/2007	$24,000.00	$20,000.00		$12,000.00	($8,000.00)			$4,000.00	$ 34,573.87				AFS - FC	12/06/07- FMC update- 12/4/2007 first legal: Complaint filed 12.03.07 *Case No. 2007 CV 04529 Judge:* Meureen A. Sweeney
T STREET	FLINT	MI	48504	$6,000.00	$3,000.00	7/17/2007	$6,000.00	$1,998.05		$3,000.00	$1,001.95	$269.48		$4,001.95	$ 17,124.04				AFS	Per Collections,b refusing to return my calls 07/23/07...broken arrang following up with b
ICAMP AVE	DAYTON	OH	45427	$11,000.00	$5,500.00	7/17/2007	$11,000.00	$7,000.00		$5,500.00	($1,500.00)	$234.66		$4,000.00	$ 42,080.17				AFS	Trying to Sell as a Note; Attempting to locate borrower. Collections located borrower's mother. This property is Tax Lien Eligible, but the property owner is in a monthly payment plan so it will not go to the next tax sale.
144TH STREET	CLEVELAND	OH	44128	$10,000.00	$5,000.00	7/17/2007	$10,000.00	$8,000.00		$5,000.00	($3,000.00)	$2,546.97		$2,000.00	$ 35,523.02				AFS	Trying to Sell as a Note; Attempting to locate borrower. Will go to Tax Sale in 6 months. ROR expires 1 year after purchase date.
LA AVENUE	AKRON	OH	44306	$32,500.00	$16,250.00	7/17/2007	$32,500.00	$10,000.00		$16,250.00	$6,250.00			$22,500.00	$ 38,748.13				AFS - FC	12/11/07- FMC update- 12/6/2007 Ordinary Mail issued 11/21. Service on GE has not come back yet. Requesting Certified Mail c/o CT Corporation System, 1300 E. 9th Street, Cleveland, OH 44114.
TA	PONTIAC	MI	48341	$10,000.00	$5,000.00	7/17/2007	$10,000.00	$13,491.13		$5,000.00	($8,491.13)	$2,146.41		($3,491.13)	$ 56,827.68				AFS	Trying to Sell as a Note; Attempting to locate borrower. Collections made contact with daughter but not borrower yet.; no contact per PI prop vacant and was damaged in fire sent follow up Field Call to mailing add
D STREET	MACKSBURG	OH	45746	$15,000.00	$7,500.00	7/17/2007	$15,000.00	$3,500.00		$7,500.00	$4,000.00			$11,500.00	$ 51,199.04				AFS	Trying to Sell as a Note; Attempting to locate borrower. 2005 Taxes are Tax Sale Pending. Requested check for payment of taxes.; no contact
H LOCUS STREET	HAZLETON	PA	18201	$14,000.00	$7,000.00	7/17/2007	$14,000.00	$1,807.53		$7,000.00	$5,192.47	$3,228.52		$12,192.47	$ 28,165.96				AFS	Ordered PI&P (drive by only)
WOOD AVENUE	TOLEDO	OH	43602	$10,000.00	$5,000.00	7/17/2007	$10,000.00	$2,700.27		$5,000.00	$2,299.73	$1,446.66		$7,299.73	$ 38,311.40				AFS	Trying to Sell as a Note; Attempting to locate borrower.
GA LANE	UNION CITY	GA	30291	$31,000.00	$15,500.00	9/11/2007	$30,000.00	$12,000.00		$15,000.00	$3,000.00			$18,000.00	$ 39,308.03				REO - Investor	Trying to Sell as a Note; Attempting to locate borrower. Ppty reverted back to investor at FC Sale on 11/6/07. occupied offer CFK $1000 if out in 2 wks, $500 if out in 3 wks left in broom clean condition-11/21/07:
T AVENUE	EVELETH	MN	55734	$39,900.00	$23,940.00	7/17/2007	$39,900.00	$21,000.00		$23,940.00	$2,940.00			$18,900.00	$ 29,490.95				REO - Investor	ROR expires 4/11/08. FMC is proceeding with abandonment to shorten redemption to 2 to 3 months from November. Hearing date is set for Dec. 10, 2007.
H H STREET	RICHMOND	IN	47374	$12,000.00	$6,000.00	7/17/2007	$12,000.00	$10,000.00		$6,000.00	($4,000.00)			$2,000.00	$ 41,167.82				AFS	Trying to Sell as a Note; Attempting to locate borrower. The property owner has until 10-12-07 to redeem with certified funds.; DIL Dead
EIGHTON ST	FORT WAYNE	IN	46807	$17,000.00	$8,500.00	7/17/2007	$17,000.00	$6,000.00		$8,500.00	$2,500.00			$11,000.00	$ 22,452.43				AFS - FC	
34TH STREET	INDIANAPOLIS	IN	46208	$49,000.00	$0.00	8/13/2006	$49,000.00	$17,502.83		$0.00	($17,502.83)			$31,497.17	$ 52,702.42				Deficiency	12/11/07- FMC update- Per FMC's website reviewed updated title: pending action not appearing of record. Rqted corrected title from client.
42				$ 23,878.55	$ 9,501.20		$20,100.00	$7,228.81	$ 3,322.56	$9,801.74	$813.95	$1,340.90	$ 4,004.84	$11,557.59	$ 41,441.12					
				$994,499.00	$399,050.57		$462,300.00	$303,609.88	$63,128.83	$225,440.00	$18,406.94	$12,068.11	$ 52,062.88	$254,266.94	$ 1,740,527.23					

ACC000311
FILE #7920

ACC000312
FILE #7920

One Source Mortgage and Investments

At **One Source Mortgage & Investments, Our Advice Does Make The Difference!™**

We'll Get You Out Of The Red And Into The Black!™

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ACC000313
FILE #7920

Investing In Non-Performing Mortgage Notes;

Key Considerations For Investing:

1. **Return**
2. **Safety**
3. **Liquidity**
4. **Taxes**

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ACC000314
FILE #7920

one source MORTGAGE & INVESTMENTS

Non-Performing

Advantages

- Lower Cost
- Real Estate Secured
- Position of Power
- Multiple Exit Strategies
- Great way to get Real Estate

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ACC000315
FILE #7920

Risks

- Environmental Issue

Rewards

Multiple Exit Strategies

- Sell Note
- Negotiate Repayment
- Negotiate Deed in Lieu
- Get REO
  - *Rehab
  - *Sell REO

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ACC000316
FILE #7920

When YOU ARE THE BANK you have great power!

ACC000317
FILE #7920

You can:

Negotiate

- Repayment / Re-performing
- Re-financing
- Modification of Terms
- Cash for Keys / Deed in Lieu

Foreclose

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Non-Performing

No Payments for 90 days or more

Purchase For 10% to 40% Of Loan Amount

© 2006 One Source Mortgage & Investments

ACC000318
FILE #7920

Four Investment Options

ACC000319
FILE #7920

1. 8% Fixed Rate - Twelve Month Time Frame!

   Eight (8%) Interest Paid At The End Of 12 Months!

   Features Similar To CD's With More Safety!

   Minimum Investment is $50,000

2. 12% Fixed Rate-Twenty Four Month Time Frame!

   Twelve (12% Annual) Interest Paid Every Six Months!

   Minimum Investment is $50,000

3. Joint Venture

   Minimum Investment Starting At $200,000

© 2006 One Source Mortgage & Investments

Investment Option #4

ACC000320
FILE #7920

- Buy Foreclosure Homes and Non-Performing Notes Directly From One Source Mortgage at Wholesale Prices!
- This Option Is ***ONLY*** Available To Clients, Employees and Referral Partners of One Source Mortgage & Investments (conditions apply)
- We will review this process in Session #3!

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MB# 0905093

Unlocking Your Dreams

"I cannot begin to thank you enough for all of your time, patience, and commitment in helping me and my family refinance our home. You don't realize how wonderful it is to work with an honest person after I have been so misled before. I really appreciate all you have done for us. Thank you."

Brett, Joy & boys

"I feel completely comfortable now knowing that you are handling our loan. Tim and Kathy (previous clients) were so pleased with what you did for them that I knew we would be fine working with you. Thank you so much!"

Colleen M.

"This was my second time working with you, and it was just a good as the first! On the first go-around, I was a first time homebuyer and you really provided me with guidance and options that I wasn't aware of. It was awesome that I was able to go from living at home to owning my own house, and do 100% financing!! This second time perfected my loan situation. Thank you for staying in touch with me and monitoring my loan, so I could be ready to refinance and get rid of my mortgage insurance. You ended up saving me almost $200 a month! Thanks again."

Travis H.

ACC000321
FILE #7920

How One Source is Unique

Most brokers and lenders offer top notch service and expertise. At One Source, that's a given. We rely on your honest evaluations to keep us on a path of unrelenting improvement. As well, your referrals of friends and associates has helped make One Source one of the most successful companies anywhere.

Our real job, however, starts after you move in. We help you turn your most important investment... your home... into real wealth and net worth. Let us show you how to recover all of the interest and most of the principal from your investment that you work so hard for, and how to accumulate over $1,000,000 in cash! All without increasing your monthly payments!

At One Source, we use a combination of the latest technology and good old fashioned know-how to help you maximize your money. Attend our quarterly seminars to learn how the pros earn up to 75% every year from their real estate investments and using our quarterly rate watch report, you will always know when it makes sense to refinance. Remember, at One Source, our goal is to help you build Wealth!

one source
MORTGAGE & INVESTMENTS

One Source
Mortgage & Investments

11000 N. Scottsdale Rd., Ste. 121
Scottsdale, AZ 85254
Office: 480-222-5222 Fax: 480-368-8869
Email: bmangold@osmi.net
www.profitfromyourmortgage.com

It's Your Money...

Understand the Possiblities

Choose Your Future

one source
MORTGAGE & INVESTMENTS

ACC000322
FILE #7920

Service Above & Beyond the Rest...

Our Expertise & Advice Builds Wealth for you

Total Cost Analysis
Helps you determine the best loan program, plan for future cash needs, and save interest and taxes

Our Exclusive Seminars
We work with the best financial professionals in Arizona teaching our clients exclusive "Wealth Building" strategies that will change their life!

Closing Cost Guarantee
If we're off by more than $500, we'll pay the difference so you don't have any surprises.

Automated Client Update System
You receive an e-mail update every time a change has been made to your loan file. Plus, you receive an Update Call every Tuesday from our Loan Coordinator.

Rate Watch System
Keep updated on current interest rates so you know if refinancing makes sense.

Annual Review
Will keep you on course towards building wealth.

Honesty

Bob takes pride in his reputation as an honest, straightforward professional. He knows that you need to hear the truth about your loan - and not a lot of hype. Your questions are listened to and you get straight answers. Bob knows that the best way to achieve success for him is to first achieve it for you.

Patience

Bob begins by offering solid advice based on proven facts and information. Understanding your needs with a focus on straightforward problem solving is the key that makes his loan-finding strategy successful.Bob knows that high-pressure tactics aren't just unpleasant and unfriendly - they aren't necessary.

Integrity

With uncompromising standards of integrity, honesty and service, Bob gives his clients the confidence of knowing that their transaction will be completed professionally and ethically. His work ethic is based on solid principles. He believes in doing business as if your transaction is his own transaction. Because of this integrity and dedication, clients return with new business and refer their friends and associates to him.

Bob and his team work with over 200 clients per year. Bob's main goal is to show homeowners how to utilize their real estate and mortgage to build a $1,000,000 retirement plan.

His innovative approach to the mortgage and real estate business has earned him the honor of serving as the State Chairman for Arizona on the U.S. Congressional Committee for Small Business.

Our Five Client Goals...

1. *Show you how money and mortgages really work in order to get all of the interest and most of the principal paid back to you!*
2. *Reduce your monthly payment by 10% to 40%!*
3. *Put you in a position to pay your home of eight to ten years early without making additional payments!*
4. *To save you a minimum of $100,000 in payments and interest!*
5. *With the same amount of money you currently spend, help you accumulate over $1,000,000 in cash!*

"I can help you achieve your dreams."

Bob Mangold

Dundas Family
Phone: [redacted]
FAX: -
Address: [redacted] AZ [redacted]

FAX

TO: Mr. Guy Phillips
FAX #: 602-594-7446
DATE: March 30, 2009

FROM: Matt Dundas on behalf of Mark Dundas
FAX #: —
OF PAGES: EIGHT (8)

MESSAGE: Included is:

1. The bill of sale with the wrong investor name on it that Mangold signed.
2. A page from a credit report of types for OSMI that Mangold presented to my father.
3. A three page summary of my dad's experience with Mangold including some info about MAC Corp.
4. Some kind of MB license for OSMI and Mangold.
5. A bank statement and a wire transfer statement proving the transfer of $258,610.00 on November 21, 2006.

Thanks,
Matt Dundas

ACC002117
FILE #7920

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments, Inc., ("Seller"), and Russell Palmer ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 30 accounts with an aggregate principal balance of **$258,610.**

Executed this 19th day of November, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: Robert Mangold

Date: 11-19-06

ACC002118
FILE #7920

A Summary

In November, 2006 we purchased a portfolio of 30 notes (mortgages) from Bob Mangold dba One Source Mortgage and Investments (OSMI) via one of our companies, MJD Group, LLC using equity from our house. These notes would likely be classified as "sub-prime," though Mangold never used that term to classify that term. Mangold encouraged the use of the home equity, citing that there was virtually no risk in the investment. He had his brother, Ed Mangold, originate the loan. A profit sharing agreement was signed, stating that OSMI would receive 50% of the net profits from assets sold. A limited power of attorney was also signed, allowing OSMI to manage the portfolio on our behalf. Finally, a bill of sale was signed listing the notes, the unpaid balance on the notes, and the sales price of the notes.

After several months with no updates, we contacted Mangold, and we were able to obtain an Excel spreadsheet listing the assets in our portfolio and their status. Six of the notes were listed as having been returned to their original owners for a full refund in August of 2006, months before they were "sold" to us. Several other notes were listed as sold, as planned, for significantly more that what we paid for them. Mangold hesitated to give us the money, saying that it would be withheld after all assets in the portfolio had been sold (this is a direct violation of the profit sharing agreement which mandates that principal and profit be distributed after each asset is sold). By December 2007, we harassed Mangold enough to wire us $21,776.00. This money, which he called "return of principal" added up perfectly with the amount of the notes sold for significant profit, after OSMI's 50% share of the profits. Mangold still could not give us a straight answer about the notes that were returned in August of 2006.

Shortly after this money had been sent, I was able to connect Mangold with Mortgage Assistance Center Corporation (MAC) in Dallas, Texas (OTC BB: MTGC.PK) via SEC filings. OSMI's acquisition of a note portfolio in September of 2006 in the exact amount of $258,610.00 (precisely what we paid for our portfolio from OSMI) appeared in an SEC filing. Also, interest bearing notes (12-14%) payable to OSMI and Strategic Equity Investments (another of Mangold's holding companies) were listed as liabilities on the company's balance sheet. Mangold pitched trust deeds that would pay 12-14% per annum in his seminars. As time progressed and more documents were filed by MAC to the SEC, it was revealed that Mangold had received ~$309,000 in compensation from MAC and millions of shares of company stock (granted, the shares are worth ~$0.025).

& MAC handled the day-to-day servicing of the notes. (collecting payments, etc.)

We were able to obtain another Excel spreadsheet in June, dated June 5, 2008. By this time, 10 more notes were listed as sold. All ten of these notes sold on December 27, 2007 for roughly 10 cents on the dollar. Further, several notes were being foreclosed on. I was able to verify through public records that several houses in the portfolio have, indeed, transferred ownership to "MAC Corporation." One note that had been foreclosed on by MAC on our behalf in early 2008 sold as a house in June or July of this year for $28,000 (more than what we paid for the original note). That money, minus 50% of the profits, is undoubtedly owed to us. Mangold told us that if the notes could not sell for profit that they would be foreclosed on and that we would sell this underlying asset (the house), however that obviously did not happen for the 10 notes that were sold for 10 cents on the dollar (some for a few hundred bucks).

Conclusion

I believe that we are only partially victims of the "sub-prime mess." Some of the sub prime notes we owned sold for 100% + profits. Others have been or were, at least in June, in the

process of foreclosure and likely to still produce a modest profit. Some have yet to be foreclosed on and could potentially produce profits. The problem, of course, is that our profits are on paper only. It is not as though we bought a stock for $100 and the stock went to $10. It is more like we bought a stock at $100, it dropped to $90, was sold, and our stock broker won't give us the proceeds from the sale. I hope that makes sense.

MAC SEC Filing Excerpts

EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

AS OF AUGUST 15, 2006

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Mortgage Assistance Corp., a Texas Corporation 2614 Main Street Dallas, TX 75226	None	50	50%
Fiserviss Trustee FBO Michael Mullin P.O. Box 173859 Denver, CO 80217-3859 Fiserviss Tax I.D. #20-2054042	$ 45,000.00	7.41	7.41%
One Source Mortgage Investments 11000 N. Scottsdale Rd. Suite 121 Scottsdale, AZ 85254	$258,610.00	42.59	42.59%
Total	$303,610.00	100	100%

Proof of purchase, if you will

Note 8 - Notes Payable

At March 31, 2007, notes payable to individuals and others were comprised of the following:

Non-interest bearing loan payable to minority interest partner in MAP/MAC, L.L.C., due upon demand	$1,320,136
Loans payable to One Source Mortgage Investments, Inc., due interest only monthly or semiannually at 12%, maturing September 2008 - March 2009	1,011,500
Loans payble to various individuals, due principal and accrued interest at 12% at maturity in October-November 2008	444,175
Loan payable to Kirtland Realty Group, L.P., due interest only monthly at 14%, maturing November 2008	223,200
Loan payble to individual, due interest only quarterly at 12%, maturing November 2008	100,000
Non-interest bearing loans payable to joint venture partners, payable out of joint venture distributions	42,179

Documentation of notes payable to OSMI and others. There are many more 12-14% obligations to OSMI listed in other filings.

There is another excerpt that proves the commissions paid to Mangold, but it would not fit on this page.

Department of Financial Institutions

State of Arizona

MB - 0905093

This document is evidence that: **One Source Mortgage & Investments, Inc.** has complied with the provisions of Title 6, Chapter 9, Article 1, Arizona Revised Statutes, relating to the establishment and operation of a:

Mortgage Broker,

and that the Superintendent of Financial Institutions of the State of Arizona has granted One Source Mortgage & Investments, Inc. this license to transact the business of a Mortgage Broker as:

One Source Mortgage & Investments, Inc.

at: Suite 121
11000 North Scottsdale Road
Scottsdale, AZ 85254

This license is subject to the laws of Arizona and will remain in full force and effect until surrendered, revoked or suspended as provided by law.

Responsible Individual: Robert W. Mangold

Signed in the Superintendent's office at 2910 North 44th Street, Suite 310, in the City of Phoenix, State of Arizona, this 13th day of April, 2006.

Felecia A. Rotellini
Superintendent of Financial Institutions

Bob

From: D&B Small Business Solutions [SBS@dnb.com]
Sent: Wednesday, October 04, 2006 4:35 AM
To: bmangold@osmi.net
Subject: Your D&B Score Summary

D&B Score Summary

Important information about your credit profile

View My Report

Dear BOB MANGOLD,

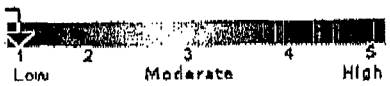
As part of your Self Monitor report purchased on January 04, 2006, we've enclosed a quarterly summary of the changes to your key D&B scores and ratings over the past 90 days. In addition to the summary below, we encourage you to review your fully updated report so that you are up-to-date on the contents of your D&B credit file.

Between 07/05/2006 and 10/04/2006:

- Financial Stress Score
  - Your Financial Stress Class remained unchanged at 1.
  - Your Financial Stress Score percentile remained unchanged at 82. Your score is better than 81% of businesses in the D&B database.
- Commercial Credit Score
  - Your Commercial Credit Score Class remained unchanged at 2.
  - Your Commercial Credit Score percentile remained unchanged at 71. Your score is better than 70% of businesses in the D&B database.
- PAYDEX
  - Your PAYDEX remained unchanged at 80.
  - Your PAYDEX of 80 = *on terms*.
- D&B Rating
  - Your D&B Rating remained unchanged at ER6.
  - Your Employee Range Rating of ER6 = 10 to 19 employees.

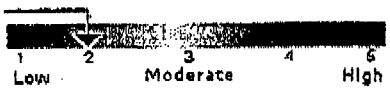
As of 10/04/2006:

Financial Stress Class
Class: 1



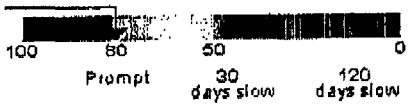
Percentile Score: 82

Commercial Credit Class
Class: 2



Percentile Score: 71

PAYDEX
Score: 80



D&B Rating

ER6

To learn more about specific D&B scores and ratings herein, please see any of the following links: Financial Stress Class, Commercial Credit Class, PAYDEX and D&B Rating.

Please take a moment to review your latest D&B report and confirm that the information is correct.

10/4/2006

COMPANY AGREEMENT

OF

Green River Capital LLC

A TEXAS LIMITED LIABILITY COMPANY

EFFECTIVE AS OF JUNE 13, 2007

THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES ACTS. SUCH INTERESTS ARE BEING ACQUIRED FOR INVESTMENT ONLY, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER SUCH ACTS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED WITH RESPECT TO THE PROPOSED DISPOSITION THEREOF AND THAT SUCH DISPOSITION WILL NOT CAUSE THE LOSS OF THE EXEMPTION UPON WHICH THE ISSUER RELIED IN SELLING THESE MEMBERSHIP INTERESTS TO THE ORIGINAL PURCHASER THEREOF.

THE MEMBERSHIP INTERESTS AND THE TRANSFER THEREOF ARE SUBJECT TO QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS SET FORTH IN THIS COMPANY AGREEMENT, AND THE MEMBERSHIP INTERESTS SHALL NOT BE TRANSFERRED UPON THE BOOKS OF THE COMPANY UNTIL THE TERMS AND CONDITIONS OF THIS AGREEMENT HAVE BEEN FULLY COMPLIED WITH.

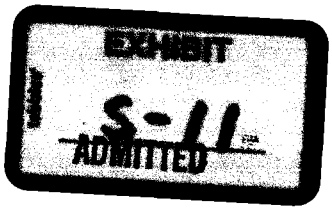


TABLE OF CONTENTS

ARTICLE I. FORMATION 1

1.1. FORMATION 1
1.2. PRINCIPAL PLACE OF BUSINESS 1
1.3. REGISTERED AGENT OFFICE 1
1.4. TERM 1
1.5. PURPOSE 1

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS 2

2.1. MANAGEMENT OF COMPANY VESTED IN THE MANAGERS 2
2.2. CERTAIN POWERS OF MANAGERS 2
2.3. LIABILITY FOR CERTAIN ACTS 2
2.4. MEMBERS AND MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY 3
2.5. AUTHORITY OF MANAGERS TO DEAL WITH AFFILIATES 3
2.6. RESIGNATION AND REMOVAL OF MANAGERS 3
2.7. COMPENSATION AND FEES 3

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS 3

3.1. LIMITATION OF MEMBERS' LIABILITIES 3
3.2. NO CONTROL OF BUSINESS OR RIGHT TO ACT FOR COMPANY 4
3.3. PRIORITY AND RETURN OF CAPITAL 4
3.4. MEETINGS OF THE COMPANY; VOTING RIGHTS 4
3.5. POWERS RESERVED TO THE MEMBERS 5

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY 6

4.1. AMENDMENT OF AGREEMENT 6
4.2. BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS 6

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS 7

5.1. INITIAL CAPITAL CONTRIBUTIONS 7
5.2. ADDITIONAL CONTRIBUTIONS; ADDITIONAL UNITS; PREEMPTIVE RIGHTS 7
5.3. FAILURE TO CONTRIBUTE ADDITIONAL CONTRIBUTIONS 8
5.4. CAPITAL ACCOUNTS 8
5.5. SECURITIES MATTERS 8

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS 8

6.1. ALLOCATIONS OF PROFITS AND LOSSES 8
6.2. SPECIAL ALLOCATIONS 9
6.3. DISTRIBUTIONS 11

ARTICLE VII. TRANSFERABILITY 11

7.1. GENERAL 11
7.2. TRANSFERS NOT REQUIRING PRIOR CONSENT 11
7.3. VOLUNTARY TRANSFER PROCEDURE 12
7.4. PURCHASE PRICE 13
7.5. REMEDIES 13
7.6. EFFECT OF TRANSFER OF INTEREST 13

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS 14

8.1. ADMISSION OF MEMBERS 14
8.2. WITHDRAWAL OF MEMBERS 14

ARTICLE IX. WINDING UP AND TERMINATION 14

9.1. EVENTS REQUIRING WINDING UP 14
9.2. WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS 15
9.3 RETURN OF CONTRIBUTION NONRECOURSE TO MEMBERS 15

ARTICLE X. MISCELLANEOUS 16

10.1. NOTICE 16
10.2. WAIVER OF NOTICE 16
10.3. AUTHORITY TO BIND THE COMPANY 16
10.4. WAIVER OF ACTION FOR PARTITION 16
10.5. INDEMNIFICATION BY COMPANY 16
10.6. CONSTRUCTION 16
10.7. ARTICLES AND OTHER HEADINGS 16
10.8. SEVERABILITY 17
10.9. APPLICATION OF TEXAS LAW 17
10.10. DISREGARDED ENTITY TAX TREATMENT INTENDED IF ONE MEMBER 17
10.11. PARTNERSHIP TAX TREATMENT INTENDED IF MORE THAN ONE MEMBER; TAX ADMINISTRATIVE MATTERS 17
10.12. NO PARTNERSHIP INTENDED FOR NON-TAX PURPOSES 17

CERTIFICATION 18

EXHIBIT A **MEMBER CAPITAL CONTRIBUTIONS** 19

EXHIBIT B **LIST OF ASSETS** 20

EXHIBIT C **SERVICING AGREEMENT** 21

This Company Agreement of GREEN RIVER CAPITAL LLC is adopted by the Managers and the undersigned Members, for the purpose of forming and operating GREEN RIVER CAPITAL LLC as a Texas limited liability company, and the undersigned Managers and Members do each mutually acknowledge and agree as follows:

DEFINITIONS

The following terms used in this Company Agreement shall have the following meanings unless otherwise expressly provided herein:

(i) **"Agreement"** shall mean this Company Agreement, as originally executed, and as amended from time to time in writing, including all exhibits and schedules hereto, which concerns the conduct of the business of the Company.

(ii) **"Capital Account"** shall mean the Capital Account maintained for each Member in accordance with Section 5.4.

(iii) **"Capital Contribution"** shall mean any contribution to the capital of the Company in cash or property by a Member whenever made.

(iv) **"Certificate of Formation"** shall mean the Certificate of Formation filed with the Texas Secretary of State for the purpose of organizing the Company, as the same may be amended or restated from time to time.

(v) **"Code"** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(vi) **"Company"** shall mean Green River Capital LLC, the Company organized pursuant to the Certificate of Formation and this Agreement.

(vii) **"Deficit Capital Account"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in company minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any member nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

This definition of Deficit Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(viii) **"Distributable Cash"** shall mean all cash, revenues and funds received by the Company from Company operations, including from the sale of any asset to the extent not reinvested in replacement assets, less the sum of the following to the extent paid or set aside by the Company: (a) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (b) all cash expenditures incurred incident to the purchase or sale of any asset and the normal operation of the Company's business; (c) reimbursement of expenses and payment of compensation to any Manager; and (d) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(ix) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association.

(x) **"Fair Market Value"** shall mean, on the date such Fair Market Value is to be determined, the excess of the value of all of the Company's assets minus all of the Company's liabilities. For purposes of determining Fair Market Value, (a) no value shall be placed on the goodwill or name of the Company or the office records, files, statistical data or any similar intangible assets of the Company not normally reflected in the Company's accounting records, (b) there shall be taken into consideration any related items of income earned but not received, expenses incurred but not yet paid, liabilities fixed or contingent, prepaid expenses to the extent not otherwise reflected in the books of account, and the value of options or commitments to purchase securities pursuant to agreements entered into on or prior to the valuation date, (c) determination of value of any publicly-traded security or bond, shall be the most recent closing sale price quoted for such security on the exchange on which it is traded, (d) determination of the value of other securities shall be based on all relevant factors, including without limitation, type of security, marketability, restrictions on disposition, and current financial position and operating results, (e) the value of real estate shall be deemed to be the most recent fair market value of such real estate as determined by a real estate appraiser selected by the Managers; and (f) as to the liabilities and any other assets of the Company, the book value carried on the books of the Company in accordance with Generally Accepted Accounting Principles, consistent with the Company's past practice.

(xi) **"Fiscal Year"** shall mean the Company's fiscal year, which shall end on December 31, of each year.

(xii) **"Initial Capital Contribution"** shall mean the initial contribution to the capital of the Company pursuant to this Agreement.

(xiii) **"Manager" and "Managers"** As used in this Agreement the term "Manager" shall mean each individual Manager of the Company from time to time. The term "Managers" shall refer (i) to the Manager of the Company at any time when the Company has one (1) Manager and (ii) collectively, to all of the Managers of the Company at any time when the

Company has multiple Managers. Initially, the Company shall have one Manager, which shall be Strategic Equity Investments, LLC, an Arizona corporation.

(xiv) **"Member"** shall mean any person that signs in person or by an attorney-in-fact, or otherwise is a party to the Agreement at the time that the Company is formed and is identified as a Member in the Agreement and any Person who is subsequently admitted as a Member in the Company in accordance with the Texas Act and the Agreement, until such time as such Person withdraws, is removed, or is otherwise no longer a Member of the Company.

(xv) **"Membership Interest"** shall mean a Member's entire interest in the Company, including such Member's right to participate in the decisions of the Members, as reflected by the ratio of such Member's Units to the aggregate of the Units of all Members.

(xvi) **"Net Profits"** and **"Net Losses"** shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined under the Company's adopted method of accounting at the close of each Fiscal Year.

(xvii) **"Offer"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xviii) **"Offered Interest"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xix) **"Percentage of Interest"** means, for a Member, the percentage equivalent of a fraction, the numerator of which is the number of Units owned by such Member and the denominator of which is the total number of Units owned by all Members.

(xx) **"Persons"** shall mean any individuals, partnerships, limited liability companies, corporations, trusts, business trusts, real estate investment trusts, estates and other associations or business entities.

(xxi) **"Reserves"** shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(xxii) **"Securities Acts"** shall mean the Securities Act of 1933 or any other applicable state securities laws.

(xxiii) **"Selling Member"** shall mean any Member who sells, assigns, or otherwise transfers for consideration, all or any portion of a Membership Interest.

(xiv) **"Texas Act"** shall mean the Texas Limited Liability Company Law, part of the Texas Business Organizations Code, as amended.

(xxv) A **"Transfer"** of all or any part of a Membership Interest means any type of disposition of any right, title or interest whatsoever in such Membership Interest, voluntarily or

involuntarily, directly or indirectly, including without limitation any sale, exchange, assignment, encumbrance, grant of security interest, pledge, hypothecation, gift, transfer by trust, transfer by will or intestate succession, or other disposition whatsoever.

(xxvi) **"Transferring Person"** shall have the meaning ascribed to such term in Section 7.3.

(xxvii) **"Treasury Regulations"** shall mean the proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Formation and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(xxviii) "**Units"** shall mean equity ownership in the Company represented by membership units ("Units"). The Company may issue such total number of Units as the Managers shall determine, and may issue partial Units.

ARTICLE I. FORMATION

1.1. **Formation.** On January 26, 2007, the Company was organized as a Texas limited liability company by execution and delivery of Certificate of Formation to the Texas Secretary of State in accordance with the Texas Act.

1.2. **Principal Place Of Business.** The principal place of business of the Company shall be located 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The Company at any time may change the location of such principal office and may have such other offices, either within or without the State of Texas, as the Members may designate or as the business of the Company may require.

1.3. **Registered Agent Office.** The initial registered agent is Strategic Equity Investments, LLC and the address of the initial registered agent office of the Company is; 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. registered agent office and the registered agent may be changed from time to time by the Managers, with the consent of the Members, filing the prescribed form with the Texas Secretary of State.

1.4. **Term.** The existence of the Company shall be perpetual, unless terminated or dissolved as set forth herein.

1.5. **Purpose.** The Company may conduct or promote any lawful businesses or purposes for which limited liability companies may be organized under the Texas Act. The Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion, or attainment of the businesses or purposes of the Company.

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS

2.1. **Management of Company Vested in the Managers.** The business and affairs of the Company shall be managed by the Managers. The consent of a majority in number of the Managers then-serving shall be the act of the Managers. The Managers shall direct, manage and control the business of the Company to the best of their ability. Except for situations in which the approval of the Members is expressly required herein and as specifically provided in Section 3.5, the Managers shall have full and complete authority, power and discretion to: (i) manage and control the business, affairs and property of the Company; (ii) make all decisions regarding the business, affairs and property of the Company; and (iii) perform any and all other acts incident to the management of the Company's business subject to the provisions of this Agreement. Subject to the limitations in the preceding sentence, the right, power, and authority of the Managers pursuant to this Agreement shall be liberally construed to encompass all acts and activities in which a Company may engage under the Texas Act.

2.2. **Certain Powers of Managers.** Without limiting the generality of the provisions set forth in Section 2.1 above, the Managers shall have the power to act on behalf of the Company:

(a) To enter into and execute, on behalf of the Company, all agreements, contracts, instruments and related documents in connection with the Company's business, on such terms as the Managers, in their reasonable discretion, deem to be in the best interests of the Company.

(b) To carry out the business of the Company.

(c) To acquire and enter into, on behalf of the Company, any contract of insurance, which the Managers reasonably deem necessary and proper for the protection of the Company, for the conservation of its property, or for any purpose beneficial to the Company.

(d) To employ persons (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) in the operation of the Company, on such terms and for such compensation as the Managers shall reasonably determine.

(e) To employ attorneys, accountants, consultants, brokers, and other outside entities or individuals (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) on behalf of the Company.

(f) To pay, collect, compromise, arbitrate, resort to legal action for or otherwise adjust claims or demands of or against the Company.

(g) To sell assets to another investor as well as maintain servicing and/or obtain other incentives as deemed in the best interest of the company.

2.3. **Liability for Certain Acts.** Each Manager shall perform its duties as a Manager in good faith, in a manner reasonably believed to be in the best interest of the Company, and with

such care as an ordinarily prudent person in a like position would use under similar circumstances. If any Manager so performs the duties as a Manager, it shall not have any liability by reason of being or having been a Manager. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

2.4. **Members and Managers Have No Exclusive Duty to Company.** The Managers, and affiliates of the Managers, shall not be required to manage the Company as their sole and exclusive function and each Member and Manager and their affiliates may have other business interests and may engage in other activities in addition to those relating to the Company, including business interests or other activities that directly compete with the business of the Company.

2.5. **Authority of Managers to Deal with Affiliates**. Any Manager may, on behalf of the Company, contract with any person, firm or corporation, including, without limitation, any of the Members, any entity in which any of the Members or any Manager has a direct or indirect interest and any affiliated or related corporation or other entity, for the performance of any and all services which may at any time be necessary, proper, convenient or advisable to carry on the business of the Company; provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated persons. Any goods or services provided by affiliates to the Company shall be pursuant to a written contract which sets forth the goods and services to be provided and the compensation to be paid.

2.6. **Resignation and Removal of Managers.** Any Manager may resign by giving thirty (30) days prior written notice to the Members. Any Manager may be removed by the unanimous vote of all of the Members. The Members shall by the unanimous vote of all Members then elect a successor Manager to begin serving simultaneously with the resignation or removal of any Manager. The Members may increase or decrease (but not below one (1)) the number of Managers constituting all of the Managers of the Company.

2.7. **Compensation and Fees.** Each Manager shall be reimbursed by the Company for all out of pocket expenses incurred by such Manager in furtherance of performing its obligations to the Company as Manager. Except as specifically provided in the Servicing Agreement (as described in Section 3.5(c) herein), Manager shall receive no compensation other than reimbursement of out-of-pocket expenses incurred by Manager in furtherance of the business of the Company. No Manager shall receive any additional compensation except as the Members shall decide.

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS

3.1. **Limitation of Members' Liabilities.** Based on the Texas Act, a Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company or the Manager, and such Member's liability shall be limited solely to the amount of its Capital Contributions, whether or not returned to such Member, together with the undistributed share of the profits of the Company from time to time credited to such Member's Capital Account and

any money or other property wrongfully paid or conveyed to such Member on account of its Capital Contribution, including but not limited to money or property to which creditors were legally entitled, paid or conveyed to a Member, and, under certain circumstances, interest on returned capital.

3.2. **No Control of Business or Right to Act for Company.** No Member shall have any right or authority to act for or bind the Company or to vote on matters other than the matters set forth in this Agreement, except as specifically required by applicable law.

3.3. **Priority and Return of Capital.** Except as provided herein, no Member shall have priority over any other Member, as to the return of Capital Contributions, Net Profits, Net Losses or distributions.

3.4. **Meetings of the Company; Voting Rights.**

(a) Meetings of the Company may be called by the Managers and shall be called by it upon the written request of Members with the authority to vote an aggregate of not less than 49% Percentage of Interest. Upon receipt of such a written request, stating the purpose of the proposed meeting, the Managers shall provide each Member, within ten (10) days of such request, with written notification of a meeting and the purpose of such meeting. Such meetings shall be held not less than fifteen (15) days or more than sixty (60) days after the receipt of such request and shall be held at the principal place of business or principal executive office of the Company or such other place as the Members shall unanimously decide.

(b) At all meetings of the Company, any decision, determination, consent, approval or action by or of the Members shall be affected by the favorable vote of all of the Members of the Company, unless the vote of a greater or lesser number is otherwise required by the Act, the Certificate of Formation or this Agreement.

(c) At all meetings of the Company, a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company at least one (1) day before the meeting. Unless otherwise provided in the proxy, no proxy shall be effective after eleven (11) months after the date of its execution.

(d) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to a Manager for inclusion in the minutes or for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed a consent, unless the consent specifies a different effective date.

(e) When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice.

3.5. **Powers Reserved to the Members.** Each of the following actions on behalf of the Company shall require the unanimous approval of the Members:

(a) the acquisition of any real property in excess of $100,000 per parcel of real estate;

(b) the acquisition of any loan or portfolio of loans in excess of $100,000 per loan;

(c) the execution, on behalf of the Company, of a servicing agreement in the form of Exhibit B, attached hereto and incorporated herein by this reference, or any amendment thereto, to service the Initial Loan Portfolio (as defined in Section 5.6 herein) and an additional portfolio of loans owned by the Company (hereinafter referred to as a "Servicing Agreement").

(d) the sale, exchange or other disposition of substantially all of the assets of the Company;

(e) the filing by the Company of any voluntary petition in bankruptcy or delivery of any assignment for the benefit of creditors;

(f) the lending of Company funds to any person (except as otherwise set forth herein), or obligating the Company as surety, guarantor or accommodation party, except that the Company shall be able to guarantee credit accounts with suppliers in the ordinary course of business;

(g) the incurrence of any debt on behalf of the Company, other than trade debt incurred in the ordinary course of the Company's business;

(h) the investment or participation by the Company in any other entity;

(i) the merger or consolidation of the Company;

(j) the admission of new Members of the Company, except as specifically provided in Section 8.1; or

(k) the establishment of reserves to help meet anticipated Company expenses and the investment of such reserves pending utilization.

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY

4.1. **Amendment of Agreement.**

(a) Amendment. Any amendment to this Agreement must be approved in writing by all of the Members and by the Managers.

(b) Recording of Amendment. In making any amendments, there shall be prepared and filed for recordation by the Managers such documents and certificates, if any, as shall be required to be prepared and filed under the Texas Act and under the laws of the other jurisdictions in which the Company is then formed or qualified.

4.2. **Books and Records, Accounting, Reports, Tax Elections.**

(a) Availability. At all times during the existence of the Company, the Managers shall keep or cause to be kept full and true books and records of account. Such books and records of account shall be maintained at the principal place of business of the Company or such other place or places as may be determined by the Managers from time to time. In addition, the Company shall maintain at its principal office (i) a current list of the full name and last known business address of each Member set forth in alphabetical order, (ii) a copy of this Agreement and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendment has been executed, (iii) copies of the Company's federal, state and local tax returns and reports, if any, for the three (3) most recent years, and (iv) accounting records of the Company. Any Member or his, her or its duly authorized representative shall have the right to inspect and copy the books and records of the Company upon reasonable notice during business hours.

(b) Financial Reports. The Managers shall cause to be prepared and delivered to each Member, at the expense of the Company, such financial reports as shall be decided by the Members.

(c) Income Tax Information. The Managers shall cause income tax returns for the Company to be prepared by the Company's accountant and filed with the appropriate authorities and shall furnish to each Member within ninety (90) days after the close of the taxable year of the Company, all tax information with respect to the Company as may be required by the Member for the preparation of his, her or its individual federal and state tax returns, at the expense of the Company.

(d) Accounting Principles. The Company's books shall be maintained in accordance with generally accepted accounting principles determined by the Company's accountants, which accounting principles shall be consistently applied.

(e) Bank Accounts. The Managers are authorized to open a bank or investment account for the Company and withdraw funds or sign checks withdrawing funds from such bank or investment account for the sole purpose of paying all ordinary and necessary

charges and expenses incident to or arising out of the operations of the Company in the ordinary course of business (including expenses arising out of a Servicing Agreement provided said Servicing Agreement has been approved by the Members as required herein), and that such banks and investment companies be, and hereby are, authorized and directed to honor, pay and charge to the account of this Company all checks and orders for the payment of money so drawn when so signed. The Managers are authorized to certify to any bank or other investment company a copy of this Section 4.2(e) and the names and signatures of the Company's Managers authorized to sign checks as provided in this Section 4.2(e), and such bank or other investment company is hereby authorized to rely upon such certificate until formally advised of any changes therein.

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS

5.1. **Initial Capital Contributions.** Each Member shall contribute the amount set forth for such Member in Exhibit A, attached hereto and incorporated herein, as his, her or its Initial Capital Contribution. Exhibit A shall be revised from time to time as necessary to record all Capital Contributions and all changes in the Company and ownership of the Company effected in accordance with this Agreement, and Exhibit A as so revised shall be furnished to each Member.

5.2. **Additional Contributions; Additional Units; Preemptive Rights.**

(a) Unless approved by all of the Members, no additional Capital Contributions shall be required from any Members. Upon such approval, the Managers shall give written notice to each Member of the amount of any required additional Capital Contributions, and each Member shall deliver to the Company his, her or its pro rata share thereof based upon such Member's Percentage of Interest no later than thirty (30) days following the date such notice is given.

(b) Unless approved by the Members, the Company shall not offer additional Units or any other interest in the Company for sale to third parties. If authorized by the Members, the purchase price for which additional Units shall be offered shall be determined by the Members. Purchasers of additional Units pursuant to this paragraph who are not already Members shall be admitted to the Company as Members in accordance with Section 8.1 hereof. The Managers are authorized to adjust the Percentages of Interest of the Members as appropriate to reflect the issuance of additional Units. Exhibit A shall be revised from time to time as necessary to record all changes in the ownership of the Company affected in accordance with this section, and Exhibit A as so revised shall be furnished to each Member.

5.3. **Failure to Contribute Additional Contributions.** In the event that a Member does not contribute his, her or its portion of the additional Capital Contribution provided for in Section 5.2(a) when due, then such Member's Membership Interest shall be reduced pro-rata by the proportion of the unpaid additional Capital Contribution of such Member to the aggregate of all Capital Contributions actually made by such Member pursuant to Section 5.1 and 5.2.

5.4. **Capital Accounts.**

(a) A Capital Account will be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Each Member's Capital Account will be increased by: (i) the amount of money or the fair market value of property contributed by such Member to the Company; (ii) allocations to each Member of Net Profits; and (iii) allocations to each Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account will be decreased by: (a) the amount of money distributed to each Member by the Company; (b) the Fair Market Value of property distributed to each Member by the Company, net of liabilities secured by such distributed property that such Member is considered to assume or take subject to, pursuant to Code Section 752; (c) allocations to the Member for expenditures described in Code Section 705(a)(2)(B); (d) allocations to each Member of Net Losses; and (e) allocations to the account of such Member of other Company losses and deductions as set forth in the Treasury Regulations.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(c) A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them.

5.5. **Securities Matters.** The undersigned Members understand: (i) that the Membership Interests evidenced by this Agreement have not been, and will not be, registered under the Securities Acts because the Company is issuing these Membership Interests in reliance upon the exemptions from the registration requirements of the Securities Acts; (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment; and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS

6.1. **Allocations of Profits and Losses.**

(a) Except as provided in Section 6.2, Net Profits of the Company for each Fiscal Year shall be allocated to each Member in proportion to their Percentage of Interests.

(b) Except as provided in Section 6.2, Net Losses of the Company for each Fiscal Year shall be allocated to the Members in proportion to their Percentage of Interests.

6.2. **Special Allocations.**

Notwithstanding any other provisions of this Agreement to the contrary:

(a) No allocation of loss, deduction, and/or expenditures described in Code Section 705(a)(2)(B) shall be charged to the Capital Account of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of each Member who would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3) and shall be applied and interpreted consistent therewith.

(c) In the event any Member would have a Deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-l(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Treasury Regulation Section 1.704-2(g)(1), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this section 6.2, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section 6.2(d) is intended to comply with the minimum gain chargeback requirement of Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirements in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Code Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as member nonrecourse deductions under Treasury Regulation Section 1.704-2(i) shall be allocated to the Members' Capital Accounts in accordance with Treasury Regulation Section 1.704-2(i).

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions," as described in Treasury Regulation Section 1.704-2(b), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company Net Profit or Net Loss for such period.

(g) In connection with a Capital Contribution by a new or existing Member as consideration for one or more Units, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member as consideration for one or more Units, the Capital Accounts of the Members shall be adjusted to reflect a revaluation of Company property including intangible assets in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Treasury Regulation Section 1.704-1(b)(2)(iv)(f) Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and Fair Market Value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Code Section 704(c).

(h) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Members to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Member is allocated any gain from the sale or other disposition of such Company property.

(i) Any credit or charge to the Capital Accounts of the Members under this section 6.2 shall be taken into account in computing subsequent allocations of profits and losses, so that the net amount of any items charged or credited to Capital Accounts shall be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article if the special allocations required by this Section 6.2 had not occurred.

(j) In accordance with Code Section 704(c)(1)(A) and Treasury Regulation Section 1.704-3, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution.

6.3. **Distributions.**

(a) Notwithstanding anything herein to the contrary, the Managers may distribute available funds on an asset by asset basis or quarterly basis. If the managing member elects to distribute when an asset is sold, then a distribution will be made the following month. The priority for "distribution of proceeds" is as follows:

1) Costs to third parties or Managers expenses and servicing fees (for all assets)
2) Return of capital contribution in proportion to members' contribution for the sold assets.
3) Excess proceeds (or profit) in proportion to the Members' Percentage of Interest.

(b) The Company shall make a distribution to any Member from Distributable Cash to the extent that such Member is allocated income pursuant to Section 6.1 or Section 6.2 in excess of distributions received pursuant to Section 6.3(a), in an amount sufficient to defray federal, state and local tax liabilities of such Member with respect to such excess for the Fiscal Year, based upon the then-current highest marginal federal tax rate plus the then-current highest marginal state tax rate for the State of Texas.

ARTICLE VII. TRANSFERABILITY

7.1. **General.** Except as provided herein or as otherwise consented to in writing by the Members, a Member shall not Transfer all or any part of a Membership Interest. Any purported or attempted Transfer of all or any part of a Membership Interest in violation of this Article 7 shall be null and void and the purported transferee of such invalid Transfer shall not be entitled to have any interest in the Company transferred to such purported transferee on the books of the Company.

7.2. **Transfers Not Requiring Prior Consent.**

(a) A Member may, without first obtaining the written consents required in Section 7.1 above, Transfer by sale or gift all or any undivided share of its Membership Interest to any one or more of the following: (i) a partnership, limited liability company or corporation in which fifty percent (50%) or more of the capital and profit interests (in the case of a partnership or a limited liability company) or in which fifty percent (50%) or more of the capital stock (in the case of a corporation) is owned by or for the benefit of the Member; (ii) the Member's partners (if the Member is a partnership), the Member's members (if the Member is a limited liability company) or the Member's shareholders (if the Member is a corporation); (iii) the Company; and (iv) a Member or Members; provided any such transferee shall agree in writing to be bound by the terms and conditions of this Agreement as they applied to the transferring Member on the date of execution of this Agreement in the same manner as if the transferring Member had retained ownership of its Membership Interest (upon meeting the foregoing requirements, such transferee shall be referred to as a "Permitted Transferee").

(b) The Managing Member may, without first obtaining the written consents required in Section 7.1, transfer by sale, assignment or gift all or any undivided share over and above its fifty percent Membership Interest to a third party.

7.3. **Voluntary Transfer Procedure.**

(a) A Member who desires to Transfer all or any portion of a Membership Interest (the "Transferring Person") to a third party, except as permitted under Section 7.2, shall obtain from such third party a bona fide written offer to purchase such Membership Interest (the "Offered Interest"), stating the terms and conditions upon which the purchase is to be made and the consideration offered therefore (the "Offer"). The Transferring Person shall give written notification to the Managers and each of the Members, by certified mail or personal delivery, of his, her or its intention to Transfer the Offered Interest, furnishing to the Managers and each Member a copy of the Offer.

(b) Upon receipt of the written notice required under paragraph (a) above, the Company and the Members shall comply with the following procedure:

(i) The Company shall have thirty (30) days from the date of delivery of the notice required by paragraph (a) above to notify the Transferring Person in writing of the Company's election to redeem all or a part of the Offered Interest at the purchase price set forth in Section 7.4 of this Agreement, which decision of the Company shall be made by an affirmative vote of all of the Members.

(ii) If the Company does not elect to redeem all of the Offered Interest, the other Members shall have the right, within thirty (30) days of the date of the notice of nonelection by the Company or election as to less than all of the Offered Interest, to elect to purchase the remaining Offered Interest, and the Transferring Person shall sell such interest to the other Members at the purchase price set forth in Section 7.4 of this Agreement. Any Member desiring to acquire any or all of the Offered Interest shall deliver to the Managers and each of the Members a written election to purchase the Offered Interest.

(iii) If two or more Members of the Company elect to exercise the option to purchase the Offered Interest then, in the absence of an agreement between them, each Member shall have priority to purchase such proportion of the available interest that such Member's Percentage of Interest bears to the total Percentage of Interests held by all other Members electing to purchase. The portion of the Offered Interest not purchased on such a priority basis shall be allocated in one or more successive allocations to those Members electing to purchase more than the proportion of the Percentage of Interest to which they have a priority right, up to the proportion of the Offered Interest specified in their respective notices, in the proportion that the Percentage of Interests held by each of them bears to the total Percentage of Interest held by all of them.

(iv) If the Company and the Members do not exercise their rights to redeem or purchase, as the case may be, all of the Offered Interest pursuant to the terms set forth

in Section 7.3(b)(i) and Section 7.3(b)(ii) above, then the Transferring Person shall be free to Transfer the remaining part of the Offered Interest to the bona fide purchaser set forth in the Offer under the terms of the Offer, subject to the restrictions on such Transfer imposed by this Agreement or any other agreement or by law.

(v) If the Company exercises its right to redeem all or a part of the Offered Interest in accordance with Section 7.3(b)(i) above, the Transferring Person shall be obligated to sell such Offered Interest to the Company. If any or all of the Members exercise their rights to purchase all or a part of the Offered Interest in accordance with Section 7.3(b)(ii) above, the Transferring Person shall be obligated to sell such Offered Interest to such exercising Members. The closing of the Transfer of the Offered Interest from the Transferring Person to the Company or any Members pursuant to this Section shall be held at the principal offices of the Company not later than ninety (90) days after receipt of notice required by paragraph (a) above.

(c) In the event of the Transfer of all or any part of any Offered Interest by a Transferring Person to any third party, and as a condition to recognizing the effectiveness and binding nature of any such Transfer, the Company may require the Transferring Person or Transferring Person and the third party, as the case may be, to execute, acknowledge and deliver to the Members or Managers such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the Managers deem necessary or desirable.

7.4. **Purchase Price.** The purchase price to be paid to a Transferring Person for all or any part of such Transferring Person's Membership Interest redeemed by the Company or purchased by a Member under Section 7.3(b) shall be the lower of (i) the purchase price set forth in the Offer for such Membership Interest, or (ii) the product of (A) the Percentage of Interest represented by the Offered Interest multiplied by (B) the Fair Market Value of the Company as of the date of such redemption or purchase.

7.5. **Remedies.** The Members agree that a violation by any of them of this Article 7 will cause such damage to the Company and to the other Members as will be irreparable and the exact amount of which will be impossible to ascertain. For this reason, the Members agree that the Company shall be entitled as a matter of right to a decree of specific performance of the terms of this Article 7 or for temporary or permanent injunctive relief from any court of competent jurisdiction restraining any attempted or purported Transfer of interest in the Company in violation of this Article 7. In addition, any Member attempting or purporting to Transfer an interest in the Company in violation of this Article 7 and the purported transferee participating in the attempted or purported Transfer, shall be jointly and severally liable to reimburse and pay the Company for any and all costs, fees and expenses including without limitation any attorneys', accountants', and other professional fees and expenses actually expended or incurred by the Company in connection with any such violation, whether or not litigation ensues. The remedies set forth in this Section 7.6 shall be cumulative and in addition to whatever other rights and remedies the Company and the Members may have to protect their respective rights in the event of a violation of the provisions of this Article 7, including without limitation the right to recover damages including actual, compensatory, consequential, incidental and punitive damages.

7.6. **Effect of Transfer of Interest.** Upon the Transfer of any interest in the Company in accordance with the provisions of this Article 7, the transferee of such interest shall own and hold such interest in the Company as a transferee, subject to all the terms, conditions, and limitations of this Agreement, including without limitation restriction on any further Transfer of such interest as provided in this Article 7. Consent to such Transfer shall not constitute consent to the admission of the transferee as a Member of the Company. A transferee may become a Member only in accordance with the provisions of Section 8.1. Unless a transferee is admitted to the Company as a Member in accordance with the provisions of Section 8.1, such transferee shall not be entitled to any of the rights or benefits of a Member hereunder except the right to the share of profits and losses and distributions of assets based on the transferee's Percentage of Interest. Without limiting the generality of the preceding sentence, such transferee shall have no right (i) to vote upon, approve, or consent to, any matter requiring the vote, approval or consent of the Members, or (ii) to receive any information from the Company of the kind to which Members are entitled, or any other information.

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS

8.1. **Admission of Members.** No additional Member may be admitted to the Company, except upon the prior written consent of and upon such additional Member signing, in person or by attorney-in-fact, or otherwise becoming a party to this Agreement; provided, however, each Permitted Assignee (as defined in Section 7.1) shall automatically be deemed to be a Member of the Company regardless of whether or not the Members consented to said transfer. No Member shall have the power to grant a transferee, and no transferee shall have, the right to become a Member of the Company except as specifically provided in the preceding sentence. If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage person or property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property and shall have any power the Member had to give his or her assignee a Percentage of Interest in Net Profits and Net Losses. Said assignee may not be admitted as a Member of the Company except upon the prior written consent of the Members.

8.2. **Withdrawal of Members.** No Member shall have any right to withdraw or resign as a Member of the Company prior to the dissolution and winding up of the Company, except upon a Transfer of all of his, her or its interest in the Company in accordance with the terms and conditions of Article 7. A Member who resigns or whose Membership Interest is otherwise terminated for any reason, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Damages for breach of this section 8.2 shall be monetary damages only and not specific performance, and such damages may be offset against distributions by the Company to which such Member would otherwise be entitled.

ARTICLE IX. WINDING UP AND TERMINATION

9.1. **Events Requiring Winding Up.** The Company shall be wound up upon the occurrence of any of the following events:

(a) Unanimous written consent of the Members; or

(b) The consent of a majority in number of the remaining Members to wind up the Company within ninety (90) days after the Company is wound up in accordance with the Texas Act.

9.2. **Winding Up, Liquidation and Distribution of Assets.** If an event requiring the winding up of the Company occurs, the Managers shall wind up the business of the Company and shall apply or distribute the assets of the Company, or shall sell the assets of the Company and apply or distribute proceeds thereof, as promptly as practicable and in the following order of priority:

(a) First, if there are sufficient assets therefore, to creditors of the Company, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members; and if there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefore; and if there is any contingent, conditional, or unmatured debt, claim, obligation, or liability known to the Company, a reserve shall be established for it in accordance with law, in an amount determined by the Managers to be appropriate for such purpose;

(b) Second, to Members in satisfaction of liabilities for distributions; and

(c) Third, any remaining assets, to the Members in proportion to the positive balances in their respective Capital Accounts, and after all Capital Accounts have been reduced to zero, in accordance with their respective Percentages of Interest. The Company may offset damages for breach of this Agreement by a Member against the amount otherwise distributable to such Member hereunder.

(d) At the time final distributions, exclusive of any reserves for contingent, conditional or unmatured items, are made in accordance with clause (c) above, the Company shall terminate, but, if at any time thereafter, any reserve is released because the Managers determine the need for such reserve is ended, then such reserve shall be distributed in accordance with clause (c) above.

9.3. **Return of Contribution Nonrecourse to Members.** Except as provided by law or as expressly provided in this Agreement, upon winding up, each Member shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is

insufficient to return the Capital Contribution of one or more Members, such Member or Members shall have no recourse against any other Member or the Manager.

ARTICLE X. MISCELLANEOUS

10.1. **Notice.** Any notice required or permitted to be given pursuant to the provisions of the Texas Act or this Agreement shall be effective as of the date personally delivered, delivered via facsimile with electronic confirmation, or delivered via overnight express mail, or if sent by certified mail, return receipt requested, three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at the last known address as shown in the Company's records.

10.2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Act or this Agreement, a waiver thereof, in writing, signed by the person entitled to such notice shall be deemed equivalent to the giving of such notice.

10.3. **Authority to Bind the Company.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniary for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

10.4. **Waiver of Action For Partition.** Each Member irrevocably waives any right to maintain an action for partition with respect to the property of the Company during the term of the Company.

10.5. **Indemnification By Company.** The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Managers determine that he, she or it acted in good faith and in a manner reasonably believed to be in the best interest of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the Person did or did not act in good faith and in a manner which was reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

10.6. **Construction.** Whenever the context requires, as used in this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter genders, and vice versa.

10.7. **Articles and Other Headings.** The Articles and headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation thereof.

10.8. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected.

10.9. **Application of Texas Law.** This Agreement will be governed by the laws of the State of Texas, without giving effect to its conflicts of laws provisions.

10.10. **Disregarded Entity Tax Treatment Intended If One Member.** At any time when the Company has only one (1) Member, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a disregarded entity under the Code and not as a corporation, and the Managers and each Member shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.11. **Partnership Tax Treatment Intended If More Than One Member; Tax Administrative Matters.** At any time when there is more than one Member of the Company, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a partnership under the Code and not as a corporation, and the Managers and Members shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company. The Members hereby designate Strategic Equity Investments, LLC as the tax matters partner of the Company pursuant to Section 6231(a)(7) of the Code. The person designated tax matters partner shall not take any action contemplated by Section 6222 through 6232 of the Code without the approval of the Members.

10.12. **No Partnership Intended For Non-Tax Purposes.** The undersigned Members have formed the Company under the Texas Act, and as long as there is more than one Member of the Company such parties expressly do not intend hereby to form a partnership under either the Revised Uniform Partnership Act of the State of Texas nor the Revised Uniform Limited Partnership Act of the State of Texas. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

[The remainder of this page is intentionally left blank.]

CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Green River Capital LLC as of the date indicated below.

Strategic Equity Investments, LLC, as Member Manager

Date:_____

By:_____
Its:_____
Name:_____

F5 Secured Holdings as Managing Member

Date:_____

By:_____
Its:_____
Name:_____

EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

AS OF JUNE 13, 2007

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Strategic Equity Investments, LLC 11000 N. Scottsdale Rd Suite 121 Scottsdale, AZ 85254-6168	None	50	50%
Lee Houk	$100,000		5.5460%
F5 Secured Holdings, LLC	$200,000		11.092.%
JR Reed	$100,000		5.5460%
Paul Baron	$200,000		11.092%
Michael Bales & Jill Elsdon California National Bank Cust FBO Michael Bales #[redacted]0010	$80,000 $120,000		4.437% 6.65%
Tim & Debra Hennessey	$101,678.20		5.635%
Total	$901,678.20	**100**	**100%**

EXHIBIT B

ASSET LIST

Address	City	State	Zip	Green River Purchase Price
20260 Archdale St	DETROIT	MI	48235	$ 29,661.35
23020 Quinn Road	CLINTON TOWNSHIP	MI	48035	$ 26,932.53
13232 Bloom	HAMTRAMCK	MI	48212	$ 16,985.56
284 Goodell	RIVER ROUGE	MI	48218	$ 24,203.72
20036 Coventry	HIGHLAND PARK	MI	48203	$ 26,932.53
9616 Bessemore Street	DETROIT	MI	48213	$ 3,429.51
3874 19th Street	ECORSE	MI	48229	$ 32,390.16
21230 Lyndon St	DETROIT	MI	48223	$ 28,569.82
11670 Asbury Park	DETROIT	MI	48227	$ 21,474.90
11236 Packard	WARREN	MI	48089	$ 29,661.35
1848 Russell	LINCOLN PARK	MI	48146	$ 28,569.82
1581 Grant Ave	LINCOLN PARK	MI	48146	$ 36,210.51
19344 Harned Street	DETROIT	MI	48234	$ 34,682.37
15337 Lamphere Street	DETROIT	MI	48223	$ 16,985.56
13322 E State Fair St	DETROIT	MI	48205	$ 30,207.11
6828 Rutherford	DETROIT	MI	48228	$ 37,847.79
1203 Burlingame Street	DETROIT	MI	48202	$ 37,847.79
8621 Vaughan	DETROIT	MI	48228	$ 32,935.93
18295 Wormer Street	DETROIT	MI	48219	$ 36,210.51
18920 Edinborough	DETROIT	MI	48219	$ 43,305.43
6850 Mettetal	DETROIT	MI	48228	$ 46,034.24
14801 Indiana Street	DETROIT	MI	48238	$ 29,661.35
19264 Binder	DETROIT	MI	48234	$ 12,936.35
7400 Montrose Street	DETROIT	MI	48228	$ 40,576.61
8401 18 Mile Rd	STERLING HEIGHTS	MI	48314	$ 48,763.06
15277 Seymour St.	DETROIT	MI	48205	$ 40,576.61
18777 Glastonbury Rd	DETROIT	MI	48219	$ 47,125.77
13430 East State Fair	DETROIT	MI	48205	$ 34,027.45
				$901,678.20

EXHIBIT C

SERVICING AGREEMENT

Owner:	Green River Capital, LLC.
Owner's Address:	11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254
Servicer:	Strategic Equity Investments, LLC
Servicer Address:	11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254
Notes and/or REOs:	Attachment A

This servicing agreement was made and entered into this _____ day of _____, 2007, between SERVICER and OWNER.

OWNER shall initial below where appropriate.

Section 1. Servicing of Notes

Note Servicing:_OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "NOTES" and in that connection, to do the following:

A. To receive any and all payments due OWNER on the NOTES, which includes but is not limited to all monthly payments, all late payments and all payoffs in full or in part. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account;

B. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

C. To transmit OWNER's portion of such payments of principal and interest as required by laws, rules and regulations which are applicable. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

D. To provide periodic reporting on the OWNER's NOTES that SERVICER is servicing per this contract.

E. If the source of payment is not the maker of the NOTES, to so inform OWNER;

F. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

G. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the NOTES including but not limited to instituting foreclosure proceedings in the event of default or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the security of the Security Agreement or the priority thereof;

H. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have under the NOTES, including but not limited to Request for Reconveyance, Payoff Demands, Beneficiary Statements, Declarations and Notices of Default, bidding authorizations and other instructions to the Trustee of the NOTES;

I. To receive Notices of Default of prior encumbrances and to promptly notify OWNER of any default upon the Notes and any prior encumbrances;

J. To grant such extensions or loan modifications as SERVICER deems reasonably appropriate;

K. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the NOTES;

L. THE FOLLOWING PROVISIONS (1) & (2) APPLY ONLY TO LOANS IN WHICH OWNER HOLDS AN UNDIVIDED FRACTIONAL INTEREST IN THE NOTES:

1. A default upon any interest in the NOTES shall constitute a default upon all interests. A simple majority in interest of lenders may determine and direct the actions to be taken on behalf of all lenders in the event of default or with respect to other matters requiring the direction or approval of lenders, and such majority may designate the SERVICER to so act in their behalf.
2. SERVICER shall furnish to OWNER a list of names and addresses of all lenders holding an interest in the NOTES upon five (5) days written notice.

M. Fees will be according to the attached Fee Schedule.

Section 2 – Servicing of REOs

I. REO Servicing: OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "REOs" and in that connection, to do the following:

A. Authorize SERVICER to act on behalf of OWNER as landlord to the REOs, where applicable;

B. Authorize SERVICER to manage, operate, control, rent and lease OWNER'S REOs.

C. Authorize SERVICER to contract for or undertake the making of all necessary repairs and the performance of all other necessary work for the benefit of the REOs including all required alterations to properly carry out this agreement. SERVICER agrees to secure prior written approval of the OWNER on expenditures in excess of $1,000 except emergency repairs in excess of the maximum if, in the opinion of SERVICER, such repairs are necessary to protect the property from damage, prevent damage to life or to the property of others;

D. To collect any and all payments due OWNER, which includes but is not limited to, all monthly RENT payments and all LATE payments. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

E. Any trust account SERVICER maintains under this agreement may be an interest-bearing or income producing account. SERVICER may retain any interest or income from such account as compensation under this agreement.

F. To hold security deposits from tenants in escrow or trust account until the end of tenancy.

G. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

H. To provide periodic reporting on the OWNER's REOs that SERVICER is servicing per this contract;

I. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

J. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the REOs including but not limited to instituting eviction proceedings in the event of default or selling of the REOs or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the OWNER's interest in the property. To advertise the property and display signs thereon; to rent and lease the property; to sign, renew and cancel rental agreements and leases for the property or any part thereof; to sue or recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits;

K. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have

as to the REOs, including but not limited to evictions, listing the property for sale, selling the property, or renting the property;

L. To pay all operating expenses and such other expenses as requested by the OWNER from the rents received. This may include the payment of taxes and insurance;

M. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the REOs;

N. OWNER hereby agrees to hold SERVICER harmless from any and all claims, charges, debts, demand and lawsuits, including attorney's fees related to SERVICER's management of OWNER's REOs, and from any liability for injury on or about the properties which may be suffered by an employee, tenant or guest upon the properties.

O. Fees will be according to the attached Fee Schedule.

Section 3 – General Provisions

OWNER represents that all of the persons designated above are over the age of 18 and are competent.

Make OWNER Check Payable To: _Green River Capital LLC_____

Address: _11000 North Scottsdale Road, Suite 121_____

City, State, Zip Code: Scottsdale, AZ 85254_____

Tax ID Number: _____

DEFAULT: A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. SERVICER is also entitled to recover any compensation SERVICER would have been entitled to receive if Owner did not breach this agreement.

MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the cost of mediation equally.

ATTORNEY'S FEES: If OWNER or SERVICER is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

SPECIAL PROVISIONS: This Agreement may be amended from time to time by the parties pursuant to a written agreement or addendum signed by the SERVICER and the OWNER.

ENTIRE AGREEMENT: This document contains the entire agreement of the parties and may not be changed except by written agreement.

ASSIGNMENTS: Neither party may assign this agreement without the written consent of the other party.

BINDING EFFECT: OWNER's obligations to SERVICER under this agreement are binding upon OWNER and OWNER's heirs, executors, successors, and permitted assignees.

JOINT AND SEVERAL: OWNERS executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to , refund to , or signature of, any one or more of the OWNERS regarding any term of this agreement or its termination is binding on all OWNERS executing this agreement.

GOVERNING LAW: Texas law governs the interpretation, validity, performance, and enforcement of this agreement.

SEVERABILITY: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected and all other provisions of this agreement will remain valid and enforceable.

CONTEXT: When the context requires, singular nouns and pronouns include the plural.

NOTICES: Notices between the parties must be in writing and are effective when sent to the receiving party's address as stated in this agreement.

MEMBER: Bruce Freeman as Managing Member
F5 Secured Holdings, LLC
Signed:_____ Date _____
Print Name: _____
Title: _____

SERVICER: Strategic Equity Investments, LLC
Signed: _____ Date _____
Print Name: _____
Title: _____

Fee Schedule

1. Note Servicing: (for current notes)
$12.00 per note per month for standard servicing support that includes, but not limited to item such as monthly mailings of statements and responding to borrower requests. In addition, Owners will pay any directly related expenses.

1. Default Management Fee: *(for non-performing and REO)*
$188.00 per Note or REO per month for standard default management support such as collections, skip tracing, coordinating foreclosures, responding to bankruptcy claims, and any overhead related to default management plus REO sales coordination, forced insurance placements, property management and evictions. In addition, all directly related fees or commissions, internal or outsourced, will be charged to OWNER's account

ATTACHMENT A

Address	City	State	Zip	Green River Purchase Price
20260 Archdale St	DETROIT	MI	48235	$ 29,661.35
23020 Quinn Road	CLINTON TOWNSHIP	MI	48035	$ 26,932.53
13232 Bloom	HAMTRAMCK	MI	48212	$ 16,985.56
284 Goodell	RIVER ROUGE	MI	48218	$ 24,203.72
20036 Coventry	HIGHLAND PARK	MI	48203	$ 26,932.53
9616 Bessemore Street	DETROIT	MI	48213	$ 3,429.51
3874 19th Street	ECORSE	MI	48229	$ 32,390.16
21230 Lyndon St	DETROIT	MI	48223	$ 28,569.82
11670 Asbury Park	DETROIT	MI	48227	$ 21,474.90
11236 Packard	WARREN	MI	48089	$ 29,661.35
1848 Russell	LINCOLN PARK	MI	48146	$ 28,569.82
1581 Grant Ave	LINCOLN PARK	MI	48146	$ 36,210.51
19344 Harned Street	DETROIT	MI	48234	$ 34,682.37
15337 Lamphere Street	DETROIT	MI	48223	$ 16,985.56
13322 E State Fair St	DETROIT	MI	48205	$ 30,207.11
6828 Rutherford	DETROIT	MI	48228	$ 37,847.79
1203 Burlingame Street	DETROIT	MI	48202	$ 37,847.79
8621 Vaughan	DETROIT	MI	48228	$ 32,935.93
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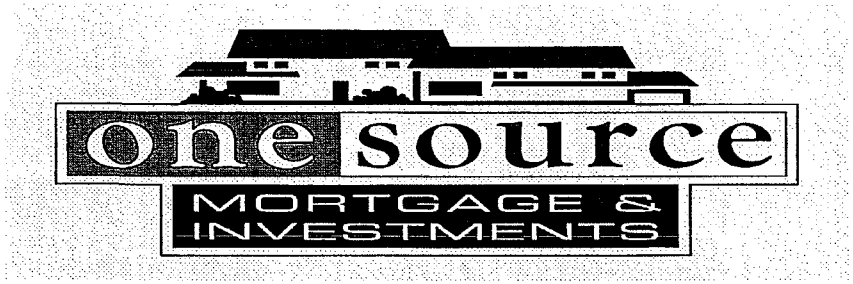
7400 Montrose Street	DETROIT	MI	48228	$ 40,576.61
8401 18 Mile Rd	STERLING HEIGHTS	MI	48314	$ 48,763.06
15277 Seymour St.	DETROIT	MI	48205	$ 40,576.61
18777 Glastonbury Rd	DETROIT	MI	48219	$ 47,125.77
13430 East State Fair	DETROIT	MI	48205	$ 34,027.45
				$901,678.20



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Schedule "A" Frost

COUNT		CITY	ST	LAST NAME	FIRST NAME	Unpaid Principal Balance	Sale price
1	Lot 8 Boxwood Estates	Semmes	AL			$ 31,800	$ 24,000
2	855 State Hwy 587	McKee	KY			$ 25,000	$ 12,000
3	316 W Oklahoma Avenue	Blackwell	OK			$ 25,000	$ 11,000
4	106 Early Road	Youngstown	OH			47,187.62	$ 9,000
5	2113 Wilson Ave	Louisville	KY			73,592.94	$ 6,000
6	937 Bartlett Street	Macon	GA			30,325.08	$ 5,000
7	813 Church Street	Bowling Green	KY			37,991.00	$ 7,000
8	270 Louie Bullock Road	Seminary	MS			25,405.28	$ 8,000
9	2601 Massillon Street	Toledo	OH			41,547.20	$ 5,000
10	Rt 4 Box 62A	Huntsville	AR			27,655.19	$ 6,500
11	710 BURLINGTON DR	MUNCIE	IN			49,213.62	$ 6,500
totals						**$ 414,798.00**	**$ 100,000.00**

Seller

8-9-06

Date

Buyer

8/9/06

Date

----------[Space Above Reserved for Recording Purposes]----------

LIMITED IRREVOCABLE DURABLE POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

THAT, I (We), Susan Frost, of the County of Maricopa, State of Arizona, reposing special trust and confidence in Bob Mangold or any other authorized officer of One Source Mortgage & Investments, Inc. (hereinafter "Agent"), of the County of Maricopa, State of Arizona

have made, constituted and appointed, and by these presents do make, constitute and appoint said Agent to be my (our) true and lawful attorney-in-fact, to act for me (us) and in my (our) stead in regards to the assets described in the attached **"Exhibit A"**.

My (Our) agent is hereby authorized to sign, seal and deliver as my (our) act and deed any instruments necessary to manage, sell, convey, convert or effectuate in any way of the above-referenced assets

This is a durable power of attorney, which is not affected by my (our) subsequent disability or incapacity and will not lapse because of a passage of time and is irrevocable.

I bind myself (ourselves) and my (our) heirs and personal representatives to indemnify and hold Agent harmless from all claims, demands, losses, damages, actions, and expenses that Agent may sustain or incur in connection with carrying out the authority granted to Agent in this power of attorney.

Signature	Signature
ROBERT MANGOLD	Rick Stoddard
Printed Name	Printed Name
Witness	~~Witness~~ Signature
ED MANGOLD	Susan L. Frost
Printed Name	Printed Name

ACKNOWLEDGEMENT

STATE OF Arizona

COUNTY OF Maricopa

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named Susan Frost and _____ sign, seal, and as _____ and deed, deliver the within Power of Attorney, and that (s)he with the other witness above witnessed the execution thereof.

SWORN to before me this 9th day of August, 2006.

Notary Signature: Patricia Jones
Notary Public, State of Arizona
Notary's Name Printed Patricia Jones
My commission expires: 11/29/2009

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

PROFIT SHARING AGREEMENT

This Profit Sharing Agreement is made on 9th day of August, 2006 between **One Source Mortgage and Investments** ("OSMI"), an Arizona Corporation, and Susan Frost ("Investor"). The parties agree to the following terms:

Whereas, OSMI has a pool of notes listed in the attached Exhibit A available for partnering;
Whereas, Investor is willing to purchase these notes and is willing to profit share;
Whereas, OSMI is willing to service these notes for a share of the profits, and
Each party hereby agrees to the following Profit Sharing Agreement.

Profit Sharing:
The profit share percentages to be paid are 50% to OSMI and 50% to the Investor.

Profit is defined as all income minus all costs.

- Income is the net proceeds from all sales plus all receipts such as monthly loan payments or payment of late fees.
- Costs are defined as Acquisition Price (in the attached Exhibit A) plus Direct Costs (e.g., foreclosure, taxes, insurance, filing fees, commissions, servicing costs) or costs directly related to the assets costs.

Title and Legal:
The Investor agrees to the following items for the assets listed in Exhibit A:

- Investor will title the assets in the name of Susan Frost (see Bill of Sale, Exhibit B).
- Investor grants a durable and irrevocable Power of Attorney to OSMI, and OSMI is authorized to sign on behalf of Investor with regards to all expenditures and transactions related to these assets. (Exhibit C)
- The Investor will not subordinate these assets or sell these assets to any party other than at OSMI's direction.

Consequently, OSMI agrees to the following:

- OSMI will not subordinate these assets to any other party.

Servicing:
OSMI's fee for servicing these notes is the profit sharing terms delineated herein and the standard $188 per asset per month fee. OSMI will service these assets until every asset is sold unless mutually agreed upon in writing by both parties.

Future Capital Requirements: Any additional capital or cash requirements to service any notes shall be funded by OSMI, not the Investor unless approved in writing by Investor. If major additional capital is required (e.g., taxes or large foreclosure costs), OSMI will first ask the Investor if they desire to "Loan" additional money at a competitive interest rate. If Investor declines, OSMI may secure funds from another Lender and deduct any interest charges from the profit.

Accounting and Payments: OSMI will provide Investor a monthly accounting of any payments due Investor or OSMI. When an asset is sold, a distribution will be made the following month without

waiting on all of the pool to be sold. (Note – a foreclosure to obtain title to the property is NOT treated as a sale.) The priority for "distribution of proceeds" is as follows:

1) Costs to 3rd parties or OSMI expenses and servicing fees (for all assets)
2) Investor or OSMI capital contributions (for the sold asset)
3) Profit sharing payment to both parties (for the sold asset)

There are neither limits nor guarantees on the amount of the profit to be shared. Furthermore, if there is no profit to distribute, no profit will be paid to OSMI nor will additional funds be paid by OSMI; however, all proceeds will follow the "distribution of proceeds" contained herein.

Termination of agreement: This agreement terminates when the last asset of the pool in Exhibit A is sold or is no longer marketable to sell as a note or real estate. If either party wishes to purchase the other's interest in the remainder of the pool, the "purchasing party" will offer a price to the other, and the other party will have the option to either sell it for that price or pay the same price to acquire the "purchasing party's" interest within 30 days.

Miscellaneous:
This agreement is in effect upon funding from Investor or acquisition of the pool, whichever is later.

This agreement may be amended only by an instrument in writing signed by both parties.

This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction.

Payments to the Investor, as well as all reporting, will be mailed to the following addresses:

SUSAN FROST
[redacted]
[redacted], AZ [redacted]

AGREED:

One Source Mortgage & Investments, Inc.

Signature

PRESIDENT / CEO
Title

8-9-06
Date:

Investor: SUSAN FROST

Signature

Title

8/9/06
Date:

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments, Inc., ("Seller"), and Susan Frost ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 11 accounts with an aggregate principal balance of **$100,000**.

Executed this 9th day of August, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: _____

Date: 8-9-06

Bank of America

Cashier's Check

No. 005359228

Notice to Purchaser: In the event this check is lost, misplaced or stolen, a sworn statement and 90-day waiting period will be required prior to replacement. This check should be negotiated within 90 days.

Date AUGUST 09, 2006

91-170/1221
NAZ

Banking Center 67TH AVE & BEARDSLEY

0008678 00007 005359228

SUSAN L FROST
Remitter (Purchased By)

03-14-3774B 09-2005

Pay **ONE HUNDRED THOUSAND DOLLARS AND 00 CENTS**

$ **100000.00**

To The Order Of **ONE SOURCE MORTGAGE AND INVESTMENTS**
****

Authorized Signature

Bank of America, N.A.
Phoenix, AZ

VOID AFTER 90 DAYS

⑈005359228⑈ ⑆122101706⑆ [redacted]3602⑈

THE ORIGINAL DOCUMENT HAS REFLECTIVE WATERMARK ON THE BACK

THE ORIGINAL DOCUMENT HAS REFLECTIVE WATERMARK ON THE BACK

Wire Transfer Services
Outgoing Wire Transfer Request

WELLS FARGO

A customer or team member, with the customer present, completes this form when requesting to send a wire. Outgoing wires can only be sent for Wells Fargo customers. Retain the original copy in the bank and provide a copy to the customer ensuring you give the customer the Agreement for Outgoing Wire Transfer Request (page 2 when form is accessed on-line & preprinted on the back of printed forms). Required information is noted with an asterisk. Note: Wells Fargo Wire Transfer Services will route wires based on correspondent banking relationships.

*Today's Date: 8-9-06

*Send Date (If next day submit wire after 3:30 CT. Store must hold if other than today or next day date.)

1. Originator's Information

*Customer's Name: ONE SOURCE MORTGAGE & INVESTMENTS

*Phone Number: 480-222-5222

*Customer's Address, City, State, Zip Code: 11000 NORTH SCOTTSDALE ROAD SUITE 121 SCOTTSDALE, AZ 85254

Tax ID Type – Type & No. are required when customer's account is not debited: ☐ Social Security ☐ ITIN ☐ Non-U.S. Citizen without TIN ☑ Employer ID

Tax ID No. (If non-citizen provide Alien ID #, Passport # & Country): 46-0474884

*Name on ID used by customer: ROBERT MANGOLD

*1st ID Type, number, issued by State/Country, & Expiration Date: [redacted]

*2nd ID Type, number, issued by State/Country, & Expiration Date: [redacted] 3349 -11-00

*Transfer from Wells Fargo Bank 10 digit Account No. (Must be checking, savings, market rate or wholesale checking account): [redacted] 3585

*U.S. Dollar Wire Amount: 500,000

*International Wire only: Foreign Currency Type/Name (FX will be used unless specified otherwise)

*Currency Code (if known)

*Foreign Currency Amount

2. Beneficiary/Recipient Information (This is the ultimate recipient of the wire transfer funds.)

*Beneficiary/Recipient Name: MORTGAGE ASSISTANCE CORP

*Beneficiary Account Number (or Mexican CLABE # if applicable): 8042178163

Beneficiary Address, City, State, Zip Code: P.O. BOX 131618 DALLAS, TX 75313

Information for the Beneficiary (invoice number, Purchase order number, etc.)

Beneficiary Phone Number: 214-670-0005

3. Beneficiary Bank Information (This is the financial institution or broker dealer (i.e., Merrill Lynch) where the beneficiary maintains their account.)

*Beneficiary Bank RTN or SWIFT Bank Identifier Code (BIC): COLONIAL BANK

*International Sort/Routing/Clearing Code (if applicable): 062001319

*Beneficiary Bank Name: COLONIAL BANK

Beneficiary Bank Address, City, State, Zip, Country (optional information): 717 HARWOOD STREET DALLAS, TX 75201

Information for Beneficiary Bank (wires to Mexican banks require the CLABE account number in the Beneficiary Account Number field to ensure correct payment.)

4. Intermediary Bank Information (This is a financial institution that the wire must pass through before reaching the final beneficiary bank.) This section is optional and not required for all wires. Please note that routing may be altered depending on Wells Fargo Bank's correspondent relationships.

Optional: *Intermediary Beneficiary Bank RTN or SWIFT BIC

International Sort/Routing/Clearing Code (if applicable)

*Intermediary Bank Name

*Intermediary Bank Account No.

Intermediary Bank Address City, State, Zip, Country (optional information)

Information for Intermediary Bank

5. Wire Fee & Customer Signature

Wire Fee Amount (the Transfer From account will be charged the fee.) The region that houses the account being debited determines the fee amount. Use the fee information available through Teamworks and/or the Banker's Guide. Do not use SVT/SVP for fee when account is not in your region.

*AU where the Originator's account is located: 06324

*Fee Amount: $ 15 —

My signature here indicates agreement to all of the information on this Outgoing Wire Transfer Request and to the terms and conditions on the second page of this Request. Wells Fargo Bank is authorized to rely on the information on this Request in making the requested funds transfer.

*X Robert Mangold

*Date: 8-9-06

6. Bank Use Only — Bank Approval & Exception Process – Following MUST be completed for All outgoing wires

International Wire Foreign Currency Information

Rate

Contract # (required when $15,000 or more U.S. $)

FX Trader Contact

*Wire Transaction/FAS Number

PROFIT SHARING AGREEMENT

This Profit Sharing Agreement is made on 27th day of July, 2006 between Mortgage Assistance Corporation ("MAC"), a Texas Corporation, and ***One Source Mortgage and Investments*** *("Investor"). The parties agree to the following terms:*

Whereas, MAC has a pool of notes listed in the attached Exhibit A available for partnering, totaling an investment of $100,000.00;
Whereas, Investor is willing to purchase these notes and is willing to profit share;
Whereas, MAC is willing to service these notes for a share of the profits, and
Each party hereby agrees to the following Profit Sharing Agreement.

Profit Sharing:
The profit share percentages to be paid are 50% to MAC and 50% to the Investor.

Profit is defined as all income minus all costs.

- Income is the net proceeds from all sales plus all receipts such as monthly loan payments or payment of late fees.
- Costs are defined as Acquisition Price (in the attached Exhibit A) plus Direct Costs (e.g., foreclosure, taxes, insurance, filing fees, commissions, servicing costs) or costs directly related to the assets costs.

Title and Legal:
The Investor agrees to the following items for the assets listed in Exhibit A:

Investor will title the assets in the name of One Source Mortgage and Investments (see Bill of Sale, Exhibit B).

- Investor grants a durable and irrevocable Power of Attorney to MAC, and MAC is authorized to sign on behalf of Investor with regards to all expenditures and transactions related to these assets. (Exhibit C)
- The Investor will not subordinate these assets or sell these assets to any party other than at MAC's direction.

Consequently, MAC agrees to the following:

- MAC will not subordinate these assets to any other party.

Servicing:
MAC's fee for servicing these notes is the profit sharing terms delineated herein and the standard $188 per asset per month fee. MAC will service these assets until every asset is sold unless mutually agreed upon in writing by both parties.

Future Capital Requirements: Any additional capital or cash requirements to service any notes shall be funded by MAC, not the Investor unless approved in writing by Investor. If major additional capital is required (e.g., taxes or large foreclosure costs), MAC will first ask the Investor if they desire to "Loan" additional money at a competitive interest rate. If Investor declines, MAC may secure funds from another Lender and deduct any interest charges from the profit.

Accounting and Payments: MAC will provide Investor a monthly accounting of any payments due Investor or MAC. When an asset is sold, a distribution will be made the following month without waiting on all of the pool to be sold. (Note – a foreclosure to obtain title to the property is NOT treated as a sale.) The priority for "distribution of proceeds" is as follows:

1) Costs to 3rd parties or MAC expenses and servicing fees (for all assets)
2) Investor or MAC capital contributions (for the sold asset)
3) Profit sharing payment to both parties (for the sold asset)

There are neither limits nor guarantees on the amount of the profit to be shared. Furthermore, if there is no profit to distribute, no profit will be paid to MAC nor will additional funds be paid by MAC; however, all proceeds will follow the "distribution of proceeds" contained herein.

Termination of agreement: This agreement terminates when the last asset of the pool in Exhibit A is sold or is no longer marketable to sell as a note or real estate. If either party wishes to purchase the other's interest in the remainder of the pool, the "purchasing party" will offer a price to the other, and the other party will have the option to either sell it for that price or pay the same price to acquire the "purchasing party's" interest within 30 days.

Miscellaneous:
This agreement is in effect upon funding from Investor or acquisition of the pool, whichever is later.

This agreement may be amended only by an instrument in writing signed by both parties.

This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction.

Payments to the Investor, as well as all reporting, will be mailed to the following addresses:

One Source Mortgage and Investments
11000 N. Scottsdale Road, Suite 121
Scottsdale, AZ 85254

AGREED:

Mortgage Assistance Corporation

By: _____
Title: _____
Date: _____

Investor: One Source Mortgage and Investments

By: Bob Mangold
Title: President/CEO
Date: 9-18-06

----------[Space Above Reserved for Recording Purposes]----------

LIMITED IRREVOCABLE DURABLE POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

THAT, I (We), One Source Mortgage and Investments, of the County of Maricopa, State of Arizona, reposing special trust and confidence in Dan Barnett or any other authorized officer of Mortgage Assistance Corporation (hereinafter "Agent"), of the County of Dallas, State of TEXAS

have made, constituted and appointed, and by these presents do make, constitute and appoint said Agent to be my (our) true and lawful attorney-in-fact, to act for me (us) and in my (our) stead in regards to the assets described in the attached **"Exhibit A"**.

My (Our) agent is hereby authorized to sign, seal and deliver as my (our) act and deed any instruments necessary to manage, sell, convey, convert or effectuate in any way of the above-referenced assets

This is a durable power of attorney, which is not affected by my (our) subsequent disability or incapacity and will not lapse because of a passage of time and is irrevocable.

I bind myself (ourselves) and my (our) heirs and personal representatives to indemnify and hold Agent harmless from all claims, demands, losses, damages, actions, and expenses that Agent may sustain or incur in connection with carrying out the authority granted to Agent in this power of attorney.

Signature	Signature
ROBERT MANGOLD Printed Name	Printed Name
Witness	Witness
Printed Name	Printed Name

ACKNOWLEDGEMENT

STATE OF _____

COUNTY OF _____

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named _____ and _____ sign, seal, and as _____ and deed, deliver the within Power of Attorney, and that (s)he with the other witness above witnessed the execution thereof.

SWORN to before me this _____ day of _____, 200 .

_____

Notary Public, State of _____
Notary's Name Printed _____
My commission expires:_____

Prepared By:

Wendy McKnight
Mortgage Assistance Corporation
2614 Main Street
Dallas, Texas 75226
877-656-2434

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Mortgage Assistance Corporation., ("Seller"), and One Source Mortgage and Investments ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling _22_ accounts with an aggregate principal balance of $ ___**674,324.95**_

Executed this 27th day of July, 2006.

Seller: Mortgage Assistance Corporation

Signed: _____

Date: 7/27/06

Dan BarnettO:\Profit Sharing Agreement\One Source Mtg OSMI6\Bill of Sale EXHIBIT B.doc

Exhibit A

Mortgage Assistance Corporatio

P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

COUNT	COLLATERAL ADDRESS	CITY	ST	LAST NAME	FIRST NAME	UPB	Sale price
1	7532 2nd Avenue N	Birmingham	AL	Crum	Darlene & Geraldine	$ 55,180.31	$ 100.00
2	6510 Mount Ave	St. Louis	MO	Shaw	Nina	$ 30,444.70	$ 205.37
3	Route 1 Box 64	Neodesha	KS	Purdunn	Rhonda	$ 9,640.82	$ 233.46
4	Rt2 Box 624	Manning	SC	Broadway	James	$ 39,188.65	$ 351.53
5	167 Sylvan Avenue	Orangeburg	SC	Hailey	Reginald	$ 24,849.38	$ 476.09
6	1306 Kentucky Street	Bowling Green	KY	Phelps	Allen	$ 56,858.08	$ 723.54
7	629 Birdsong Road	Douglas	GA	Manning	Dianne & Melvin	$ 42,009.06	$ 1,189.51
8	4144 Brooklyn	Kansas City	MO	Salyer	Dorothy & Roger	$ 25,028.59	$ 1,428.27
9	1718 Yecker	Kansas City	KS	Boone	Martha	$ 20,036.02	$ 1,538.96
10	2584 Whitehouse Road	Greeneville	TN	Laughlin	Johnny	$ 54,352.54	$ 1,832.59
11	187 Cypress St	Clinton	SC	Henson	Arlene & Douglas	$ 27,773.18	$ 2,653.02
12	203 East Matthews	Roswell	NM	Walters	Perfecta	$ 15,670.65	$ 3,262.35
13	4933 Linden Street	Columbia	SC	Garrett	Kendall	$ 47,308.05	$ 3,479.63
14	7116 Red Springs Road	Red Springs	NC	Hollingshead	Benjamin & Elaine	$ 62,274.90	$ 4,007.37
15	2615 South Gaines Street	Little Rock	AR	Lavalle	Traci	$ 39,412.60	$ 4,501.91
16	925 N 27th Street	Camden	NJ	Martinez	Luis	$ 34,906.49	$ 6,533.63
17	1401 South 9th Street	Camden	NJ	Lopez	Carmen	$ 9,605.75	$ 7,712.07
18	630 Elizabeth Street	Paducah	KY	Ringstaff	John & G. Elaine	$ 27,923.37	$ 8,182.81
19	429 McKinley	Canton	MS	Hilbert	Eddie / Lakeasha Jackson	$ 31,157.89	$ 9,071.80
20	121 W. Rittenhouse	Battle Creek	MI	Hoyt	Stanley & Sharon	$ 20,703.92	$ 14,651.57
21	10360 CROCUSLAWN ST	DETROIT	MI	Scott	Adrienne	$ 54,353.73	$ 20,914.49
22	2374 WEST 23RD STREET	BELLAIRE	OH	Hammel	David	$ 39,242.13	$ 6,950.00
totals						**$ 674,324.95**	**$ 100,000.00**

Seller

7/22/06

Date

Buyer

9-18-06

Date

O:\Profit Sharing Agreement\One Source Mtg OSMI6\Copy of One Source DONI A Exhibit A.xls

OSMI-6

SECURITY AGREEMENT

Date: September 4, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Clifford & Heila Gibb

Secured Party's Mailing Address:

Amount of Promissory Note: $50,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

Clifford Gibb Date

Heila Gibb Date

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 7th day of Sept., 2007, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

Patricia Jones
Notary Public
My Commission Expires: November 29, 2009

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments,LLC ("Seller"), and Clifford & Heila Gibb ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 2 accounts with an aggregate principal balance of **$50,000.**

Executed this __4th____ day of Septemnber, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: 09/07/2007

Dan BarnettC:\Documents and Settings\Clifford Gibb\Local Settings\Temporary Internet Files\Content.IE5\ODVHPULY\Bill%20of%20Sale%20EXHIBIT%20B_Gibb[1].doc

PROMISSORY NOTE

Date: September 4, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Clifford & Heila Gibb

Place for Payment:

Principal Amount $50,000

Interest Rate: Twelve Percent (12%)

Maturity Date: September 4 , 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

M000295

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Gibb

OSMI PN - 20

COUNT	ADDRESS	CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	935 Lake Street	Meridian	MS	39307	Estate of Maxine	Sharp	$24,000.00	$38,617.65
2	1205 West Green	Carlsbad	NM	88220	Paul	Burington	$26,500.00	$25,043.27
3								
4								
5								
6								
7								
totals							**$50,500.00**	**$63,660.92**

Seller

9/7/07

Date

Buyer

09/07/2007

Date

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Clifford and Heila Gibb

OSMI PN - 39

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1720 Coit Avenue	East Cleveland	OH	44112	7/25/07	$79,000.00
Totals						**$79,000.00**

Seller

Buyer

10-8-07

Date

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Clifford and Heila Gibb

OSMI PN - 39

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1720 Coit Avenue	East Cleveland	OH	44112	7/25/07	$79,000.00
Totals						**$79,000.00**

Seller

10-8-07

Date

Buyer

Buyer

RECEIVED JUL 3 4 2008 ARIZONA CORPORATION COMMISSION SECURITIES DIVISION

One Source Realty Arizona USERNAME: PASSWORD:

MONDAY, AUGUST 20, 2007 CREATE ACCOUNT GET PASSWORD

HOME VIRTUAL TOURS FREE INFORMATION CONTACT US

MAIN MENU
- HOME
- CONTACT US
- SEARCH FOR A HOME OVER 20,000 HOMES ONLINE!
- VIRTUAL TOURS
- ABOUT US
- OUR TEAM OF AGENTS
- TESTIMONIALS

MORTGAGE INFO
- MORTGAGE RESOURCES
- MORTGAGE INSURANCE ANALYSIS
- MORTGAGE RATE WATCH
- MORTGAGE COST ANALYSIS
- EQUITY REPOSITIONING
- DEBT CONSOLIDATION
- CREDIT HELP

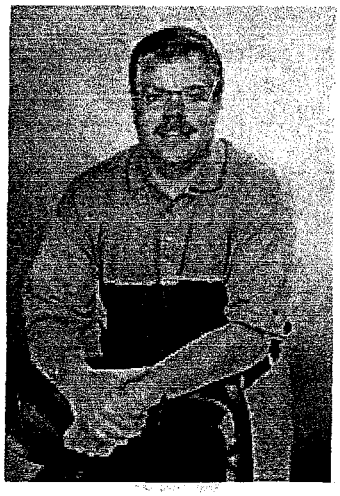
HOME OWNER RESOURCES
- SELL YOUR HOME
- MARKET VALUE
- HOME INSURANCE
- RELOCATION HELP

INVESTOR RESOURCES
- INVEST IN REAL ESTATE

CAREER RESOURCES
- CAREER INFO
- CAREER ASSESSMENT
- CAREER OPPORTUNITY
- MEMBERS MALL

EXTRAS
- USEFUL LINKS
- DICTIONARY
- FREE DOWNLOADS
- TELL A FRIEND
- SUBSCRIBE TO NEWSLETTER

About Us



See what Relocation & Real Estate Magazine wrote about One Source Realty in their December 2002 issue.

Bob Mangold has been in the real estate/mortgage business since 1993. He has trained hundreds of real estate agents and mortgage lenders across the country. He has written four books on buying and selling real estate.

Bob Mangold is considered an "expert" in real estate marketing, and building a successful real estate business. He has been a consultant to some of the most successful real estate agents and companies in the country. Bob teaches seminars across Arizona on "How To Buy Investment Real Estate"

Bob Mangold is a licensed Realtor with One Source Realty and a partner with Wall Street Mortgage. With the ability to help clients with both their real estate and mortgage needs, He was able to save them thousands of dollars in unnecessary fees.

Bob Mangold has also developed the unique "Equity Protector Home Selling System" designed to help homeowners save thousands of dollars when selling thier home, while receiving all of the marketing and services of a professional Realtor.

Bob Mangold resides in North Phoenix with his wife Michele, and three children, Ryan, Marissa and Megan.

EXHIBIT S-136 ADMITTED

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Website Design & Maintenance by VIP Business Solutions
support@vipit.net

ACC001721
FILE #7920

RECEIVED
JUL 24 2008
ARIZONA CORPORATION COMMISSION

What seminar participants are saying

Hear what an affiliate has to say

Learn How Holding "Foreclosure" Workshops Allowed This Arizona Loan Adviser To Generate Over $1,512,142 In Commission In 2006 With a 3 Person TEAM, Working Four Days Per Week

And most importantly, how you can utilize his Workshop and duplicate his results in your market!

What were you doing in December of 2006? How was your business going? Were you completely booked with appointments or were you trying to convince yourself "it's just slow because nobody does a loan at this time of year", right?

Well, on December 12th we held a Workshop and had **383** people reserve a seat.

MORE IMPORTANTLY...we had 292 people show up. That's a whopping 81% response rate!

Click here to preview of Bob's seminar

PLEASE NOTE: We had 292 people show up two weeks before XMAS, so it does not matter what time of year the workshops are held, people WILL show up!

P.S We will provide you copies of the sign-in sheets if you don't believe us.

We booked over 100 appointments and 47 of the appointments own MULTIPLE properties!

We wrote loans on 62 properties in the month of December. We actually had five appointments on December 23rd and four appointments scheduled the day after Christmas. Plus, 13 more appointments in the week between Christmas and New Years!

ACC001722
FILE #7920

(32 loans x $13, 642 average commission = $177, 346 in the last two weeks of December)

And, best of all, it cost us ABSOLUTELY $0 to fill the room!

Hi, my name is Bob Mangold, President of One Source Mortgage & Investments in Scottsdale, AZ. I own a small mortgage brokerage company with a personal team of three and employ no other loan officers.

In 2005, we generated over **$800,000** in commissions and in 2006 we generated over **$1,500,000 in Net Commissions** by holding monthly foreclosure seminars.

Imagine promoting a seminar with absolutely **NO** money out of my pocket, **383** reservations, **292** people showing up, **117** "serious" appointments with **47** of them having multiple properties. Our conversion rate on appointments is **71%** and the average pricing on our loans in 2006 was **3.1** points per loan!

And, before I forget, we have our workshops booked out at least 2 months in advance! We have cut off attendance at 300 because we can't handle all of the business!

So, you may be wondering, what is a "serious" appointment?

One in which the client agrees they are **READY** to do business **NOW!** We don't have time to meet with anyone who is not serious, so we carefully **PRE-SCREEN** our people before we ever meet with them!

Let's be honest, we don't get paid to sit in front of people who are not motivated, want to "shop" around, negotiate pricing or have a "friend" in the business, do we? No, we ONLY work with people who are ready to act **TODAY!**

So, I bet you're wondering how we get so many serious people to attend our seminar, am I right?

Well, it's really VERY simple!

My company buys multi-million dollar portfolios of Foreclosure Homes and Non-Performing Mortgage Notes for 10% to 50% of market value.

The way I raise the money to purchase these portfolios is by refinancing equity from people's homes and paying them a much higher rate of interest on their money, than they are paying to the bank.

That's it! Pretty simple, am I right?

As an example, they extract their equity out at a rate of 6% and then get paid 12% on the same money by my investment company. Their money is always secured by the real estate, so it's a very

safe investment!

So, they are making a **6% PROFIT** on money they borrowed from the bank **(OPM)**. That's how you help people build wealth as a Mortgage Planner.

Let me give you a brief history of my company: I have been in the mortgage business since 1992. In 2001 I decided to start my own real estate and mortgage companies. By June of 2002 we had 88 real estate agents and 64 loan officers working for my companies with 2 offices and over $116,000 in monthly overhead.

With **64** loan officers we never closed more than **$1,100,000 in commissions**. Isn't that pitiful? Plus, that was before I paid a split to the loan officer. I was working 75 to 80 hour work weeks and was **LOSING** money.

Finally, in 2004 I made a VERY tough decision. I fired all of my real estate agents and loan officers.

That's right; I pulled a Donald Trump and told them they were all **FIRED!** I could not take any more complaining, whining or moaning about what I wasn't doing to make more money for THEM!

This in spite of the fact that I was spending over $30,000 per month in radio and TV ads featuring Luis Gonzales of the Arizona Diamondbacks as our spokesman. We averaged over 30 "ad calls" per day and all I ever heard was how these leads were so "bad".

So, one day, I decided I would take all of the calls, monitor my conversion rate and determine whether or not I was throwing all of this advertising money out the window. That day I took 34 ad calls, sent 29 to our web site to fill out a loan application and booked everyone to an appointment.

After pulling their credit only 24 would qualify for the loans, so I cancelled the 5 appointments. In one day I did 24 loans and I did not **SPLIT** a dime with the Loan Officers!

Imagine my excitement when I realized that the quality of these leads were excellent! So, I held a meeting with all of my Loan Officer's to discuss my success.

Guess what I heard from them? I was lucky! It was just a good day for calls.

Apparently, it had nothing to do with the script I trained them to use or any of the other tools at their disposal, I was just plain lucky.

That's when I decided to go **DONALD TRUMP!**

Unfortunately, I still had $116,000 per month in overhead. So, I had to get SERIOUS and quickly!

Not long after, I ***FIRED*** them all. I knew I could not handle all of that business myself and I did not like spending $30,000 per month on advertising. That's when I realized the only EFFICIENT way to handle this dilemma was to hire a team and start doing "appointments" in a large group.

Thus, my workshops were born!

After 2 years of experimenting with what worked and what didn't, we have turned our workshop production into a complete "hands free" process.

Now, our only expense in holding these seminars is the cost of a hotel conference room. Oh, by the way, I am **NOT** looking for sponsors to pay for everything. We don't have time to "hunt" for $300 or $400 to offset expenses. We get paid over $13,000 per loan, so why waste time searching for pennies

when we get paid big bucks to sit in front of people? (Our 2006 average loan commission was $13,416 per loan!)

Our seminars are filled entirely by e-mail and referrals, PERIOD!

Now, here's how we work. We hold two sessions on the last Tuesday of every month. Sessions are held at 10:00 am and 7:00 pm. So, I have one day a month where I "bust my butt" so to speak.

At the end of each session, people will turn in their questionnaire and request one of three things; (1) an appointment within the next 14 days, (2) they need to learn more or are not ready to act at this time, or (3) they are just not interested!

So, here's what happens. My Client Care Coordinator will call everyone the next day who wanted an appointment. Anyone who needed more information is given a password and sent to a web site where they can watch our seminar as many times as they need until they are ready to act or they decide they are not interested. Either way, it's OK with us. There is no additional work to perform this function.

Now, many people after watching our seminar multiple times do call and schedule an appointment. We have an e-mail campaign for every possible outcome and we have the entire process automated, so it requires a minimum amount of time and effort to manage the database.

So, are you curious about how you can get involved?

Well, it's time to discuss that with you now! With delinquency rates and foreclosures rapidly increasing there is a tremendous amount of property and mortgage notes that can be bought.

And, I have ***ABSOLUTELY*** no desire to hire Loan Officers all over the country and get licensed in every state. That would require to much time, effort and money.

So, I have created the One Source "Affiliate Lender" program. I am seeking mortgage brokerage companies or VERY successful Loan Officers (with a team already in place) to learn my workshop system and implement it in their markets.

I will limit the number of "Affiliate Lenders" to one for every 1,000,000 in population for every city across the country.

For example in a city the size of Chicago (8,000,000 population) we would restrict the number of "Affiliate Lenders" to eight, geographically spread to avoid cross over.

Here's what I have to offer; as an "Affiliate Lender" you will travel to Scottsdale, AZ, for 2 1/2 days to attend my workshops to learn the material and process we utilize. Then, you will take all of the material in my system back to your marketplace to implement.

Let me share some comments from Rusty Mendoza and Dino Rosetti mortgage planners and One Source Mortgage affiliates on the results they have gotten from our seminars

> "I was stunned. I have never seen a mortgage seminar with that many people in it and then running to get in line to set an appointment.
>
> Bob is a Master at presenting the material in a way that anyone can understand. I learned more about the mortgage business in 2 hours than I have in six years.

ACC001725
FILE #7920

I can't wait to start holding these seminars in Sacramento. I never "really" believed I could earn $1,000,000 per year. But, now I have a proven, clear and easy strategy to implement and utilize. I will be thrilled if I could accomplish 1/3 of what Bob has done".

Click to hear Rusty's live testimonial

You may be wondering, why I am making this offer? Well, it's really **VERY** simple! By teaching you how to hold these workshops every month your mortgage business will **EXPLODE!**

And, for every loan you close you will be raising money for **US** to buy additional portfolios of foreclosures and mortgage notes. Plus, your clients will create an "equity arbitrage" by receiving a **GREAT** return on their money.

Your client gets a great deal, you make money on the loan and we raise money to buy more homes and notes. We **ALL** win!

So here's the bottom line; you keep ALL of the money from the loans. I don't want a referral fee or any compensation on the loans you close.

However, nothing is FREE. I charge a one-time fee of $3,995 (and a small monthly licensing fee) for our site visit and monthly Affiliate call that will provide you with everything you'll need to implement this strategy NOW! Then as you are raising money, we make a profit on those funds.

I have made this process simple. You keep all of the loan commission and we will keep the portfolio money.

Now, you might not be "thrilled" with paying $3,995 for a site visit, am I right? But, there is a reason we charge a fee. (outside of the time that my staff and I spend with you)

First, I believe you must have a "vested interest" in any endeavor you participate in. And, at $3,995 you will not be in a hurry to throw that type of money out the window, will you?

Secondly, if you are not making enough money in your loan origination business that $3,995 would be a financial strain for you, then you're not the right person for this.

I am looking for **SERIOUS, MOTIVATED TOP PRODUCERS** who will take what I have and implement it **NOW!**

In addition, there is a screening process you will go through before I decide whether or not this will work for you. I am not going to take $3,995 from somebody when I know they can not implement this system and make it work.

Let me give you an example; if through the screening process we find that you are not able to get up in front of a group of people or can't find someone who will, we know this will not work for you and we **WILL NOT** take your money!

If you currently do not have a team of assistants you will **NEVER** have time to successfully handle the tasks and volume by yourself. And, you will **NEVER** have time to hire and train a team fast enough! So, in order to be awarded a territory you MUST have your own Loan Processor in place.

Or, if you do not understand "equity arbitrage" strategies outlined in books like **Missed Fortune** by Douglas Andrews or **Ordinary People, Extraordinary Wealth** by Ric Edelman then this is NOT for you!

It is imperative that we are on the "same page". Over 95% of our business is in OPTION ARM's and

you definitely need to have a basic understanding of how they work. The rest I can teach you, ***IF*** you are open to learning!

It would also be beneficial if you have attained the **CMPS** designation.

The goal for my company is to teach the average American how to use home equity to build wealth. And, most importantly, we ***HAVE*** the investment vehicle to do it!

If any of this is offensive to you or does not fit into your "belief system" then this is not the right thing for you to do.

As you can see, I am not looking for just **ANY** Loan Officer who is willing to spend $3,995 on their credit card in the hope that this is some "magic pill". That's why I chose to be as open and honest with you as possible. And, I wanted to do it right up front!

You see, I'm not looking for thousands of questionnaire's to be filled out. If you do not meet the criteria I just listed above then this is **NOT** the right thing for either of us. So, there is no need to submit a questionnaire at this time. If something would change for you in the future than please feel free to come back and apply.

I want about 250 Affiliates who are the "perfect partners" for us. If we're going to spend time with you, we want to have fun and enjoy the people we work with.

And, we want all of us to make a TON of money working together!

But, I believe showing you how to earn **$750,000** to **$1,500,000** per year and giving you everything you need in order to accomplish that feat for **$3,995** is a bargain, wouldn't you agree? Let's be honest, that's less than what you would (or should) earn on one loan!

If I was a stockbroker and told you that I had an "inside" tip for you where you invested $3,995 and I would give you $1,000,000 back at the end of the year, would you try it? What if it only ended up being $500,000 would you be unhappy with those results? I doubt it!

I don't know about you but I would pay **$39,950** per year to make **$1,000,000** wouldn't you?

You see a professional understands that success depends on you reinvesting money back into your business and most importantly yourself in order to continuously improve. That is who I am looking for, **PERIOD!**

I know there are hundreds of so called "mortgage gurus" out there promoting all types of systems, programs and coaching.

How is my offer different?

If my system didn't work, you wouldn't be raising money for us to buy portfolios of property. And, that's **REALLY** where we make our money, not the $3,995!

So, as you can see we are in business **TOGETHER.** I'm not in this for a one-time fee. I'm in it to help **YOU** do more loans, to free up more equity, which provides **US** more money to buy homes and notes.

After our first **25** territories are sold, the price of our site visit will be raised to $5,995 and after **40** territories are sold, it will be raised to $9,995.

NOW WHAT?

What should you do now? Well, you have three choices; (1) fill out our questionnaire and schedule a consultation, (2) think about it and perhaps lose the territory to another Mortgage Planner, or (3) do nothing.

If you fill out the questionnaire, my assistant Pat Jones will call you and schedule a time for us to talk. If your area has already been committed to another Mortgage Planner, we will call and let you know.

To fill out the questionnaire now, **CLICK HERE**

Good luck on your decision. I look forward to hearing from you.

Sincerely,
Bob Mangold
President/CEO
One Source Mortgage & Investments, Inc

To be considered for this program and to schedule a consultation, **CLICK HERE** to fill out the questionnaire,

P.S I did think about playing the "pricing game" but that's not my style. You know the game. It's where I tell you the regular price is $5,995 but register in the next _____ days and you will save $2,000. I just think that's dishonest and I don't feel the need to offer a discount on something with so much value.

Disclaimer Notice *** We reserve the right to make changes to any available investment plans without notice. Any changes would not affect monies currently invested.

ACC001728
FILE #7920

PROMISSORY NOTE

Date: September 14, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $62,500 (sixty two thousand five hundred dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: September 14, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid monthly and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

EXHIBIT
S-14
ADMITTED

OSMI-PN-5

SECURITY AGREEMENT

Date: September 14, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage Investments, Inc

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 852254

Amount of Promissory Note: $62,500.00

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Secured Party Obligations:

1. The original loan documents will be maintained in a secure location at the Secured Party's primary office until the Promissory Note is paid in full.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Mortgage Assistance Corporation**

9/27/06

Dan Barnett, Vice President Date

Dale Hensel, President Date

LeAnn Castlow, Witness

Christopher L. Link, Witness

State of Tx:

County of Dallas:

Before me, a Notary Public in and for the State of Texas this 4 day of Dec, 2006, appeared Dale Hensel & Dan Barnett, who is personally known to me and who acknowledged she/he signed the foregoing document.

MELISSA ANN GUTIERREZ
Notary Public, State of Texas
My Commission Expires
November 14, 2009

Notary Public
My Commission Expires: 11/14/2009

Mortgage Assistance Corporation
P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

Exhibit A
OSMI PN-5

Pool	First Name	Last Name	Property Address	City	State	Zip	Current Apprasied Value/ Tax Assesed Value	UPB	COUNTY
P060620DONI	Earl	Cowans	4034 Highland Street	Kansas City	MO	64110	$ 4,600.00	$ 19,799.78	Jackson
P060620DONI	Tonie	Johnney	5701 East 23rd Street	Kansas City	MO	64127	$ 8,157.00	$ 33,079.27	Jackson
P060620DONI	Stephanie	Mosley	9599 Longacre	Detroit	MI	48227	$ 1,348.00	$ 32,234.62	Wayne
P060620DONI	Cindy	James	1800 Haynes Ave.	Moberly	MO	65270	$ 2,916.00	$ 28,211.40	Randolph
P060620DONI	Jewel	King	4519 Alamosa Street	Fort Worth	TX	76119	$ 2,500.00	$ 15,621.68	Tarrant
P060620DONI	Leon & Mary	Rick	416 Hill Street	Talladega	AL	35160	$ 3,200.00	$ 32,516.31	Talladega
P060620DONI	Lisa & Marlon	Stargill	802 Troup Street	La Grange	GA	30240	$ 9,090.00	$ 13,408.46	Troup
P060620DONI	Vickie	Kirby	2038 Fleet Road	Adolphus	KY	42120	$ 7,000.00	$ 12,848.43	Allen
P060620DONI	Robert & Zacharina	Harris	2489 SR 1055	Eddyville	KY	42038	$ 8,000.00	$ 39,818.58	Lyon
P060620DONI	Antonio & Robin	Brewer	4244 Barr Avenue	Memphis	TN	38111	$ 11,300.00	$ 38,126.75	Shelby
							$ 58,111.00	**$ 265,665.28**	

Dan Barnett
Vice President of Mortgage Assistance Corporation

9/27/06
Date

Dale Hensel
President of Mortgage Assistance Corporation

Date

PROMISSORY NOTE

Date: September 14, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $62,500 (sixty two thousand five hundred dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: September 14, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

OSMI-PN-5

SECURITY AGREEMENT

Date: September 14, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage Investments, Inc

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 852254

Amount of Promissory Note: $62,500.00

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Secured Party Obligations:

1. The original loan documents will be maintained in a secure location at the Secured Party's primary office until the Promissory Note is paid in full.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Mortgage Assistance Corporation**

Dan Barnett, Vice President Date

Dale Hensel, President Date

Amanda Moreno
, Witness

Tyra S Baker
, Witness

State of Texas:

County of Dallas

Before me, a Notary Public in and for the State of Texas this 14th day of September, 2006, appeared Dale Hensel & Dan Barnett, who is personally known to me and who acknowledged she/he signed the foregoing document.

Notary Public
My Commission Expires: 11/14/2009

MELISSA ANN GUTIERREZ
Notary Public, State of Texas
My Commission Expires
November 14, 2009

Mortgage Assistance Corporation
P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

Exhibit A
OSMI PN-5

Pool	First Name	Last Name	Property Address	City	State	Zip	Current Appraised Value/ Tax Assesed Value	UPB	COUNTY
P060620DONI	Earl	Cowans	4034 Highland Street	Kansas City	MO	64110	$ 4,600.00	$ 19,799.78	Jackson
P060620DONI	Tonie	Johnney	5701 East 23rd Street	Kansas City	MO	64127	$ 8,157.00	$ 33,079.27	Jackson
P060620DONI	Stephanie	Mosley	9599 Longacre	Detroit	MI	48227	$ 1,348.00	$ 32,234.62	Wayne
P060620DONI	Cindy	James	1800 Haynes Ave.	Moberly	MO	65270	$ 2,916.00	$ 28,211.40	Randolph
P060620DONI	Jewel	King	4519 Alamosa Street	Fort Worth	TX	76119	$ 2,500.00	$ 15,621.68	Tarrant
P060620DONI	Leon & Mary	Rick	416 Hill Street	Talladega	AL	35160	$ 3,200.00	$ 32,516.31	Talladega
P060620DONI	Lisa & Marlon	Stargill	802 Troup Street	La Grange	GA	30240	$ 9,090.00	$ 13,408.46	Troup
P060620DONI	Vickie	Kirby	2038 Fleet Road	Adolphus	KY	42120	$ 7,000.00	$ 12,848.43	Allen
P060620DONI	Robert & Zacharina	Harris	2489 SR 1055	Eddyville	KY	42038	$ 8,000.00	$ 39,818.58	Lyon
P060620DONI	Antonio & Robin	Brewer	4244 Barr Avenue	Memphis	TN	38111	$ 11,300.00	$ 38,126.75	Shelby
							$ 58,111.00	**$ 265,665.28**	

Dan Barnett
Vice President of Mortgage Assistance Corporation

Date

Dale Hensel
President of Mortgage Assistance Corporation

Date

PROMISSORY NOTE

Date: September 20, 2006

Borrower: One Source Mortgage & Investments

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Ruth Graham

Place for Payment: [redacted] VA [redacted]

Principal Amount $62,500

Interest Rate: Twelve Percent (12%)

Maturity Date: September 20, 2008

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

One Source Mortgage & Investments, Inc.

By: _____

Title: Robert Mangold, President/CEO

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments., ("Seller"), and Ruth Graham ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 10 accounts with an aggregate principal balance of $62,500.

Executed this 25TH day of September, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: [illegible]

Date: 9-25-2006

Dan BarnettX:\Bobs Team\Team Docs\Notes\Graham\Bill of Sale EXHIBIT B_Graham.doc

SECURITY AGREEMENT

Date: September 20, 2006

Debtor: One Source Mortgage & Investments, Inc.

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Ruth Graham

Secured Party's Mailing Address: [redacted] VA [redacted]

Amount of Promissory Note: $62,500

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **One Source Mortgage & Investments, Inc.**

Robert Mangold 9-25-2006

Robert Mangold, President/CEO Date

Signed: **Lender**

Ruth Graham

Ruth Graham Date

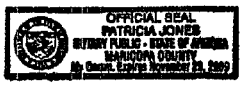
_____, Witness

_____, Witness

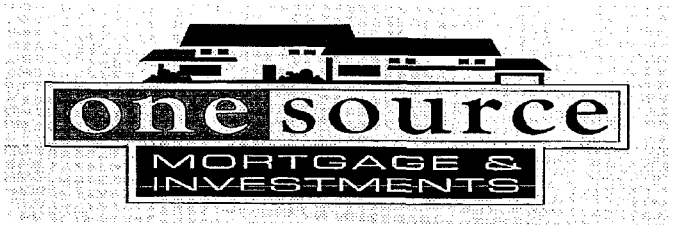
State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 25th day of September, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.



Patricia Jones
Notary Public
My Commission Expires: 11/29/2009



Schedule "A" Graham

COUNT		CITY	ST	LAST NAME	FIRST NAME	Unpaid Principal Balance	Note Value
1	4034 Highland Street	Kansas City	MO	Cowans	Earl	$19,799.78	$4,600.00
2	5701 East 23rd Street	Kansas City	MO	Tonie	Johnny	$33,079.27	$8,157.00
3	9599 Longacre	Detroit	MI	Mosley	Stephanie	$32,234.62	$1,348.00
4	1800 Haynes Avenue	Moberly	MO	James	Cindy	$28,211.40	$2,916.00
5	4519 Alamos Street	Fort Worth	TX	King	Jewel	$15,621.68	$2,500.00
6	416 Hill Street	Talladega	AL	Rick	Mary & Leon	$32,516.31	$7,589.00
7	802 Troup Street	LaGrange	GA	Stargell	Lisa & Marlon	$13,408.46	$9,090.00
8	2038 Fleet Road	Adolphus	KY	Kirby	Vicky	$12,848.43	$7,000.00
9	2489 SR 1055	Eddyville	KY	Harris	Robert	$39,818.58	$8,000.00
10	4244 Barr Avenue	Memphis	TN	Brewer	Antonio & Robin	$38,126.75	$11,300.00
11							
totals						**$265,665.28**	**$62,500.00**

Seller

9-25-2006

Date

Buyer

Date

M000322

Wells Fargo Bank
Transaction Record

STORE # 06486 02 Deposit

Account Number	XXXX-XX0864
00038	
Cash In	$0.00
Number of checks	1
	$62,500.00
Total Deposited	$62,500.00
Less Cash	- $0.00
Net Deposit Amount	$62,500.00

Transaction # 013 0015
12:26PM 09/25/06 Credited: 09/25/06

Thank you, Michaela

SECURITY AGREEMENT

Date: June 15, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: James and Thelma Harris

Secured Party's Mailing Address: [redacted] AZ [redacted]

Amount of Promissory Note: $100,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

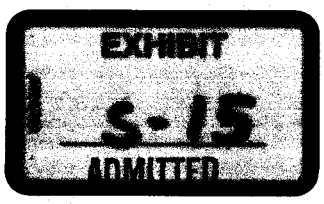
Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.



Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO 6-14-07
Date

Signed: **Lender**

James Harris Date

Thelma Harris 6-18-07
Thelma Harris Date

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 14th day of June, 2007, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones
Notary Public
My Commission Expires: 11/29/2009

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments, LLC ("Seller"), and James and Thelma Harris ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling **2** accounts with an aggregate principal balance of **$100,000.**

Executed this 15th day of June, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: 6-14-07

Dan BarnettX:\Bobs Team\Team Docs\Notes\Harris\Bill of Sale EXHIBIT B_Harris.doc

PROMISSORY NOTE

Date: June 15th, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: James and Thelma Harris

Place for Payment:

Principal Amount $100,000

Interest Rate: Twelve Percent (12%)

Maturity Date: June 15th, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" James and Thelma Harris

OSMI PN -

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	BPO Value
1	11236 Packard	Warren	MI	48089	$63,377.53	$60,000.00
2	15337 Lamphere Street	Detroit	MI	48223	$40,065.92	$40,000.00
3						
4						
5						
6						
7						
totals					**$103,443.45**	**$100,000.00**

Seller

Date

Thelma Eloise Harris

Buyer

6-18-07

Date

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" James and Thelma Harris

OSMI PN - 38

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1481 Jefferson Avenue	Columbus	OH	43211	7/25/07	$53,000.00
2	6427 Memorial Street	Detroit	MI	48228	6/12/07	$75,000.00
Totals						**$128,000.00**

Seller

Buyer

10-8-07

Date

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" James and Thelma Harris

OSMI PN - 38

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1481 Jefferson Avenue	Columbus	OH	43211	7/25/07	$53,000.00
2	6427 Memorial Street	Detroit	MI	48228	6/12/07	$75,000.00
Totals						**$128,000.00**

Robert T Mayer
Seller

James Harris
Buyer

10-8-07
Date

Thelma E. Harris
Buyer

PROMISSORY NOTE

Date: July 31, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Chris Heimlich

Place for Payment:

Principal Amount $50,000

Interest Rate: Twelve Percent (12%)

Maturity Date: July 31, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

EXHIBIT
S-16
ADMITTED

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments,LLC ("Seller"), and Chris Heimlich ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 1 accounts with an aggregate principal balance of **$50,000**.

Executed this 31 day of July, 2007.

Seller, Strategic Equity Investments, LLC

Signed: [illegible]

Date: 31 July 07

Dan BarnettZ:\Bobs Team\Team Docs\Notes\Heimlich_12%\Bill of Sale EXHIBIT B_Heimlich.doc

SECURITY AGREEMENT

Date: July 31, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Chris Heimlich

Secured Party's Mailing Address: [redacted], AZ [redacted]

Amount of Promissory Note: $50,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;

d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed:

Strategic Equity Investments, LLC

Robert Mangold, President/CEO Date

Signed:

Lender

Chris Heimlich

Date

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 31 day of July, 2007, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones
Notary Public
My Commission Expires: 11/29/2007

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Heimlick

OSMI PN - 31

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	Value
1	1213-1215 LAUREL STREET	INDIANAPOLIS	IN	46203	$ 46,000.00	$ 53,950.30
2						
3						
4						
5						
6						
7						
totals					$46,000.00	$53,950.30

Seller

7-31-07

Date

Buyer

7-31-07

Date

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Chris Heimlich

OSMI PN - 42

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	1864 Allendale Avenue	East Cleveland	OH	44112	7/25/07	$75,000.00
Totals						**$75,000.00**

Seller

Buyer

10-8-07

Date

Buyer

COMPANY AGREEMENT

OF

Elf Fork Capital LLC

A TEXAS LIMITED LIABILITY COMPANY

EFFECTIVE AS OF JANUARY 26, 2007

THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES ACTS. SUCH INTERESTS ARE BEING ACQUIRED FOR INVESTMENT ONLY, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER SUCH ACTS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED WITH RESPECT TO THE PROPOSED DISPOSITION THEREOF AND THAT SUCH DISPOSITION WILL NOT CAUSE THE LOSS OF THE EXEMPTION UPON WHICH THE ISSUER RELIED IN SELLING THESE MEMBERSHIP INTERESTS TO THE ORIGINAL PURCHASER THEREOF.

THE MEMBERSHIP INTERESTS AND THE TRANSFER THEREOF ARE SUBJECT TO QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS SET FORTH IN THIS COMPANY AGREEMENT, AND THE MEMBERSHIP INTERESTS SHALL NOT BE TRANSFERRED UPON THE BOOKS OF THE COMPANY UNTIL THE TERMS AND CONDITIONS OF THIS AGREEMENT HAVE BEEN FULLY COMPLIED WITH.

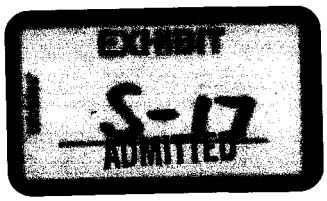


TABLE OF CONTENTS

ARTICLE I. FORMATION 1

1.1. FORMATION 1
1.2. PRINCIPAL PLACE OF BUSINESS 1
1.3. REGISTERED AGENT OFFICE 1
1.4. TERM 1
1.5. PURPOSE 1

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS 2

2.1. MANAGEMENT OF COMPANY VESTED IN THE MANAGERS 2
2.2. CERTAIN POWERS OF MANAGERS 2
2.3. LIABILITY FOR CERTAIN ACTS 2
2.4. MEMBERS AND MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY 3
2.5. AUTHORITY OF MANAGERS TO DEAL WITH AFFILIATES 3
2.6. RESIGNATION AND REMOVAL OF MANAGERS 3
2.7. COMPENSATION AND FEES 3

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS 3

3.1. LIMITATION OF MEMBERS' LIABILITIES 3
3.2. NO CONTROL OF BUSINESS OR RIGHT TO ACT FOR COMPANY 4
3.3. PRIORITY AND RETURN OF CAPITAL 4
3.4. MEETINGS OF THE COMPANY; VOTING RIGHTS 4
3.5. POWERS RESERVED TO THE MEMBERS 5

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY 6

4.1. AMENDMENT OF AGREEMENT 6
4.2. BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS 6

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS 7

5.1. INITIAL CAPITAL CONTRIBUTIONS 7
5.2. ADDITIONAL CONTRIBUTIONS; ADDITIONAL UNITS; PREEMPTIVE RIGHTS 7
5.3. FAILURE TO CONTRIBUTE ADDITIONAL CONTRIBUTIONS 8
5.4. CAPITAL ACCOUNTS 8
5.5. SECURITIES MATTERS 8

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS 8

6.1. ALLOCATIONS OF PROFITS AND LOSSES 8
6.2. SPECIAL ALLOCATIONS 9
6.3. DISTRIBUTIONS 11

ARTICLE VII. TRANSFERABILITY 11

7.1. GENERAL 11
7.2. TRANSFERS NOT REQUIRING PRIOR CONSENT 11
7.3. VOLUNTARY TRANSFER PROCEDURE 12
7.4. PURCHASE PRICE 13
7.5. REMEDIES 13
7.6. EFFECT OF TRANSFER OF INTEREST 13

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS 14

8.1. ADMISSION OF MEMBERS 14
8.2. WITHDRAWAL OF MEMBERS 14

ARTICLE IX. WINDING UP AND TERMINATION 14

9.1. EVENTS REQUIRING WINDING UP 14
9.2. WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS 15
9.3 RETURN OF CONTRIBUTION NONRECOURSE TO MEMBERS 15

ARTICLE X. MISCELLANEOUS 16

10.1. NOTICE 16
10.2. WAIVER OF NOTICE 16
10.3. AUTHORITY TO BIND THE COMPANY 16
10.4. WAIVER OF ACTION FOR PARTITION 16
10.5. INDEMNIFICATION BY COMPANY 16
10.6. CONSTRUCTION 16
10.7. ARTICLES AND OTHER HEADINGS 16
10.8. SEVERABILITY 17
10.9. APPLICATION OF TEXAS LAW 17
10.10. DISREGARDED ENTITY TAX TREATMENT INTENDED IF ONE MEMBER 17
10.11. PARTNERSHIP TAX TREATMENT INTENDED IF MORE THAN ONE MEMBER; TAX ADMINISTRATIVE MATTERS 17
10.12. NO PARTNERSHIP INTENDED FOR NON-TAX PURPOSES 17

CERTIFICATION 18

EXHIBIT A **MEMBER CAPITAL CONTRIBUTIONS** 19

EXHIBIT B **LIST OF ASSETS** 20

EXHIBIT C **SERVICING AGREEMENT** 21

This Company Agreement of ELF FORK CAPITAL LLC is adopted by the Managers and the undersigned Members, for the purpose of forming and operating ELF FORK CAPITAL LLC as a Texas limited liability company, and the undersigned Managers and Members do each mutually acknowledge and agree as follows:

DEFINITIONS

The following terms used in this Company Agreement shall have the following meanings unless otherwise expressly provided herein:

(i) **"Agreement"** shall mean this Company Agreement, as originally executed, and as amended from time to time in writing, including all exhibits and schedules hereto, which concerns the conduct of the business of the Company.

(ii) **"Capital Account"** shall mean the Capital Account maintained for each Member in accordance with Section 5.4.

(iii) **"Capital Contribution"** shall mean any contribution to the capital of the Company in cash or property by a Member whenever made.

(iv) **"Certificate of Formation"** shall mean the Certificate of Formation filed with the Texas Secretary of State for the purpose of organizing the Company, as the same may be amended or restated from time to time.

(v) **"Code"** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(vi) **"Company"** shall mean Elf Fork Capital LLC, the Company organized pursuant to the Certificate of Formation and this Agreement.

(vii) **"Deficit Capital Account"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in company minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any member nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

This definition of Deficit Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(viii) **"Distributable Cash"** shall mean all cash, revenues and funds received by the Company from Company operations, including from the sale of any asset to the extent not reinvested in replacement assets, less the sum of the following to the extent paid or set aside by the Company: (a) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (b) all cash expenditures incurred incident to the purchase or sale of any asset and the normal operation of the Company's business; (c) reimbursement of expenses and payment of compensation to any Manager; and (d) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(ix) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association.

(x) **"Fair Market Value"** shall mean, on the date such Fair Market Value is to be determined, the excess of the value of all of the Company's assets minus all of the Company's liabilities. For purposes of determining Fair Market Value, (a) no value shall be placed on the goodwill or name of the Company or the office records, files, statistical data or any similar intangible assets of the Company not normally reflected in the Company's accounting records, (b) there shall be taken into consideration any related items of income earned but not received, expenses incurred but not yet paid, liabilities fixed or contingent, prepaid expenses to the extent not otherwise reflected in the books of account, and the value of options or commitments to purchase securities pursuant to agreements entered into on or prior to the valuation date, (c) determination of value of any publicly-traded security or bond, shall be the most recent closing sale price quoted for such security on the exchange on which it is traded, (d) determination of the value of other securities shall be based on all relevant factors, including without limitation, type of security, marketability, restrictions on disposition, and current financial position and operating results, (e) the value of real estate shall be deemed to be the most recent fair market value of such real estate as determined by a real estate appraiser selected by the Managers; and (f) as to the liabilities and any other assets of the Company, the book value carried on the books of the Company in accordance with Generally Accepted Accounting Principles, consistent with the Company's past practice.

(xi) **"Fiscal Year"** shall mean the Company's fiscal year, which shall end on December 31, of each year.

(xii) **"Initial Capital Contribution"** shall mean the initial contribution to the capital of the Company pursuant to this Agreement.

(xiii) **"Manager" and "Managers"** As used in this Agreement the term "Manager" shall mean each individual Manager of the Company from time to time. The term "Managers" shall refer (i) to the Manager of the Company at any time when the Company has one (1) Manager and (ii) collectively, to all of the Managers of the Company at any time when the

Company has multiple Managers. Initially, the Company shall have one Manager, which shall be Strategic Equity Investments, LLC, an Arizona corporation.

(xiv) **"Member"** shall mean any person that signs in person or by an attorney-in-fact, or otherwise is a party to the Agreement at the time that the Company is formed and is identified as a Member in the Agreement and any Person who is subsequently admitted as a Member in the Company in accordance with the Texas Act and the Agreement, until such time as such Person withdraws, is removed, or is otherwise no longer a Member of the Company.

(xv) **"Membership Interest"** shall mean a Member's entire interest in the Company, including such Member's right to participate in the decisions of the Members, as reflected by the ratio of such Member's Units to the aggregate of the Units of all Members.

(xvi) **"Net Profits"** and **"Net Losses"** shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined under the Company's adopted method of accounting at the close of each Fiscal Year.

(xvii) **"Offer"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xviii) **"Offered Interest"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xix) **"Percentage of Interest"** means, for a Member, the percentage equivalent of a fraction, the numerator of which is the number of Units owned by such Member and the denominator of which is the total number of Units owned by all Members.

(xx) **"Persons"** shall mean any individuals, partnerships, limited liability companies, corporations, trusts, business trusts, real estate investment trusts, estates and other associations or business entities.

(xxi) **"Reserves"** shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(xxii) **"Securities Acts"** shall mean the Securities Act of 1933 or any other applicable state securities laws.

(xxiii) **"Selling Member"** shall mean any Member who sells, assigns, or otherwise transfers for consideration, all or any portion of a Membership Interest.

(xiv) **"Texas Act"** shall mean the Texas Limited Liability Company Law, part of the Texas Business Organizations Code, as amended.

(xxv) A **"Transfer"** of all or any part of a Membership Interest means any type of disposition of any right, title or interest whatsoever in such Membership Interest, voluntarily or

involuntarily, directly or indirectly, including without limitation any sale, exchange, assignment, encumbrance, grant of security interest, pledge, hypothecation, gift, transfer by trust, transfer by will or intestate succession, or other disposition whatsoever.

(xxvi) **"Transferring Person"** shall have the meaning ascribed to such term in Section 7.3.

(xxvii) **"Treasury Regulations"** shall mean the proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Formation and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(xxviii) **"Units"** shall mean equity ownership in the Company represented by membership units ("Units"). The Company may issue such total number of Units as the Managers shall determine, and may issue partial Units.

ARTICLE I. FORMATION

1.1. **Formation.** On January 26, 2007, the Company was organized as a Texas limited liability company by execution and delivery of Certificate of Formation to the Texas Secretary of State in accordance with the Texas Act.

1.2. **Principal Place Of Business.** The principal place of business of the Company shall be located at 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The Company at any time may change the location of such principal office and may have such other offices, either within or without the State of Texas, as the Members may designate or as the business of the Company may require.

1.3. **Registered Agent Office.** The registered agent is Strategic Equity Investments, LLC. and the address of the registered agent office of the Company is 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The registered agent office and the registered agent may be changed from time to time by the Managers, with the consent of the Members, filing the prescribed form with the Texas Secretary of State.

1.4. **Term.** The existence of the Company shall be perpetual, unless terminated or dissolved as set forth herein.

1.5. **Purpose.** The Company may conduct or promote any lawful businesses or purposes for which limited liability companies may be organized under the Texas Act. The Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion, or attainment of the businesses or purposes of the Company.

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS

2.1. **Management of Company Vested in the Managers.** The business and affairs of the Company shall be managed by the Managers. The consent of a majority in number of the Managers then-serving shall be the act of the Managers. The Managers shall direct, manage and control the business of the Company to the best of their ability. Except for situations in which the approval of the Members is expressly required herein and as specifically provided in Section 3.5, the Managers shall have full and complete authority, power and discretion to: (i) manage and control the business, affairs and property of the Company; (ii) make all decisions regarding the business, affairs and property of the Company; and (iii) perform any and all other acts incident to the management of the Company's business subject to the provisions of this Agreement. Subject to the limitations in the preceding sentence, the right, power, and authority of the Managers pursuant to this Agreement shall be liberally construed to encompass all acts and activities in which a Company may engage under the Texas Act.

2.2. **Certain Powers of Managers.** Without limiting the generality of the provisions set forth in Section 2.1 above, the Managers shall have the power to act on behalf of the Company:

(a) To enter into and execute, on behalf of the Company, all agreements, contracts, instruments and related documents in connection with the Company's business, on such terms as the Managers, in their reasonable discretion, deem to be in the best interests of the Company.

(b) To carry out the business of the Company.

(c) To acquire and enter into, on behalf of the Company, any contract of insurance, which the Managers reasonably deem necessary and proper for the protection of the Company, for the conservation of its property, or for any purpose beneficial to the Company.

(d) To employ persons (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) in the operation of the Company, on such terms and for such compensation as the Managers shall reasonably determine.

(e) To employ attorneys, accountants, consultants, brokers, and other outside entities or individuals (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) on behalf of the Company.

(f) To pay, collect, compromise, arbitrate, resort to legal action for or otherwise adjust claims or demands of or against the Company.

(g) To sell assets to another investor as well as maintain servicing and/or obtain other incentives as deemed in the best interest of the company.

2.3. **Liability for Certain Acts.** Each Manager shall perform its duties as a Manager in good faith, in a manner reasonably believed to be in the best interest of the Company, and with

such care as an ordinarily prudent person in a like position would use under similar circumstances. If any Manager so performs the duties as a Manager, it shall not have any liability by reason of being or having been a Manager. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

2.4. **Members and Managers Have No Exclusive Duty to Company.** The Managers, and affiliates of the Managers, shall not be required to manage the Company as their sole and exclusive function and each Member and Manager and their affiliates may have other business interests and may engage in other activities in addition to those relating to the Company, including business interests or other activities that directly compete with the business of the Company.

2.5. **Authority of Managers to Deal with Affiliates**. Any Manager may, on behalf of the Company, contract with any person, firm or corporation, including, without limitation, any of the Members, any entity in which any of the Members or any Manager has a direct or indirect interest and any affiliated or related corporation or other entity, for the performance of any and all services which may at any time be necessary, proper, convenient or advisable to carry on the business of the Company; provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated persons. Any goods or services provided by affiliates to the Company shall be pursuant to a written contract which sets forth the goods and services to be provided and the compensation to be paid.

2.6. **Resignation and Removal of Managers.** Any Manager may resign by giving thirty (30) days prior written notice to the Members. Any Manager may be removed by the unanimous vote of all of the Members. The Members shall by the unanimous vote of all Members then elect a successor Manager to begin serving simultaneously with the resignation or removal of any Manager. The Members may increase or decrease (but not below one (1)) the number of Managers constituting all of the Managers of the Company.

2.7. **Compensation and Fees.** Each Manager shall be reimbursed by the Company for all out of pocket expenses incurred by such Manager in furtherance of performing its obligations to the Company as Manager. Except as specifically provided in the Servicing Agreement (as described in Section 3.5(c) herein), Manager shall receive no compensation other than reimbursement of out-of-pocket expenses incurred by Manager in furtherance of the business of the Company. No Manager shall receive any additional compensation except as the Members shall decide.

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS

3.1. **Limitation of Members' Liabilities.** Based on the Texas Act, a Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company or the Manager, and such Member's liability shall be limited solely to the amount of its Capital Contributions, whether or not returned to such Member, together with the undistributed share of the profits of the Company from time to time credited to such Member's Capital Account and

any money or other property wrongfully paid or conveyed to such Member on account of its Capital Contribution, including but not limited to money or property to which creditors were legally entitled, paid or conveyed to a Member, and, under certain circumstances, interest on returned capital.

3.2. **No Control of Business or Right to Act for Company.** No Member shall have any right or authority to act for or bind the Company or to vote on matters other than the matters set forth in this Agreement, except as specifically required by applicable law.

3.3. **Priority and Return of Capital.** Except as provided herein, no Member shall have priority over any other Member, as to the return of Capital Contributions, Net Profits, Net Losses or distributions.

3.4. **Meetings of the Company; Voting Rights.**

(a) Meetings of the Company may be called by the Managers and shall be called by it upon the written request of Members with the authority to vote an aggregate of not less than 49% Percentage of Interest. Upon receipt of such a written request, stating the purpose of the proposed meeting, the Managers shall provide each Member, within ten (10) days of such request, with written notification of a meeting and the purpose of such meeting. Such meetings shall be held not less than fifteen (15) days or more than sixty (60) days after the receipt of such request and shall be held at the principal place of business or principal executive office of the Company or such other place as the Members shall unanimously decide.

(b) At all meetings of the Company, any decision, determination, consent, approval or action by or of the Members shall be affected by the favorable vote of all of the Members of the Company, unless the vote of a greater or lesser number is otherwise required by the Act, the Certificate of Formation or this Agreement.

(c) At all meetings of the Company, a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company at least one (1) day before the meeting. Unless otherwise provided in the proxy, no proxy shall be effective after eleven (11) months after the date of its execution.

(d) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to a Manager for inclusion in the minutes or for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed a consent, unless the consent specifies a different effective date.

(e) When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice.

3.5. **Powers Reserved to the Members.** Each of the following actions on behalf of the Company shall require the unanimous approval of the Members:

(a) the acquisition of any real property in excess of $100,000 per parcel of real estate;

(b) the acquisition of any loan or portfolio of loans in excess of $100,000 per loan;

(c) the execution, on behalf of the Company, of a servicing agreement in the form of Exhibit B, attached hereto and incorporated herein by this reference, or any amendment thereto, to service the Initial Loan Portfolio (as defined in Section 5.6 herein) and an additional portfolio of loans owned by the Company (hereinafter referred to as a "Servicing Agreement").

(d) the sale, exchange or other disposition of substantially all of the assets of the Company;

(e) the filing by the Company of any voluntary petition in bankruptcy or delivery of any assignment for the benefit of creditors;

(f) the lending of Company funds to any person (except as otherwise set forth herein), or obligating the Company as surety, guarantor or accommodation party, except that the Company shall be able to guarantee credit accounts with suppliers in the ordinary course of business;

(g) the incurrence of any debt on behalf of the Company, other than trade debt incurred in the ordinary course of the Company's business;

(h) the investment or participation by the Company in any other entity;

(i) the merger or consolidation of the Company;

(j) the admission of new Members of the Company, except as specifically provided in Section 8.1; or

(k) the establishment of reserves to help meet anticipated Company expenses and the investment of such reserves pending utilization.

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY

4.1. **Amendment of Agreement.**

(a) Amendment. Any amendment to this Agreement must be approved in writing by all of the Members and by the Managers.

(b) Recording of Amendment. In making any amendments, there shall be prepared and filed for recordation by the Managers such documents and certificates, if any, as shall be required to be prepared and filed under the Texas Act and under the laws of the other jurisdictions in which the Company is then formed or qualified.

4.2. **Books and Records, Accounting, Reports, Tax Elections.**

(a) Availability. At all times during the existence of the Company, the Managers shall keep or cause to be kept full and true books and records of account. Such books and records of account shall be maintained at the principal place of business of the Company or such other place or places as may be determined by the Managers from time to time. In addition, the Company shall maintain at its principal office (i) a current list of the full name and last known business address of each Member set forth in alphabetical order, (ii) a copy of this Agreement and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendment has been executed, (iii) copies of the Company's federal, state and local tax returns and reports, if any, for the three (3) most recent years, and (iv) accounting records of the Company. Any Member or his, her or its duly authorized representative shall have the right to inspect and copy the books and records of the Company upon reasonable notice during business hours.

(b) Financial Reports. The Managers shall cause to be prepared and delivered to each Member, at the expense of the Company, such financial reports as shall be decided by the Members.

(c) Income Tax Information. The Managers shall cause income tax returns for the Company to be prepared by the Company's accountant and filed with the appropriate authorities and shall furnish to each Member within ninety (90) days after the close of the taxable year of the Company, all tax information with respect to the Company as may be required by the Member for the preparation of his, her or its individual federal and state tax returns, at the expense of the Company.

(d) Accounting Principles. The Company's books shall be maintained in accordance with generally accepted accounting principles determined by the Company's accountants, which accounting principles shall be consistently applied.

(e) Bank Accounts. The Managers are authorized to open a bank or investment account for the Company and withdraw funds or sign checks withdrawing funds from such bank or investment account for the sole purpose of paying all ordinary and necessary

charges and expenses incident to or arising out of the operations of the Company in the ordinary course of business (including expenses arising out of a Servicing Agreement provided said Servicing Agreement has been approved by the Members as required herein), and that such banks and investment companies be, and hereby are, authorized and directed to honor, pay and charge to the account of this Company all checks and orders for the payment of money so drawn when so signed. The Managers are authorized to certify to any bank or other investment company a copy of this Section 4.2(e) and the names and signatures of the Company's Managers authorized to sign checks as provided in this Section 4.2(e), and such bank or other investment company is hereby authorized to rely upon such certificate until formally advised of any changes therein.

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS

5.1. **Initial Capital Contributions.** Each Member shall contribute the amount set forth for such Member in Exhibit A, attached hereto and incorporated herein, as his, her or its Initial Capital Contribution. Exhibit A shall be revised from time to time as necessary to record all Capital Contributions and all changes in the Company and ownership of the Company effected in accordance with this Agreement, and Exhibit A as so revised shall be furnished to each Member.

5.2. **Additional Contributions; Additional Units; Preemptive Rights.**

(a) Unless approved by all of the Members, no additional Capital Contributions shall be required from any Members. Upon such approval, the Managers shall give written notice to each Member of the amount of any required additional Capital Contributions, and each Member shall deliver to the Company his, her or its pro rata share thereof based upon such Member's Percentage of Interest no later than thirty (30) days following the date such notice is given.

(b) Unless approved by the Members, the Company shall not offer additional Units or any other interest in the Company for sale to third parties. If authorized by the Members, the purchase price for which additional Units shall be offered shall be determined by the Members. Purchasers of additional Units pursuant to this paragraph who are not already Members shall be admitted to the Company as Members in accordance with Section 8.1 hereof. The Managers are authorized to adjust the Percentages of Interest of the Members as appropriate to reflect the issuance of additional Units. Exhibit A shall be revised from time to time as necessary to record all changes in the ownership of the Company affected in accordance with this section, and Exhibit A as so revised shall be furnished to each Member.

5.3. **Failure to Contribute Additional Contributions.** In the event that a Member does not contribute his, her or its portion of the additional Capital Contribution provided for in Section 5.2(a) when due, then such Member's Membership Interest shall be reduced pro-rata by the proportion of the unpaid additional Capital Contribution of such Member to the aggregate of all Capital Contributions actually made by such Member pursuant to Section 5.1 and 5.2.

5.4. **Capital Accounts.**

(a) A Capital Account will be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Each Member's Capital Account will be increased by: (i) the amount of money or the fair market value of property contributed by such Member to the Company; (ii) allocations to each Member of Net Profits; and (iii) allocations to each Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account will be decreased by: (a) the amount of money distributed to each Member by the Company; (b) the Fair Market Value of property distributed to each Member by the Company, net of liabilities secured by such distributed property that such Member is considered to assume or take subject to, pursuant to Code Section 752; (c) allocations to the Member for expenditures described in Code Section 705(a)(2)(B); (d) allocations to each Member of Net Losses; and (e) allocations to the account of such Member of other Company losses and deductions as set forth in the Treasury Regulations.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(c) A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them.

5.5. **Securities Matters.** The undersigned Members understand: (i) that the Membership Interests evidenced by this Agreement have not been, and will not be, registered under the Securities Acts because the Company is issuing these Membership Interests in reliance upon the exemptions from the registration requirements of the Securities Acts; (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment; and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS

6.1. **Allocations of Profits and Losses.**

(a) Except as provided in Section 6.2, Net Profits of the Company for each Fiscal Year shall be allocated to each Member in proportion to their Percentage of Interests.

(b) Except as provided in Section 6.2, Net Losses of the Company for each Fiscal Year shall be allocated to the Members in proportion to their Percentage of Interests.

6.2. **Special Allocations.**

Notwithstanding any other provisions of this Agreement to the contrary:

(a) No allocation of loss, deduction, and/or expenditures described in Code Section 705(a)(2)(B) shall be charged to the Capital Account of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of each Member who would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3) and shall be applied and interpreted consistent therewith.

(c) In the event any Member would have a Deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-1(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Treasury Regulation Section 1.704-2(g)(1), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this section 6.2, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section 6.2(d) is intended to comply with the minimum gain chargeback requirement of Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirements in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Code Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as member nonrecourse deductions under Treasury Regulation Section 1.704-2(i) shall be allocated to the Members' Capital Accounts in accordance with Treasury Regulation Section 1.704-2(i).

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions," as described in Treasury Regulation Section 1.704-2(b), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company Net Profit or Net Loss for such period.

(g) In connection with a Capital Contribution by a new or existing Member as consideration for one or more Units, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member as consideration for one or more Units, the Capital Accounts of the Members shall be adjusted to reflect a revaluation of Company property including intangible assets in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Treasury Regulation Section 1.704-1(b)(2)(iv)(f) Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and Fair Market Value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Code Section 704(c).

(h) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Members to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Member is allocated any gain from the sale or other disposition of such Company property.

(i) Any credit or charge to the Capital Accounts of the Members under this section 6.2 shall be taken into account in computing subsequent allocations of profits and losses, so that the net amount of any items charged or credited to Capital Accounts shall be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article if the special allocations required by this Section 6.2 had not occurred.

(j) In accordance with Code Section 704(c)(1)(A) and Treasury Regulation Section 1.704-3, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution.

6.3. **Distributions.**

(a) Notwithstanding anything herein to the contrary, the Managers may distribute available funds on an asset by asset basis or quarterly basis. If the managing member elects to distribute when an asset is sold, then a distribution will be made the following month. The priority for "distribution of proceeds" is as follows:

1) Costs to third parties or Managers expenses and servicing fees (for all assets)
2) Return of capital contribution in proportion to members' contribution for the sold assets.
3) Excess proceeds (or profit) in proportion to the Members' Percentage of Interest.

(b) The Company shall make a distribution to any Member from Distributable Cash to the extent that such Member is allocated income pursuant to Section 6.1 or Section 6.2 in excess of distributions received pursuant to Section 6.3(a), in an amount sufficient to defray federal, state and local tax liabilities of such Member with respect to such excess for the Fiscal Year, based upon the then-current highest marginal federal tax rate plus the then-current highest marginal state tax rate for the State of Texas.

ARTICLE VII. TRANSFERABILITY

7.1. **General.** Except as provided herein or as otherwise consented to in writing by the Members, a Member shall not Transfer all or any part of a Membership Interest. Any purported or attempted Transfer of all or any part of a Membership Interest in violation of this Article 7 shall be null and void and the purported transferee of such invalid Transfer shall not be entitled to have any interest in the Company transferred to such purported transferee on the books of the Company.

7.2. **Transfers Not Requiring Prior Consent.**

(a) A Member may, without first obtaining the written consents required in Section 7.1 above, Transfer by sale or gift all or any undivided share of its Membership Interest to any one or more of the following: (i) a partnership, limited liability company or corporation in which fifty percent (50%) or more of the capital and profit interests (in the case of a partnership or a limited liability company) or in which fifty percent (50%) or more of the capital stock (in the case of a corporation) is owned by or for the benefit of the Member; (ii) the Member's partners (if the Member is a partnership), the Member's members (if the Member is a limited liability company) or the Member's shareholders (if the Member is a corporation); (iii) the Company; and (iv) a Member or Members; provided any such transferee shall agree in writing to be bound by the terms and conditions of this Agreement as they applied to the transferring Member on the date of execution of this Agreement in the same manner as if the transferring Member had retained ownership of its Membership Interest (upon meeting the foregoing requirements, such transferee shall be referred to as a "Permitted Transferee").

(b) The Managing Member may, without first obtaining the written consents required in Section 7.1, transfer by sale, assignment or gift all or any undivided share over and above its fifty percent Membership Interest to a third party.

7.3. **Voluntary Transfer Procedure.**

(a) A Member who desires to Transfer all or any portion of a Membership Interest (the "Transferring Person") to a third party, except as permitted under Section 7.2, shall obtain from such third party a bona fide written offer to purchase such Membership Interest (the "Offered Interest"), stating the terms and conditions upon which the purchase is to be made and the consideration offered therefore (the "Offer"). The Transferring Person shall give written notification to the Managers and each of the Members, by certified mail or personal delivery, of his, her or its intention to Transfer the Offered Interest, furnishing to the Managers and each Member a copy of the Offer.

(b) Upon receipt of the written notice required under paragraph (a) above, the Company and the Members shall comply with the following procedure:

(i) The Company shall have thirty (30) days from the date of delivery of the notice required by paragraph (a) above to notify the Transferring Person in writing of the Company's election to redeem all or a part of the Offered Interest at the purchase price set forth in Section 7.4 of this Agreement, which decision of the Company shall be made by an affirmative vote of all of the Members.

(ii) If the Company does not elect to redeem all of the Offered Interest, the other Members shall have the right, within thirty (30) days of the date of the notice of nonelection by the Company or election as to less than all of the Offered Interest, to elect to purchase the remaining Offered Interest, and the Transferring Person shall sell such interest to the other Members at the purchase price set forth in Section 7.4 of this Agreement. Any Member desiring to acquire any or all of the Offered Interest shall deliver to the Managers and each of the Members a written election to purchase the Offered Interest.

(iii) If two or more Members of the Company elect to exercise the option to purchase the Offered Interest then, in the absence of an agreement between them, each Member shall have priority to purchase such proportion of the available interest that such Member's Percentage of Interest bears to the total Percentage of Interests held by all other Members electing to purchase. The portion of the Offered Interest not purchased on such a priority basis shall be allocated in one or more successive allocations to those Members electing to purchase more than the proportion of the Percentage of Interest to which they have a priority right, up to the proportion of the Offered Interest specified in their respective notices, in the proportion that the Percentage of Interests held by each of them bears to the total Percentage of Interest held by all of them.

(iv) If the Company and the Members do not exercise their rights to redeem or purchase, as the case may be, all of the Offered Interest pursuant to the terms set forth

in Section 7.3(b)(i) and Section 7.3(b)(ii) above, then the Transferring Person shall be free to Transfer the remaining part of the Offered Interest to the bona fide purchaser set forth in the Offer under the terms of the Offer, subject to the restrictions on such Transfer imposed by this Agreement or any other agreement or by law.

(v) If the Company exercises its right to redeem all or a part of the Offered Interest in accordance with Section 7.3(b)(i) above, the Transferring Person shall be obligated to sell such Offered Interest to the Company. If any or all of the Members exercise their rights to purchase all or a part of the Offered Interest in accordance with Section 7.3(b)(ii) above, the Transferring Person shall be obligated to sell such Offered Interest to such exercising Members. The closing of the Transfer of the Offered Interest from the Transferring Person to the Company or any Members pursuant to this Section shall be held at the principal offices of the Company not later than ninety (90) days after receipt of notice required by paragraph (a) above.

(c) In the event of the Transfer of all or any part of any Offered Interest by a Transferring Person to any third party, and as a condition to recognizing the effectiveness and binding nature of any such Transfer, the Company may require the Transferring Person or Transferring Person and the third party, as the case may be, to execute, acknowledge and deliver to the Members or Managers such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the Managers deem necessary or desirable.

7.4. **Purchase Price.** The purchase price to be paid to a Transferring Person for all or any part of such Transferring Person's Membership Interest redeemed by the Company or purchased by a Member under Section 7.3(b) shall be the lower of (i) the purchase price set forth in the Offer for such Membership Interest, or (ii) the product of (A) the Percentage of Interest represented by the Offered Interest multiplied by (B) the Fair Market Value of the Company as of the date of such redemption or purchase.

7.5. **Remedies.** The Members agree that a violation by any of them of this Article 7 will cause such damage to the Company and to the other Members as will be irreparable and the exact amount of which will be impossible to ascertain. For this reason, the Members agree that the Company shall be entitled as a matter of right to a decree of specific performance of the terms of this Article 7 or for temporary or permanent injunctive relief from any court of competent jurisdiction restraining any attempted or purported Transfer of interest in the Company in violation of this Article 7. In addition, any Member attempting or purporting to Transfer an interest in the Company in violation of this Article 7 and the purported transferee participating in the attempted or purported Transfer, shall be jointly and severally liable to reimburse and pay the Company for any and all costs, fees and expenses including without limitation any attorneys', accountants', and other professional fees and expenses actually expended or incurred by the Company in connection with any such violation, whether or not litigation ensues. The remedies set forth in this Section 7.6 shall be cumulative and in addition to whatever other rights and remedies the Company and the Members may have to protect their respective rights in the event of a violation of the provisions of this Article 7, including without limitation the right to recover damages including actual, compensatory, consequential, incidental and punitive damages.

7.6. **Effect of Transfer of Interest.** Upon the Transfer of any interest in the Company in accordance with the provisions of this Article 7, the transferee of such interest shall own and hold such interest in the Company as a transferee, subject to all the terms, conditions, and limitations of this Agreement, including without limitation restriction on any further Transfer of such interest as provided in this Article 7. Consent to such Transfer shall not constitute consent to the admission of the transferee as a Member of the Company. A transferee may become a Member only in accordance with the provisions of Section 8.1. Unless a transferee is admitted to the Company as a Member in accordance with the provisions of Section 8.1, such transferee shall not be entitled to any of the rights or benefits of a Member hereunder except the right to the share of profits and losses and distributions of assets based on the transferee's Percentage of Interest. Without limiting the generality of the preceding sentence, such transferee shall have no right (i) to vote upon, approve, or consent to, any matter requiring the vote, approval or consent of the Members, or (ii) to receive any information from the Company of the kind to which Members are entitled, or any other information.

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS

8.1. **Admission of Members.** No additional Member may be admitted to the Company, except upon the prior written consent of and upon such additional Member signing, in person or by attorney-in-fact, or otherwise becoming a party to this Agreement; provided, however, each Permitted Assignee (as defined in Section 7.1) shall automatically be deemed to be a Member of the Company regardless of whether or not the Members consented to said transfer. No Member shall have the power to grant a transferee, and no transferee shall have, the right to become a Member of the Company except as specifically provided in the preceding sentence. If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage person or property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property and shall have any power the Member had to give his or her assignee a Percentage of Interest in Net Profits and Net Losses. Said assignee may not be admitted as a Member of the Company except upon the prior written consent of the Members.

8.2. **Withdrawal of Members.** No Member shall have any right to withdraw or resign as a Member of the Company prior to the dissolution and winding up of the Company, except upon a Transfer of all of his, her or its interest in the Company in accordance with the terms and conditions of Article 7. A Member who resigns or whose Membership Interest is otherwise terminated for any reason, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Damages for breach of this section 8.2 shall be monetary damages only and not specific performance, and such damages may be offset against distributions by the Company to which such Member would otherwise be entitled.

ARTICLE IX. WINDING UP AND TERMINATION

9.1. **Events Requiring Winding Up.** The Company shall be wound up upon the occurrence of any of the following events:

(a) Unanimous written consent of the Members; or

(b) The consent of a majority in number of the remaining Members to wind up the Company within ninety (90) days after the Company is wound up in accordance with the Texas Act.

9.2. **Winding Up, Liquidation and Distribution of Assets.** If an event requiring the winding up of the Company occurs, the Managers shall wind up the business of the Company and shall apply or distribute the assets of the Company, or shall sell the assets of the Company and apply or distribute proceeds thereof, as promptly as practicable and in the following order of priority:

(a) First, if there are sufficient assets therefore, to creditors of the Company, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members; and if there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefore; and if there is any contingent, conditional, or unmatured debt, claim, obligation, or liability known to the Company, a reserve shall be established for it in accordance with law, in an amount determined by the Managers to be appropriate for such purpose;

(b) Second, to Members in satisfaction of liabilities for distributions; and

(c) Third, any remaining assets, to the Members in proportion to the positive balances in their respective Capital Accounts, and after all Capital Accounts have been reduced to zero, in accordance with their respective Percentages of Interest. The Company may offset damages for breach of this Agreement by a Member against the amount otherwise distributable to such Member hereunder.

(d) At the time final distributions, exclusive of any reserves for contingent, conditional or unmatured items, are made in accordance with clause (c) above, the Company shall terminate, but, if at any time thereafter, any reserve is released because the Managers determine the need for such reserve is ended, then such reserve shall be distributed in accordance with clause (c) above.

9.3. **Return of Contribution Nonrecourse to Members.** Except as provided by law or as expressly provided in this Agreement, upon winding up, each Member shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is

insufficient to return the Capital Contribution of one or more Members, such Member or Members shall have no recourse against any other Member or the Manager.

ARTICLE X. MISCELLANEOUS

10.1. **Notice.** Any notice required or permitted to be given pursuant to the provisions of the Texas Act or this Agreement shall be effective as of the date personally delivered, delivered via facsimile with electronic confirmation, or delivered via overnight express mail, or if sent by certified mail, return receipt requested, three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at the last known address as shown in the Company's records.

10.2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Act or this Agreement, a waiver thereof, in writing, signed by the person entitled to such notice shall be deemed equivalent to the giving of such notice.

10.3. **Authority to Bind the Company.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniary for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

10.4. **Waiver of Action For Partition.** Each Member irrevocably waives any right to maintain an action for partition with respect to the property of the Company during the term of the Company.

10.5. **Indemnification By Company.** The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Managers determine that he, she or it acted in good faith and in a manner reasonably believed to be in the best interest of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the Person did or did not act in good faith and in a manner which was reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

10.6. **Construction.** Whenever the context requires, as used in this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter genders, and vice versa.

10.7. **Articles and Other Headings.** The Articles and headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation thereof.

10.8. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected.

10.9. **Application of Texas Law.** This Agreement will be governed by the laws of the State of Texas, without giving effect to its conflicts of laws provisions.

10.10. **Disregarded Entity Tax Treatment Intended If One Member.** At any time when the Company has only one (1) Member, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a disregarded entity under the Code and not as a corporation, and the Managers and each Member shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.11. **Partnership Tax Treatment Intended If More Than One Member; Tax Administrative Matters.** At any time when there is more than one Member of the Company, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a partnership under the Code and not as a corporation, and the Managers and Members shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company. The Members hereby designate Strategic Equity Investments, LLC. as the tax matters partner of the Company pursuant to Section 6231(a)(7) of the Code. The person designated tax matters partner shall not take any action contemplated by Section 6222 through 6232 of the Code without the approval of the Members.

10.12. **No Partnership Intended For Non-Tax Purposes.** The undersigned Members have formed the Company under the Texas Act, and as long as there is more than one Member of the Company such parties expressly do not intend hereby to form a partnership under either the Revised Uniform Partnership Act of the State of Texas nor the Revised Uniform Limited Partnership Act of the State of Texas. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

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EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

REVISED AS OF MARCH 27, 2007

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Lee Houk Homes W284 N4955 Roosevelt's Quay Pewaukee, WI 53072	$220,000.00	28.57	28.57%
Strategic Equity Investments, LLC 11000 N. Scottsdale Rd Suite 121 Scottsdale, AZ 85254-6168	$550,000.00	71.43	71.43%
Total	$770,000.00	**100**	**100%**

EXHIBIT B

ASSET LIST

Address	City	State	Zip	Elf Fork Purchase Price
11426 Robson Street	DETROIT	MI	48227	$ 42,770.03
11945 W. Outer Dr.	DETROIT	MI	48223	$ 38,121.11
14161 Sussex	DETROIT	MI	48207	$ 41,840.25
14285 Corbett	DETROIT	MI	48213	$ 34,866.87
14434 Edmore Drive	DETROIT	MI	48205	$ 37,191.33
14975 Manning Street	DETROIT	MI	48205	$ 24,639.26
16840 Vaughan Street	DETROIT	MI	48219	$ 43,234.92
19307 Fenmore St	DETROIT	MI	48235	$ 31,612.63
19467 Westbrook	DETROIT	MI	48219	$ 32,542.41
19975 Westphalia St	DETROIT	MI	48205	$ 24,639.26
20040 Wexford St	DETROIT	MI	48234	$ 34,866.87
20134 Carrie Street	DETROIT	MI	48234	$ 9,297.83
2503 Lawndale St.	DETROIT	MI	48209	$ 32,542.41
303 Maplelawn St Se	GRAND RAPIDS	MI	49548	$ 32,495.92
436 Barker Ave NW	GRAND RAPIDS	MI	49504	$ 27,847.01
6700 Forrer Street	DETROIT	MI	48228	$ 32,077.52
7724 Plainview	DETROIT	MI	48228	$ 37,191.33
5331 W Court St	FLINT	MI	48532	$ 25,569.04
7836 Mansfield St	DETROIT	MI	48228	$ 20,920.12
815 Edison Avenue	LANSING	MI	48910	$ 25,336.59
9225 Vaughan Street	DETROIT	MI	48228	$ 34,866.87
9388 Burnette St	DETROIT	MI	48204	$ 22,779.69
9401 Mendota St	DETROIT	MI	48204	$ 25,569.04
9553 Westwood	DETROIT	MI	48228	$ 36,261.55
957 N Pinecrest Ave	WICHITA	KS	67208	$ 20,920.12
				$ 770,000.00

as to the REOs, including but not limited to evictions, listing the property for sale, selling the property, or renting the property;

L. To pay all operating expenses and such other expenses as requested by the OWNER from the rents received. This may include the payment of taxes and insurance;

M. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the REOs;

N. OWNER hereby agrees to hold SERVICER harmless from any and all claims, charges, debts, demand and lawsuits, including attorney's fees related to SERVICER's management of OWNER's REOs, and from any liability for injury on or about the properties which may be suffered by an employee, tenant or guest upon the properties.

O. Fees will be according to the attached Fee Schedule.

Section 3 – General Provisions

OWNER represents that all of the persons designated above are over the age of 18 and are competent.

Make OWNER Check Payable To:_Lee Houk Homes

Address: W284 N4955 Roosevelt's Quay

City, State, Zip Code: Pewaukee, WI 53072

DEFAULT: A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. SERVICER is also entitled to recover any compensation SERVICER would have been entitled to receive if Owner did not breach this agreement.

MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the cost of mediation equally.

Wire Transfer Outgoing Request

CHASE

Wire Transfer Requestor Information

Requestor Name: ROBERT W MANGOLD				
Account Name: STRATEGIC EQUITY INVESTMENTS LLC OPERATING ACCOUNT		Street Address: 11000 N SCOTTSDALE RD STE 121		
City: SCOTTSDALE	State: AZ	Zip: 85254	Country: USA	Daytime Phone: 480-222-5222
Primary ID Type: Driver's License	ID Issuer: AZ	ID Number: [redacted]	ID Issue Date: 07/27/2005	ID Exp: 12/01/2021
Authentication Method:	Request Method: Walk-in	Comments:		
Callback Performed by (Employee Signature):	Caller (Employee) Phone number:			
Callback made to:	Callback Phone #:	Callback Date:	Callback Time:	

Wire Transfer Information

Request Date: 04/05/2007	Request time: 12:06:11PM Eastern time	Effective date: 04/05/2007	Wire Type: Domestic
Debit Account #: 721780997	Debit Account Type: CLIENT FUND CHKG	Available balance: $220,564.10	Wire Amount (US dollars): $220,000.00
Qualifying Account #	Qualifying Account Type:	Source of funds: Checking	Wire Fee: Fee assessed by Analysis.
Currency type to be sent: **US Dollars**	Exchange rate N/A	Foreign currency amount: N/A	Amount to Collect (USD): $220,000.00
FX Contract Number:			

Customer Disclosure: If you initiate more than three Rapid Cash® funds transfers during any calendar month, you will incur a Rapid Cash Remittance Fee of $20 for each Rapid Cash funds transfer in excess of three. These fees will be deducted from your checking account.

Beneficiary Account Information

Account Name: Mortgage Assistance Corp				
Street Address:	Account Number: 8042178163			
	City	State	Zip	Country
Text to Beneficiary:				

Beneficiary Bank Information

Bank Name: Colonial Bank, National Association				
Street Address: 120 MCFARLAND BLVD WEST	Bank ABA/SWIFT Code: 062001319			
	City NORTHPORT	State AL	Zip 35476	Country USA
Intermediary Bank Name:				
Street Address:	Intermediary Bank ABA:			
	City	State	Zip	Country
Text to Beneficiary Bank:				

M000371

Requestor Name: ROBERT W MANGOLD			
Request Date: 04/05/2007	Request time: 12:06:11PM Eastern time	Effective date: 04/05/2007	Wire Amount (US dollars): $220,000.00

Terms and Conditions

The undersigned confirms to JPMorgan Chase Bank, N.A. (the "Bank") that: it has purchased the funds transfer described in this document; it has received and reviewed the Bank's current fee schedule; and it agrees that the funds transfer is made subject to the following Terms and Conditions. The Bank may reject any transfer in the Bank's sole discretion at any time prior to final acceptance of the transfer by beneficiary's bank. The Bank will notify you if a transfer is rejected and will advise you as soon as is reasonably possible after it becomes aware of the rejection. The notice or advice shall be deemed commercially reasonable if given electronically, orally, by telephone, facsimile transmission, first class mail or private delivery service. This transfer will be processed within the Bank's established cut-off hours. The Customer acknowledges that the Bank and the beneficiary's bank may rely solely on an identifying or account number to designate the receiving bank and the owners of the accounts to be credited, whether or not the name of the beneficiary or receiving bank matches the identifying number or account number. The Bank reserves the right to execute the funds transfer through any intermediary bank which the Bank deems reasonable. The Customer authorizes the Bank and any intermediary bank in the transaction to deduct processing fees and, if applicable, exchange fees from the amount of the funds transfer. If this transfer is in a foreign currency, and funds are returned because, for any reason, payment cannot be made, the Bank's liability will be limited to the New York currency exchange market value rate at the time refund is made, less charges taken by any correspondent banks. The Bank operates within the guidelines established by the Treasury's Office of Foreign Assets Control (OFAC) imposing economic sanctions against target hostile foreign countries and entities. Under penalty of Federal Law, the Bank is obligated to block transactions where any party is included on one of OFAC's lists of designates. Proceeds from blocked transactions must be held until such entity is removed from the list or upon special permission from OFAC. The Bank will not be liable to you for any amount other than as specifically required by Article 4A of the Uniform Commercial Code. You agree to indemnify Bank and its agents and employees against any claims, losses, costs, expenses, and damages of any kind (other than claims arising from the Bank's gross negligence or willful misconduct), asserted against on incurred by the Bank directly or indirectly relating to this transaction.

Customer Notice: The Bank may record, store, and use all telephone conversations.

Customer Signature	Date

Branch / Department Information

Initiated by: ABIGAIL M BAYLESS / J914858		
Initiating Branch/Department: Greenway and 65th St - 234	Phone #: 614-248-5800	Wire Transfer ☐ Released ☐ Declined
Released/Declined by:		
Releasing Branch/Dept *(if different than initiating)*:	Releasor Signature:	Date:
Decline Reason:	Comments:	
Approving Manager (wire amount over limit)	Method of Approval *(attach required supporting documentation)* ☐ Phone call ☐ Email ☐ Other (explain)_____	

Wire Tracking Information

CA Confirmation Number	Transaction Reference Number (TRN), if available
FED Reference Number, if available	Rapid Cash® Number

ATTORNEY'S FEES: If OWNER or SERVICER is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

SPECIAL PROVISIONS: This Agreement may be amended from time to time by the parties pursuant to a written agreement or addendum signed by the SERVICER and the OWNER.

ENTIRE AGREEMENT: This document contains the entire agreement of the parties and may not be changed except by written agreement.

ASSIGNMENTS: Neither party may assign this agreement without the written consent of the other party.

BINDING EFFECT: OWNER's obligations to SERVICER under this agreement are binding upon OWNER and OWNER's heirs, executors, successors, and permitted assignees.

JOINT AND SEVERAL: OWNERS executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to , refund to , or signature of, any one or more of the OWNERS regarding any term of this agreement or its termination is binding on all OWNERS executing this agreement.

GOVERNING LAW: Texas law governs the interpretation, validity, performance, and enforcement of this agreement.

SEVERABILITY: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected and all other provisions of this agreement will remain valid and enforceable.

CONTEXT: When the context requires, singular nouns and pronouns include the plural.

NOTICES: Notices between the parties must be in writing and are effective when sent to the receiving party's address as stated in this agreement.

MEMBER: Lee Houk
Signed: _____ Date 4-4-07
Print Name: Lee A Houk
Title: President

SERVICER: Strategic Equity Investments, LLC
Signed: _____ Date 4-4-07
Print Name: ROBERT MANGOLD
Title: PRESIDENT / CEO

CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Elf Fork Capital LLC as of the date indicated below.

Strategic Equity Investments, LLC, as Member and Manager

Date: 4-4-07

By: Robert Mangold
Its: PRESIDENT
Name: ROBERT MANGOLD

Lee Houk ~~and Member~~, President

Date: 4-4-07

By: [signature]
Its: President
Name: Lee A Houk

CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Elf Fork Capital LLC as of the date indicated below.

Strategic Equity Investments, LLC, as Member and Manager

Date: 4-4-07

By: [signature]
Its: PRESIDENT
Name: ROBERT MANGOLD

Lee Houk as Member

Date:_____

By:_____
Its:_____
Name:_____

CHASE WIRING INSTRUCTIONS
FOR Strategic Equity Investments, LLC

Phone #: 480-222-5222
FAX #: 480-368-8869

CHASE ADDRESS:

15415 North 65th Place
Scottsdale, AZ 85254

ACCOUNT NUMBER:

[redacted]0997

ROUTING NUMBER:

122100024

One Source Mortgage & Investments, Inc

11000 North Scottsdale Road
Suite 121
Scottsdale, AZ 85254

FAX COVER SHEET

DATE: 4-4-07

TO: Lee Houk **Phone:** 262-369-5763
Fax:

FROM: Robert Fischer **Phone:** 480.222.5222
Fax: 480.368.8869

Number of pages including cover: 5

Message:

These documents are intended for the recipient listed above and may be confidential and sensitive. If you receive this transmission in error, please call our office.

COMPANY AGREEMENT

OF

Elf Fork Capital LLC

A TEXAS LIMITED LIABILITY COMPANY

EFFECTIVE AS OF JANUARY 26, 2007

THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES ACTS. SUCH INTERESTS ARE BEING ACQUIRED FOR INVESTMENT ONLY, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER SUCH ACTS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED WITH RESPECT TO THE PROPOSED DISPOSITION THEREOF AND THAT SUCH DISPOSITION WILL NOT CAUSE THE LOSS OF THE EXEMPTION UPON WHICH THE ISSUER RELIED IN SELLING THESE MEMBERSHIP INTERESTS TO THE ORIGINAL PURCHASER THEREOF.

THE MEMBERSHIP INTERESTS AND THE TRANSFER THEREOF ARE SUBJECT TO QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS SET FORTH IN THIS COMPANY AGREEMENT, AND THE MEMBERSHIP INTERESTS SHALL NOT BE TRANSFERRED UPON THE BOOKS OF THE COMPANY UNTIL THE TERMS AND CONDITIONS OF THIS AGREEMENT HAVE BEEN FULLY COMPLIED WITH.

APR-03-2007 18:26 ONE SOURCE 480 368 8869 P.02

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TABLE OF CONTENTS

ARTICLE I. FORMATION 1

1.1. FORMATION 1
1.2. PRINCIPAL PLACE OF BUSINESS 1
1.3 REGISTERED AGENT OFFICE 1
1.4. TERM 1
1.5 PURPOSE 1

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS 2

2.1. MANAGEMENT OF COMPANY VESTED IN THE MANAGERS 2
2.2. CERTAIN POWERS OF MANAGERS 2
2.3. LIABILITY FOR CERTAIN ACTS 2
2.4. MEMBERS AND MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY 3
2.5. AUTHORITY OF MANAGERS TO DEAL WITH AFFILIATES 3
2.6. RESIGNATION AND REMOVAL OF MANAGERS 3
2.7. COMPENSATION AND FEES 3

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS 3

3.1. LIMITATION OF MEMBERS' LIABILITIES 3
3.2. NO CONTROL OF BUSINESS OR RIGHT TO ACT FOR COMPANY 4
3.3. PRIORITY AND RETURN OF CAPITAL 4
3.4. MEETINGS OF THE COMPANY; VOTING RIGHTS 4
3.5. POWERS RESERVED TO THE MEMBERS 5

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY 6

4.1. AMENDMENT OF AGREEMENT 6
4.2. BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS 6

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS 7

5.1. INITIAL CAPITAL CONTRIBUTIONS 7
5.2. ADDITIONAL CONTRIBUTIONS; ADDITIONAL UNITS; PREEMPTIVE RIGHTS 7
5.3. FAILURE TO CONTRIBUTE ADDITIONAL CONTRIBUTIONS 8
5.4 CAPITAL ACCOUNTS 8
5.5. SECURITIES MATTERS 8

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS 8

6.1. ALLOCATIONS OF PROFITS AND LOSSES 8
6.2. SPECIAL ALLOCATIONS 9
6.3. DISTRIBUTIONS 11

ARTICLE VII. TRANSFERABILITY 11

7.1. GENERAL 11
7.2. TRANSFERS NOT REQUIRING PRIOR CONSENT 11
7.3. VOLUNTARY TRANSFER PROCEDURE 12
7.4. PURCHASE PRICE 13
7.5. REMEDIES 13
7.6. EFFECT OF TRANSFER OF INTEREST 13

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS 14

8.1. ADMISSION OF MEMBERS 14
8.2. WITHDRAWAL OF MEMBERS 14

ARTICLE IX. WINDING UP AND TERMINATION 14

APR-03-2007 18:26 ONE SOURCE 480 368 8869 P.03

M000379

9.1. EVENTS REQUIRING WINDING UP 14
9.2. WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS 15
9.3 RETURN OF CONTRIBUTION NONRECOURSE TO MEMBERS 15

ARTICLE X. MISCELLANEOUS 16

10.1. NOTICE 16
10.2. WAIVER OF NOTICE 16
10.3. AUTHORITY TO BIND THE COMPANY 16
10.4. WAIVER OF ACTION FOR PARTITION 16
10.5. INDEMNIFICATION BY COMPANY 16
10.6. CONSTRUCTION 16
10.7. ARTICLES AND OTHER HEADINGS 17
10.8. SEVERABILITY 17
10.9. APPLICATION OF TEXAS LAW 17
10.10. DISREGARDED ENTITY TAX TREATMENT INTENDED IF ONE MEMBER 17
10.11. PARTNERSHIP TAX TREATMENT INTENDED IF MORE THAN ONE MEMBER; TAX ADMINISTRATIVE MATTERS 17
10.12. NO PARTNERSHIP INTENDED FOR NON-TAX PURPOSES 18

CERTIFICATION 19

EXHIBIT A **MEMBER CAPITAL CONTRIBUTIONS** 20

EXHIBIT B **LIST OF ASSETS** 21

EXHIBIT C **SERVICING AGREEMENT** 21

APR-03-2007 18:27 ONE SOURCE 480 368 8869 P.04

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This Company Agreement of ELF FORK CAPITAL LLC is adopted by the Managers and the undersigned Members, for the purpose of forming and operating ELF FORK CAPITAL LLC as a Texas limited liability company, and the undersigned Managers and Members do each mutually acknowledge and agree as follows:

DEFINITIONS

The following terms used in this Company Agreement shall have the following meanings unless otherwise expressly provided herein:

(i) **"Agreement"** shall mean this Company Agreement, as originally executed, and as amended from time to time in writing, including all exhibits and schedules hereto, which concerns the conduct of the business of the Company.

(ii) **"Capital Account"** shall mean the Capital Account maintained for each Member in accordance with Section 5.4.

(iii) **"Capital Contribution"** shall mean any contribution to the capital of the Company in cash or property by a Member whenever made.

(iv) **"Certificate of Formation"** shall mean the Certificate of Formation filed with the Texas Secretary of State for the purpose of organizing the Company, as the same may be amended or restated from time to time.

(v) **"Code"** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(vi) **"Company"** shall mean Elf Fork Capital LLC, the Company organized pursuant to the Certificate of Formation and this Agreement.

(vii) **"Deficit Capital Account"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in company minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any member nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

APR-03-2007 18:27 ONE SOURCE 480 368 8869 P.05

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This definition of Deficit Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(viii) **"Distributable Cash"** shall mean all cash, revenues and funds received by the Company from Company operations, including from the sale of any asset to the extent not reinvested in replacement assets, less the sum of the following to the extent paid or set aside by the Company: (a) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (b) all cash expenditures incurred incident to the purchase or sale of any asset and the normal operation of the Company's business; (c) reimbursement of expenses and payment of compensation to any Manager; and (d) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(ix) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association.

(x) **"Fair Market Value"** shall mean, on the date such Fair Market Value is to be determined, the excess of the value of all of the Company's assets minus all of the Company's liabilities. For purposes of determining Fair Market Value, (a) no value shall be placed on the goodwill or name of the Company or the office records, files, statistical data or any similar intangible assets of the Company not normally reflected in the Company's accounting records, (b) there shall be taken into consideration any related items of income earned but not received, expenses incurred but not yet paid, liabilities fixed or contingent, prepaid expenses to the extent not otherwise reflected in the books of account, and the value of options or commitments to purchase securities pursuant to agreements entered into on or prior to the valuation date, (c) determination of value of any publicly-traded security or bond, shall be the most recent closing sale price quoted for such security on the exchange on which it is traded, (d) determination of the value of other securities shall be based on all relevant factors, including without limitation, type of security, marketability, restrictions on disposition, and current financial position and operating results, (e) the value of real estate shall be deemed to be the most recent fair market value of such real estate as determined by a real estate appraiser selected by the Managers; and (f) as to the liabilities and any other assets of the Company, the book value carried on the books of the Company in accordance with Generally Accepted Accounting Principles, consistent with the Company's past practice.

(xi) **"Fiscal Year"** shall mean the Company's fiscal year, which shall end on December 31, of each year.

(xii) **"Initial Capital Contribution"** shall mean the initial contribution to the capital of the Company pursuant to this Agreement.

(xiii) **"Manager" and "Managers"** As used in this Agreement the term "Manager" shall mean each individual Manager of the Company from time to time. The term "Managers" shall refer (i) to the Manager of the Company at any time when the Company has one (1) Manager and (ii) collectively, to all of the Managers of the Company at any time when the

APR-03-2007 18:27 ONE SOURCE 480 368 8869 P.06

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Company has multiple Managers. Initially, the Company shall have one Manager, which shall be Strategic Equity Investments, LLC, an Arizona corporation.

(xiv) **"Member"** shall mean any person that signs in person or by an attorney-in-fact, or otherwise is a party to the Agreement at the time that the Company is formed and is identified as a Member in the Agreement and any Person who is subsequently admitted as a Member in the Company in accordance with the Texas Act and the Agreement, until such time as such Person withdraws, is removed, or is otherwise no longer a Member of the Company.

(xv) **"Membership Interest"** shall mean a Member's entire interest in the Company, including such Member's right to participate in the decisions of the Members, as reflected by the ratio of such Member's Units to the aggregate of the Units of all Members.

(xvi) **"Net Profits"** and **"Net Losses"** shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined under the Company's adopted method of accounting at the close of each Fiscal Year.

(xvii) **"Offer"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xviii) **"Offered Interest"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xix) **"Percentage of Interest"** means, for a Member, the percentage equivalent of a fraction, the numerator of which is the number of Units owned by such Member and the denominator of which is the total number of Units owned by all Members.

(xx) **"Persons"** shall mean any individuals, partnerships, limited liability companies, corporations, trusts, business trusts, real estate investment trusts, estates and other associations or business entities.

(xxi) **"Reserves"** shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(xxii) **"Securities Acts"** shall mean the Securities Act of 1933 or any other applicable state securities laws.

(xxiii) **"Selling Member"** shall mean any Member who sells, assigns, or otherwise transfers for consideration, all or any portion of a Membership Interest.

(xiv) **"Texas Act"** shall mean the Texas Limited Liability Company Law, part of the Texas Business Organizations Code, as amended.

(xxv) A **"Transfer"** of all or any part of a Membership Interest means any type of disposition of any right, title or interest whatsoever in such Membership Interest, voluntarily or

APR-03-2007 18:28 ONE SOURCE 480 368 8869 P.07

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involuntarily, directly or indirectly, including without limitation any sale, exchange, assignment, encumbrance, grant of security interest, pledge, hypothecation, gift, transfer by trust, transfer by will or intestate succession, or other disposition whatsoever.

(xxvi) **"Transferring Person"** shall have the meaning ascribed to such term in Section 7.3.

(xxvii) **"Treasury Regulations"** shall mean the proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Formation and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(xxviii) **"Units"** shall mean equity ownership in the Company represented by membership units ("Units"). The Company may issue such total number of Units as the Managers shall determine, and may issue partial Units.

ARTICLE I. FORMATION

1.1. **Formation.** On January 26, 2007, the Company was organized as a Texas limited liability company by execution and delivery of Certificate of Formation to the Texas Secretary of State in accordance with the Texas Act.

1.2. **Principal Place Of Business.** The principal place of business of the Company shall be located at 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The Company at any time may change the location of such principal office and may have such other offices, either within or without the State of Texas, as the Members may designate or as the business of the Company may require.

1.3. **Registered Agent Office.** The registered agent is Strategic Equity Investments, LLC. and the address of the registered agent office of the Company is 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The registered agent office and the registered agent may be changed from time to time by the Managers, with the consent of the Members, filing the prescribed form with the Texas Secretary of State.

1.4. **Term.** The existence of the Company shall be perpetual, unless terminated or dissolved as set forth herein.

1.5. **Purpose.** The Company may conduct or promote any lawful businesses or purposes for which limited liability companies may be organized under the Texas Act. The Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion, or attainment of the businesses or purposes of the Company.

APR-03-2007 18:28 ONE SOURCE 480 368 8869 P.08

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ARTICLE II. RIGHTS AND DUTIES OF MANAGERS

2.1. **Management of Company Vested in the Managers.** The business and affairs of the Company shall be managed by the Managers. The consent of a majority in number of the Managers then-serving shall be the act of the Managers. The Managers shall direct, manage and control the business of the Company to the best of their ability. Except for situations in which the approval of the Members is expressly required herein and as specifically provided in Section 3.5, the Managers shall have full and complete authority, power and discretion to: (i) manage and control the business, affairs and property of the Company; (ii) make all decisions regarding the business, affairs and property of the Company; and (iii) perform any and all other acts incident to the management of the Company's business subject to the provisions of this Agreement. Subject to the limitations in the preceding sentence, the right, power, and authority of the Managers pursuant to this Agreement shall be liberally construed to encompass all acts and activities in which a Company may engage under the Texas Act.

2.2. **Certain Powers of Managers.** Without limiting the generality of the provisions set forth in Section 2.1 above, the Managers shall have the power to act on behalf of the Company:

(a) To enter into and execute, on behalf of the Company, all agreements, contracts, instruments and related documents in connection with the Company's business, on such terms as the Managers, in their reasonable discretion, deem to be in the best interests of the Company.

(b) To carry out the business of the Company.

(c) To acquire and enter into, on behalf of the Company, any contract of insurance, which the Managers reasonably deem necessary and proper for the protection of the Company, for the conservation of its property, or for any purpose beneficial to the Company.

(d) To employ persons (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) in the operation of the Company, on such terms and for such compensation as the Managers shall reasonably determine.

(e) To employ attorneys, accountants, consultants, brokers, and other outside entities or individuals (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) on behalf of the Company.

(f) To pay, collect, compromise, arbitrate, resort to legal action for or otherwise adjust claims or demands of or against the Company.

(g) To sell assets to another investor as well as maintain servicing and/or obtain other incentives as deemed in the best interest of the company.

2.3. **Liability for Certain Acts.** Each Manager shall perform its duties as a Manager in good faith, in a manner reasonably believed to be in the best interest of the Company, and with

APR-03-2007 18:28 ONE SOURCE 480 368 8869 P.09

M000385

such care as an ordinarily prudent person in a like position would use under similar circumstances. If any Manager so performs the duties as a Manager, it shall not have any liability by reason of being or having been a Manager. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

2.4. **Members and Managers Have No Exclusive Duty to Company.** The Managers, and affiliates of the Managers, shall not be required to manage the Company as their sole and exclusive function and each Member and Manager and their affiliates may have other business interests and may engage in other activities in addition to those relating to the Company, including business interests or other activities that directly compete with the business of the Company.

2.5. **Authority of Managers to Deal with Affiliates.** Any Manager may, on behalf of the Company, contract with any person, firm or corporation, including, without limitation, any of the Members, any entity in which any of the Members or any Manager has a direct or indirect interest and any affiliated or related corporation or other entity, for the performance of any and all services which may at any time be necessary, proper, convenient or advisable to carry on the business of the Company; provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated persons. Any goods or services provided by affiliates to the Company shall be pursuant to a written contract which sets forth the goods and services to be provided and the compensation to be paid.

2.6. **Resignation and Removal of Managers.** Any Manager may resign by giving thirty (30) days prior written notice to the Members. Any Manager may be removed by the unanimous vote of all of the Members. The Members shall by the unanimous vote of all Members then elect a successor Manager to begin serving simultaneously with the resignation or removal of any Manager. The Members may increase or decrease (but not below one (1)) the number of Managers constituting all of the Managers of the Company.

2.7. **Compensation and Fees.** Each Manager shall be reimbursed by the Company for all out of pocket expenses incurred by such Manager in furtherance of performing its obligations to the Company as Manager. Except as specifically provided in the Servicing Agreement (as described in Section 3.5(c) herein), Manager shall receive no compensation other than reimbursement of out-of-pocket expenses incurred by Manager in furtherance of the business of the Company. No Manager shall receive any additional compensation except as the Members shall decide.

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS

3.1. **Limitation of Members' Liabilities.** Based on the Texas Act, a Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company or the Manager, and such Member's liability shall be limited solely to the amount of its Capital Contributions, whether or not returned to such Member, together with the undistributed share of the profits of the Company from time to time credited to such Member's Capital Account and

APR-03-2007 18:29 ONE SOURCE 480 368 8869 P.10

M000386

any money or other property wrongfully paid or conveyed to such Member on account of its Capital Contribution, including but not limited to money or property to which creditors were legally entitled, paid or conveyed to a Member, and, under certain circumstances, interest on returned capital.

3.2. **No Control of Business or Right to Act for Company.** No Member shall have any right or authority to act for or bind the Company or to vote on matters other than the matters set forth in this Agreement, except as specifically required by applicable law.

3.3. **Priority and Return of Capital.** Except as provided herein, no Member shall have priority over any other Member, as to the return of Capital Contributions, Net Profits, Net Losses or distributions.

3.4. **Meetings of the Company; Voting Rights.**

(a) Meetings of the Company may be called by the Managers and shall be called by it upon the written request of Members with the authority to vote an aggregate of not less than 49% Percentage of Interest. Upon receipt of such a written request, stating the purpose of the proposed meeting, the Managers shall provide each Member, within ten (10) days of such request, with written notification of a meeting and the purpose of such meeting. Such meetings shall be held not less than fifteen (15) days or more than sixty (60) days after the receipt of such request and shall be held at the principal place of business or principal executive office of the Company or such other place as the Members shall unanimously decide.

(b) At all meetings of the Company, any decision, determination, consent, approval or action by or of the Members shall be affected by the favorable vote of all of the Members of the Company, unless the vote of a greater or lesser number is otherwise required by the Act, the Certificate of Formation or this Agreement.

(c) At all meetings of the Company, a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company at least one (1) day before the meeting. Unless otherwise provided in the proxy, no proxy shall be effective after eleven (11) months after the date of its execution.

(d) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to a Manager for inclusion in the minutes or for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed a consent, unless the consent specifies a different effective date.

(e) When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice.

3.5. **Powers Reserved to the Members.** Each of the following actions on behalf of the Company shall require the unanimous approval of the Members:

(a) the acquisition of any real property in excess of $100,000 per parcel of real estate;

(b) the acquisition of any loan or portfolio of loans in excess of $100,000 per loan;

(c) the execution, on behalf of the Company, of a servicing agreement in the form of Exhibit B, attached hereto and incorporated herein by this reference, or any amendment thereto, to service the Initial Loan Portfolio (as defined in Section 5.6 herein) and an additional portfolio of loans owned by the Company (hereinafter referred to as a "Servicing Agreement").

(d) the sale, exchange or other disposition of substantially all of the assets of the Company;

(e) the filing by the Company of any voluntary petition in bankruptcy or delivery of any assignment for the benefit of creditors;

(f) the lending of Company funds to any person (except as otherwise set forth herein), or obligating the Company as surety, guarantor or accommodation party, except that the Company shall be able to guarantee credit accounts with suppliers in the ordinary course of business;

(g) the incurrence of any debt on behalf of the Company, other than trade debt incurred in the ordinary course of the Company's business;

(h) the investment or participation by the Company in any other entity;

(i) the merger or consolidation of the Company;

(j) the admission of new Members of the Company, except as specifically provided in Section 8.1; or

(k) the establishment of reserves to help meet anticipated Company expenses and the investment of such reserves pending utilization.

APR-03-2007 18:30 ONE SOURCE 480 368 8869 P.12

M000388

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY

4.1. **Amendment of Agreement.**

(a) Amendment. Any amendment to this Agreement must be approved in writing by all of the Members and by the Managers.

(b) Recording of Amendment. In making any amendments, there shall be prepared and filed for recordation by the Managers such documents and certificates, if any, as shall be required to be prepared and filed under the Texas Act and under the laws of the other jurisdictions in which the Company is then formed or qualified.

4.2. **Books and Records, Accounting, Reports, Tax Elections.**

(a) Availability. At all times during the existence of the Company, the Managers shall keep or cause to be kept full and true books and records of account. Such books and records of account shall be maintained at the principal place of business of the Company or such other place or places as may be determined by the Managers from time to time. In addition, the Company shall maintain at its principal office (i) a current list of the full name and last known business address of each Member set forth in alphabetical order, (ii) a copy of this Agreement and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendment has been executed, (iii) copies of the Company's federal, state and local tax returns and reports, if any, for the three (3) most recent years, and (iv) accounting records of the Company. Any Member or his, her or its duly authorized representative shall have the right to inspect and copy the books and records of the Company upon reasonable notice during business hours.

(b) Financial Reports. The Managers shall cause to be prepared and delivered to each Member, at the expense of the Company, such financial reports as shall be decided by the Members.

(c) Income Tax Information. The Managers shall cause income tax returns for the Company to be prepared by the Company's accountant and filed with the appropriate authorities and shall furnish to each Member within ninety (90) days after the close of the taxable year of the Company, all tax information with respect to the Company as may be required by the Member for the preparation of his, her or its individual federal and state tax returns, at the expense of the Company.

(d) Accounting Principles. The Company's books shall be maintained in accordance with generally accepted accounting principles determined by the Company's accountants, which accounting principles shall be consistently applied.

(e) Bank Accounts. The Managers are authorized to open a bank or investment account for the Company and withdraw funds or sign checks withdrawing funds from such bank or investment account for the sole purpose of paying all ordinary and necessary

APR-03-2007 18:30 ONE SOURCE 480 368 8869 P.13

M000389

charges and expenses incident to or arising out of the operations of the Company in the ordinary course of business (including expenses arising out of a Servicing Agreement provided said Servicing Agreement has been approved by the Members as required herein), and that such banks and investment companies be, and hereby are, authorized and directed to honor, pay and charge to the account of this Company all checks and orders for the payment of money so drawn when so signed. The Managers are authorized to certify to any bank or other investment company a copy of this Section 4.2(e) and the names and signatures of the Company's Managers authorized to sign checks as provided in this Section 4.2(e), and such bank or other investment company is hereby authorized to rely upon such certificate until formally advised of any changes therein.

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS

5.1. **Initial Capital Contributions.** Each Member shall contribute the amount set forth for such Member in Exhibit A, attached hereto and incorporated herein, as his, her or its Initial Capital Contribution. Exhibit A shall be revised from time to time as necessary to record all Capital Contributions and all changes in the Company and ownership of the Company effected in accordance with this Agreement, and Exhibit A as so revised shall be furnished to each Member.

5.2. **Additional Contributions; Additional Units; Preemptive Rights.**

(a) Unless approved by all of the Members, no additional Capital Contributions shall be required from any Members. Upon such approval, the Managers shall give written notice to each Member of the amount of any required additional Capital Contributions, and each Member shall deliver to the Company his, her or its pro rata share thereof based upon such Member's Percentage of Interest no later than thirty (30) days following the date such notice is given.

(b) Unless approved by the Members, the Company shall not offer additional Units or any other interest in the Company for sale to third parties. If authorized by the Members, the purchase price for which additional Units shall be offered shall be determined by the Members. Purchasers of additional Units pursuant to this paragraph who are not already Members shall be admitted to the Company as Members in accordance with Section 8.1 hereof. The Managers are authorized to adjust the Percentages of Interest of the Members as appropriate to reflect the issuance of additional Units. Exhibit A shall be revised from time to time as necessary to record all changes in the ownership of the Company affected in accordance with this section, and Exhibit A as so revised shall be furnished to each Member.

5.3. **Failure to Contribute Additional Contributions.** In the event that a Member does not contribute his, her or its portion of the additional Capital Contribution provided for in Section 5.2(a) when due, then such Member's Membership Interest shall be reduced pro-rata by the proportion of the unpaid additional Capital Contribution of such Member to the aggregate of all Capital Contributions actually made by such Member pursuant to Section 5.1 and 5.2.

5.4. **Capital Accounts.**

(a) A Capital Account will be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Each Member's Capital Account will be increased by: (i) the amount of money or the fair market value of property contributed by such Member to the Company; (ii) allocations to each Member of Net Profits; and (iii) allocations to each Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account will be decreased by: (a) the amount of money distributed to each Member by the Company; (b) the Fair Market Value of property distributed to each Member by the Company, net of liabilities secured by such distributed property that such Member is considered to assume or take subject to, pursuant to Code Section 752; (c) allocations to the Member for expenditures described in Code Section 705(a)(2)(B); (d) allocations to each Member of Net Losses; and (e) allocations to the account of such Member of other Company losses and deductions as set forth in the Treasury Regulations.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(c) A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them.

5.5. **Securities Matters.** The undersigned Members understand: (i) that the Membership Interests evidenced by this Agreement have not been, and will not be, registered under the Securities Acts because the Company is issuing these Membership Interests in reliance upon the exemptions from the registration requirements of the Securities Acts; (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment; and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS

6.1. **Allocations of Profits and Losses.**

(a) Except as provided in Section 6.2, Net Profits of the Company for each Fiscal Year shall be allocated to each Member in proportion to their Percentage of Interests.

(b) Except as provided in Section 6.2, Net Losses of the Company for each Fiscal Year shall be allocated to the Members in proportion to their Percentage of Interests.

6.2. **Special Allocations.**

Notwithstanding any other provisions of this Agreement to the contrary:

(a) No allocation of loss, deduction, and/or expenditures described in Code Section 705(a)(2)(B) shall be charged to the Capital Account of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of each Member who would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3) and shall be applied and interpreted consistent therewith.

(c) In the event any Member would have a Deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-l(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Treasury Regulation Section 1.704-2(g)(1), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this section 6.2, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section 6.2(d) is intended to comply with the minimum gain chargeback requirement of Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirements in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Code Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as member nonrecourse deductions under Treasury Regulation Section 1.704-2(i) shall be allocated to the Members' Capital Accounts in accordance with Treasury Regulation Section 1.704-2(i).

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions," as described in Treasury Regulation Section 1.704-2(b), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company Net Profit or Net Loss for such period.

(g) In connection with a Capital Contribution by a new or existing Member as consideration for one or more Units, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member as consideration for one or more Units, the Capital Accounts of the Members shall be adjusted to reflect a revaluation of Company property including intangible assets in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Treasury Regulation Section 1.704-1(b)(2)(iv)(f) Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and Fair Market Value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Code Section 704(c).

(h) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Members to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Member is allocated any gain from the sale or other disposition of such Company property.

(i) Any credit or charge to the Capital Accounts of the Members under this section 6.2 shall be taken into account in computing subsequent allocations of profits and losses, so that the net amount of any items charged or credited to Capital Accounts shall be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article if the special allocations required by this Section 6.2 had not occurred.

(j) In accordance with Code Section 704(c)(1)(A) and Treasury Regulation Section 1.704-3, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution.

6.3. **Distributions.**

(a) Notwithstanding anything herein to the contrary, the Managers may distribute available funds on an asset by asset basis or quarterly basis. If the managing member elects to distribute when an asset is sold, then a distribution will be made the following month. The priority for "distribution of proceeds" is as follows:

1) Costs to third parties or Managers expenses and servicing fees (for all assets)
2) Return of capital contribution in proportion to members' contribution for the sold assets.
3) Excess proceeds (or profit) in proportion to the Members' Percentage of Interest.

(b) The Company shall make a distribution to any Member from Distributable Cash to the extent that such Member is allocated income pursuant to Section 6.1 or Section 6.2 in excess of distributions received pursuant to Section 6.3(a), in an amount sufficient to defray federal, state and local tax liabilities of such Member with respect to such excess for the Fiscal Year, based upon the then-current highest marginal federal tax rate plus the then-current highest marginal state tax rate for the State of Texas.

ARTICLE VII. TRANSFERABILITY

7.1. **General.** Except as provided herein or as otherwise consented to in writing by the Members, a Member shall not Transfer all or any part of a Membership Interest. Any purported or attempted Transfer of all or any part of a Membership Interest in violation of this Article 7 shall be null and void and the purported transferee of such invalid Transfer shall not be entitled to have any interest in the Company transferred to such purported transferee on the books of the Company.

7.2. **Transfers Not Requiring Prior Consent.**

(a) A Member may, without first obtaining the written consents required in Section 7.1 above, Transfer by sale or gift all or any undivided share of its Membership Interest to any one or more of the following: (i) a partnership, limited liability company or corporation in which fifty percent (50%) or more of the capital and profit interests (in the case of a partnership or a limited liability company) or in which fifty percent (50%) or more of the capital stock (in the case of a corporation) is owned by or for the benefit of the Member; (ii) the Member's partners (if the Member is a partnership), the Member's members (if the Member is a limited liability company) or the Member's shareholders (if the Member is a corporation); (iii) the Company; and (iv) a Member or Members; provided any such transferee shall agree in writing to be bound by the terms and conditions of this Agreement as they applied to the transferring Member on the date of execution of this Agreement in the same manner as if the transferring Member had retained ownership of its Membership Interest (upon meeting the foregoing requirements, such transferee shall be referred to as a "Permitted Transferee").

(b) The Managing Member may, without first obtaining the written consents required in Section 7.1, transfer by sale, assignment or gift all or any undivided share over and above its fifty percent Membership Interest to a third party.

7.3. **Voluntary Transfer Procedure.**

(a) A Member who desires to Transfer all or any portion of a Membership Interest (the "Transferring Person") to a third party, except as permitted under Section 7.2, shall obtain from such third party a bona fide written offer to purchase such Membership Interest (the "Offered Interest"), stating the terms and conditions upon which the purchase is to be made and the consideration offered therefore (the "Offer"). The Transferring Person shall give written notification to the Managers and each of the Members, by certified mail or personal delivery, of his, her or its intention to Transfer the Offered Interest, furnishing to the Managers and each Member a copy of the Offer.

(b) Upon receipt of the written notice required under paragraph (a) above, the Company and the Members shall comply with the following procedure:

(i) The Company shall have thirty (30) days from the date of delivery of the notice required by paragraph (a) above to notify the Transferring Person in writing of the Company's election to redeem all or a part of the Offered Interest at the purchase price set forth in Section 7.4 of this Agreement, which decision of the Company shall be made by an affirmative vote of all of the Members.

(ii) If the Company does not elect to redeem all of the Offered Interest, the other Members shall have the right, within thirty (30) days of the date of the notice of nonelection by the Company or election as to less than all of the Offered Interest, to elect to purchase the remaining Offered Interest, and the Transferring Person shall sell such interest to the other Members at the purchase price set forth in Section 7.4 of this Agreement. Any Member desiring to acquire any or all of the Offered Interest shall deliver to the Managers and each of the Members a written election to purchase the Offered Interest.

(iii) If two or more Members of the Company elect to exercise the option to purchase the Offered Interest then, in the absence of an agreement between them, each Member shall have priority to purchase such proportion of the available interest that such Member's Percentage of Interest bears to the total Percentage of Interests held by all other Members electing to purchase. The portion of the Offered Interest not purchased on such a priority basis shall be allocated in one or more successive allocations to those Members electing to purchase more than the proportion of the Percentage of Interest to which they have a priority right, up to the proportion of the Offered Interest specified in their respective notices, in the proportion that the Percentage of Interests held by each of them bears to the total Percentage of Interest held by all of them.

(iv) If the Company and the Members do not exercise their rights to redeem or purchase, as the case may be, all of the Offered Interest pursuant to the terms set forth

in Section 7.3(b)(i) and Section 7.3(b)(ii) above, then the Transferring Person shall be free to Transfer the remaining part of the Offered Interest to the bona fide purchaser set forth in the Offer under the terms of the Offer, subject to the restrictions on such Transfer imposed by this Agreement or any other agreement or by law.

(v) If the Company exercises its right to redeem all or a part of the Offered Interest in accordance with Section 7.3(b)(i) above, the Transferring Person shall be obligated to sell such Offered Interest to the Company. If any or all of the Members exercise their rights to purchase all or a part of the Offered Interest in accordance with Section 7.3(b)(ii) above, the Transferring Person shall be obligated to sell such Offered Interest to such exercising Members. The closing of the Transfer of the Offered Interest from the Transferring Person to the Company or any Members pursuant to this Section shall be held at the principal offices of the Company not later than ninety (90) days after receipt of notice required by paragraph (a) above.

(c) In the event of the Transfer of all or any part of any Offered Interest by a Transferring Person to any third party, and as a condition to recognizing the effectiveness and binding nature of any such Transfer, the Company may require the Transferring Person or Transferring Person and the third party, as the case may be, to execute, acknowledge and deliver to the Members or Managers such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the Managers deem necessary or desirable.

7.4. **Purchase Price**. The purchase price to be paid to a Transferring Person for all or any part of such Transferring Person's Membership Interest redeemed by the Company or purchased by a Member under Section 7.3(b) shall be the lower of (i) the purchase price set forth in the Offer for such Membership Interest, or (ii) the product of (A) the Percentage of Interest represented by the Offered Interest multiplied by (B) the Fair Market Value of the Company as of the date of such redemption or purchase.

7.5. **Remedies**. The Members agree that a violation by any of them of this Article 7 will cause such damage to the Company and to the other Members as will be irreparable and the exact amount of which will be impossible to ascertain. For this reason, the Members agree that the Company shall be entitled as a matter of right to a decree of specific performance of the terms of this Article 7 or for temporary or permanent injunctive relief from any court of competent jurisdiction restraining any attempted or purported Transfer of interest in the Company in violation of this Article 7. In addition, any Member attempting or purporting to Transfer an interest in the Company in violation of this Article 7 and the purported transferee participating in the attempted or purported Transfer, shall be jointly and severally liable to reimburse and pay the Company for any and all costs, fees and expenses including without limitation any attorneys', accountants', and other professional fees and expenses actually expended or incurred by the Company in connection with any such violation, whether or not litigation ensues. The remedies set forth in this Section 7.6 shall be cumulative and in addition to whatever other rights and remedies the Company and the Members may have to protect their respective rights in the event of a violation of the provisions of this Article 7, including without limitation the right to recover damages including actual, compensatory, consequential, incidental and punitive damages.

7.6. **Effect of Transfer of Interest.** Upon the Transfer of any interest in the Company in accordance with the provisions of this Article 7, the transferee of such interest shall own and hold such interest in the Company as a transferee, subject to all the terms, conditions, and limitations of this Agreement, including without limitation restriction on any further Transfer of such interest as provided in this Article 7. Consent to such Transfer shall not constitute consent to the admission of the transferee as a Member of the Company. A transferee may become a Member only in accordance with the provisions of Section 8.1. Unless a transferee is admitted to the Company as a Member in accordance with the provisions of Section 8.1, such transferee shall not be entitled to any of the rights or benefits of a Member hereunder except the right to the share of profits and losses and distributions of assets based on the transferee's Percentage of Interest. Without limiting the generality of the preceding sentence, such transferee shall have no right (i) to vote upon, approve, or consent to, any matter requiring the vote, approval or consent of the Members, or (ii) to receive any information from the Company of the kind to which Members are entitled, or any other information.

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS

8.1. **Admission of Members.** No additional Member may be admitted to the Company, except upon the prior written consent of and upon such additional Member signing, in person or by attorney-in-fact, or otherwise becoming a party to this Agreement; provided, however, each Permitted Assignee (as defined in Section 7.1) shall automatically be deemed to be a Member of the Company regardless of whether or not the Members consented to said transfer. No Member shall have the power to grant a transferee, and no transferee shall have, the right to become a Member of the Company except as specifically provided in the preceding sentence. If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage person or property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property and shall have any power the Member had to give his or her assignee a Percentage of Interest in Net Profits and Net Losses. Said assignee may not be admitted as a Member of the Company except upon the prior written consent of the Members.

8.2. **Withdrawal of Members.** No Member shall have any right to withdraw or resign as a Member of the Company prior to the dissolution and winding up of the Company, except upon a Transfer of all of his, her or its interest in the Company in accordance with the terms and conditions of Article 7. A Member who resigns or whose Membership Interest is otherwise terminated for any reason, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Damages for breach of this section 8.2 shall be monetary damages only and not specific performance, and such damages may be offset against distributions by the Company to which such Member would otherwise be entitled.

ARTICLE IX. WINDING UP AND TERMINATION

9.1. **Events Requiring Winding Up.** The Company shall be wound up upon the occurrence of any of the following events:

(a) Unanimous written consent of the Members; or

(b) The consent of a majority in number of the remaining Members to wind up the Company within ninety (90) days after the Company is wound up in accordance with the Texas Act.

9.2. **Winding Up, Liquidation and Distribution of Assets.** If an event requiring the winding up of the Company occurs, the Managers shall wind up the business of the Company and shall apply or distribute the assets of the Company, or shall sell the assets of the Company and apply or distribute proceeds thereof, as promptly as practicable and in the following order of priority:

(a) First, if there are sufficient assets therefore, to creditors of the Company, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members; and if there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefore; and if there is any contingent, conditional, or unmatured debt, claim, obligation, or liability known to the Company, a reserve shall be established for it in accordance with law, in an amount determined by the Managers to be appropriate for such purpose;

(b) Second, to Members in satisfaction of liabilities for distributions; and

(c) Third, any remaining assets, to the Members in proportion to the positive balances in their respective Capital Accounts, and after all Capital Accounts have been reduced to zero, in accordance with their respective Percentages of Interest. The Company may offset damages for breach of this Agreement by a Member against the amount otherwise distributable to such Member hereunder.

(d) At the time final distributions, exclusive of any reserves for contingent, conditional or unmatured items, are made in accordance with clause (c) above, the Company shall terminate, but, if at any time thereafter, any reserve is released because the Managers determine the need for such reserve is ended, then such reserve shall be distributed in accordance with clause (c) above.

9.3. **Return of Contribution Nonrecourse to Members.** Except as provided by law or as expressly provided in this Agreement, upon winding up, each Member shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is

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insufficient to return the Capital Contribution of one or more Members, such Member or Members shall have no recourse against any other Member or the Manager.

ARTICLE X. MISCELLANEOUS

10.1. **Notice.** Any notice required or permitted to be given pursuant to the provisions of the Texas Act or this Agreement shall be effective as of the date personally delivered, delivered via facsimile with electronic confirmation, or delivered via overnight express mail, or if sent by certified mail, return receipt requested, three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at the last known address as shown in the Company's records.

10.2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Act or this Agreement, a waiver thereof, in writing, signed by the person entitled to such notice shall be deemed equivalent to the giving of such notice.

10.3. **Authority to Bind the Company.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniary for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

10.4. **Waiver of Action For Partition.** Each Member irrevocably waives any right to maintain an action for partition with respect to the property of the Company during the term of the Company.

10.5. **Indemnification By Company.** The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Managers determine that he, she or it acted in good faith and in a manner reasonably believed to be in the best interest of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the Person did or did not act in good faith and in a manner which was reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

10.6. **Construction.** Whenever the context requires, as used in this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter genders, and vice versa.

10.7. **Articles and Other Headings.** The Articles and headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation thereof.

10.8. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected.

10.9. **Application of Texas Law.** This Agreement will be governed by the laws of the State of Texas, without giving effect to its conflicts of laws provisions.

10.10. **Disregarded Entity Tax Treatment Intended If One Member.** At any time when the Company has only one (1) Member, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a disregarded entity under the Code and not as a corporation, and the Managers and each Member shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.11. **Partnership Tax Treatment Intended If More Than One Member; Tax Administrative Matters.** At any time when there is more than one Member of the Company, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a partnership under the Code and not as a corporation, and the Managers and Members shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company. The Members hereby designate Strategic Equity Investments, LLC. as the tax matters partner of the Company pursuant to Section 6231(a)(7) of the Code. The person designated tax matters partner shall not take any action contemplated by Section 6222 through 6232 of the Code without the approval of the Members.

10.12. **No Partnership Intended For Non-Tax Purposes.** The undersigned Members have formed the Company under the Texas Act, and as long as there is more than one Member of the Company such parties expressly do not intend hereby to form a partnership under either the Revised Uniform Partnership Act of the State of Texas nor the Revised Uniform Limited Partnership Act of the State of Texas. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

[The remainder of this page is intentionally left blank.]

CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Elf Fork Capital LLC as of the date indicated below.

Date: 4-4-07

Strategic Equity Investments, LLC, as Member and Manager

By: Robert Mangold
Its: PRESIDENT
Name: ROBERT MANGOLD

Date: 4-4-07

Lee Houk ~~as Member~~, President

By: [illegible]
Its: President
Name: LEE A. HOUK

EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

REVISED AS OF MARCH 27, 2007

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Lee Houk Homes W284 N4955 Roosevelt's Quay Pewaukee, WI 53072	$220,000.00	28.57	28.57%
Strategic Equity Investments, LLC 11000 N. Scottsdale Rd Suite 121 Scottsdale, AZ 85254-6168	$550,000.00	71.43	71.43%
Total	$770,000.00	**100**	**100%**

EXHIBIT B

ASSET LIST

Address	City	State	Zip	Elf Fork Purchase Price
11426 Robson Street	DETROIT	MI	48227	$ 42,770.03
11945 W. Outer Dr.	DETROIT	MI	48223	$ 38,121.11
14161 Sussex	DETROIT	MI	48207	$ 41,840.25
14285 Corbett	DETROIT	MI	48213	$ 34,866.87
14434 Edmore Drive	DETROIT	MI	48205	$ 37,191.33
14975 Manning Street	DETROIT	MI	48205	$ 24,639.26
16840 Vaughan Street	DETROIT	MI	48219	$ 43,234.92
19307 Fenmore St	DETROIT	MI	48235	$ 31,612.63
19467 Westbrook	DETROIT	MI	48219	$ 32,542.41
19975 Westphalia St	DETROIT	MI	48205	$ 24,639.26
20040 Wexford St	DETROIT	MI	48234	$ 34,866.87
20134 Carrie Street	DETROIT	MI	48234	$ 9,297.83
2503 Lawndale St.	DETROIT	MI	48209	$ 32,542.41
303 Maplelawn St Se	GRAND RAPIDS	MI	49548	$ 32,495.92
436 Barker Ave NW	GRAND RAPIDS	MI	49504	$ 27,847.01
6700 Forrer Street	DETROIT	MI	48228	$ 32,077.52
7724 Plainview	DETROIT	MI	48228	$ 37,191.33
5331 W Court St	FLINT	MI	48532	$ 25,569.04
7836 Mansfield St	DETROIT	MI	48228	$ 20,920.12
815 Edison Avenue	LANSING	MI	48910	$ 25,336.59
9225 Vaughan Street	DETROIT	MI	48228	$ 34,866.87
9388 Burnette St	DETROIT	MI	48204	$ 22,779.69
9401 Mendota St	DETROIT	MI	48204	$ 25,569.04
9553 Westwood	DETROIT	MI	48228	$ 36,261.55
957 N Pinecrest Ave	WICHITA	KS	67208	$ 20,920.12
				$ 770,000.00

EXHIBIT C

SERVICING AGREEMENT

Owner:	Elf Fork Capital, LLC.
Owner's Address:	11000 North Scottsdale Road, Suite 121
Servicer:	Strategic Equity Investments, LLC
Servicer Address:	11000 North Scottsdale Road, Suite 121
Notes and/or REOs:	Attachment A

This servicing agreement was made and entered into this 4TH day of APRIL, 2007, between SERVICER and OWNER.

OWNER shall initial below where appropriate.

Section 1. Servicing of Notes

Note Servicing:_OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "NOTES" and in that connection, to do the following:

A. To receive any and all payments due OWNER on the NOTES, which includes but is not limited to all monthly payments, all late payments and all payoffs in full or in part. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account;

B. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

C. To transmit OWNER's portion of such payments of principal and interest as required by laws, rules and regulations which are applicable. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

D. To provide periodic reporting on the OWNER's NOTES that SERVICER is servicing per this contract.

E. If the source of payment is not the maker of the NOTES, to so inform OWNER;

F. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

G. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the NOTES including but not limited to instituting foreclosure proceedings in the event of default or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the security of the Security Agreement or the priority thereof;

H. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have under the NOTES, including but not limited to Request for Reconveyance, Payoff Demands, Beneficiary Statements, Declarations and Notices of Default, bidding authorizations and other instructions to the Trustee of the NOTES;

I. To receive Notices of Default of prior encumbrances and to promptly notifiy OWNER of any default upon the Notes and any prior encumbrances;

J. To grant such extensions or loan modifications as SERVICER deems reasonably appropriate;

K. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the NOTES;

L. THE FOLLOWING PROVISIONS (1) & (2) APPLY ONLY TO LOANS IN WHICH OWNER HOLDS AN UNDIVIDED FRACTIONAL INTEREST IN THE NOTES:

1. A default upon any interest in the NOTES shall constitute a default upon all interests. A simple majority in interest of lenders may determine and direct the actions to be taken on behalf of all lenders in the event of default or with respect to other matters requiring the direction or approval of lenders, and such majority may designate the SERVICER to so act in their behalf.
2. SERVICER shall furnish to OWNER a list of names and addresses of all lenders holding an interest in the NOTES upon five (5) days written notice.

M. Fees will be according to the attached Fee Schedule.

Section 2 – Servicing of REOs

I. REO Servicing: OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "REOs" and in that connection, to do the following:

A. Authorize SERVICER to act on behalf of OWNER as landlord to the REOs, where applicable;

B. Authorize SERVICER to manage, operate, control, rent and lease OWNER'S REOs.

C. Authorize SERVICER to contract for or undertake the making of all necessary repairs and the performance of all other necessary work for the benefit of the REOs including all required alterations to properly carry out this agreement. SERVICER agrees to secure prior written approval of the OWNER on expenditures in excess of $1,000 except emergency repairs in excess of the maximum if, in the opinion of SERVICER, such repairs are necessary to protect the property from damage, prevent damage to life or to the property of others;

D. To collect any and all payments due OWNER, which includes but is not limited to, all monthly RENT payments and all LATE payments. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

E. Any trust account SERVICER maintains under this agreement may be an interest-bearing or income producing account. SERVICER may retain any interest or income from such account as compensation under this agreement.

F. To hold security deposits from tenants in escrow or trust account until the end of tenancy.

G. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

H. To provide periodic reporting on the OWNER's REOs that SERVICER is servicing per this contract;

I. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

J. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the REOs including but not limited to instituting eviction proceedings in the event of default or selling of the REOs or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the OWNER's interest in the property. To advertise the property and display signs thereon; to rent and lease the property; to sign, renew and cancel rental agreements and leases for the property or any part thereof; to sue or recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits;

K. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have

as to the REOs, including but not limited to evictions, listing the property for sale, selling the property, or renting the property;

L. To pay all operating expenses and such other expenses as requested by the OWNER from the rents received. This may include the payment of taxes and insurance;

M. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the REOs;

N. OWNER hereby agrees to hold SERVICER harmless from any and all claims, charges, debts, demand and lawsuits, including attorney's fees related to SERVICER's management of OWNER's REOs, and from any liability for injury on or about the properties which may be suffered by an employee, tenant or guest upon the properties.

O. Fees will be according to the attached Fee Schedule.

Section 3 – General Provisions

OWNER represents that all of the persons designated above are over the age of 18 and are competent.

Make OWNER Check Payable To: Lee Houk Homes

Address: W284 N4955 Roosevelt's Quay

City, State, Zip Code: Pewaukee, WI 53072

DEFAULT: A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. SERVICER is also entitled to recover any compensation SERVICER would have been entitled to receive if Owner did not breach this agreement.

MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the cost of mediation equally.

ATTORNEY'S FEES: If OWNER or SERVICER is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

SPECIAL PROVISIONS: This Agreement may be amended from time to time by the parties pursuant to a written agreement or addendum signed by the SERVICER and the OWNER.

ENTIRE AGREEMENT: This document contains the entire agreement of the parties and may not be changed except by written agreement.

ASSIGNMENTS: Neither party may assign this agreement without the written consent of the other party.

BINDING EFFECT: OWNER's obligations to SERVICER under this agreement are binding upon OWNER and OWNER's heirs, executors, successors, and permitted assignees.

JOINT AND SEVERAL: OWNERS executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to , refund to , or signature of, any one or more of the OWNERS regarding any term of this agreement or its termination is binding on all OWNERS executing this agreement.

GOVERNING LAW: Texas law governs the interpretation, validity, performance, and enforcement of this agreement.

SEVERABILITY: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected and all other provisions of this agreement will remain valid and enforceable.

CONTEXT: When the context requires, singular nouns and pronouns include the plural.

NOTICES: Notices between the parties must be in writing and are effective when sent to the receiving party's address as stated in this agreement.

MEMBER: Lee Houk
Signed: [signature]
Print Name: Lee A. Houk
Title: President

Date 4-4-07

SERVICER: Strategic Equity Investments, LLC
Signed: [signature]
Print Name: ROBERT MANGOLD
Title: PRESIDENT / CEO

Date 4-4-07

PROMISSORY NOTE

Date: January 02, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Jack Johnson

Place for Payment:

Principal Amount $100,000

Interest Rate: Twelve Percent (12%)

Maturity Date: January 2, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

EXHIBIT
S-18
ADMITTED

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments,LLC ("Seller"), and Jack Johnson ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 7 accounts with an aggregate principal balance of **$100,000**.

Executed this 2nd day of January, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: 1-2-07

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STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Johnson

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COUNT	ADDRESS	CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	1936 County Highway 10	Norwich	NY	13815	Youngs	Lori	32,769.02	22,400.00
2	1838 Penrose Ave	East Cleveland	OH	44112	Jackson	Terry	49,421.15	49,600.00
3	13304 Benwood Avenue	Cleveland	OH	44105	Bevel Jr	Otis	69,438.75	72,000.00
4	3556 Nearing Avenue	Toledo	OH	43608	Kimbrough	Gregory	24,866.11	24,900.00
5	710 Neosha Avenue	Springfield	OH	45505	White	Kevin	21,174.33	22,500.00
6	1755 Union Street SW	Warren	OH	44485	Seemann	Yancy	36,398.43	36,550.00
7	412 Cochran Street	Duqusne	PA	15110	Rayman	Estate of Donald	7,407.96	11,900.00
totals							$241,475.75	$239,850.00

Seller

1-2-2007

Date

Buyer

1/2/2007

Date

SECURITY AGREEMENT

Date: January 02, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Jack Johnson

Secured Party's Mailing Address:

Amount of Promissory Note: $100,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

1/2/2007

Jack Johnson Date

Date

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 21st day of December, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones
Notary Public
My Commission Expires: November 29, 2009

PROMISSORY NOTE

Date: October 18, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $100,000 (one hundred thousand dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: October 18, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid monthly and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

OSMI-PN-8

PROMISSORY NOTE

Date: December 20, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $100,000 (one hundred thousand dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: December 20, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____

Title: Dale Hensel, President

By: _____

Title: Dan Barnett, Vice President

16 CPR

OSMI-PN-11 **Jack Johnson**

SECURITY AGREEMENT

Date: December 20, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage Investments, Inc

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 852254

Amount of Promissory Note: $100,000.00

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Secured Party Obligations:

1. The original loan documents will be maintained in a secure location at the Secured Party's primary office until the Promissory Note is paid in full.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed:

Mortgage Assistance Corporation

Dan Barnett, Vice President Date

Dale Hensel, President Date

, Witness

, Witness

State of TX :

County of Denton

Before me, a Notary Public in and for the State of Texas this 30th day of January, 2007, appeared Dan Barnett & Dale Hensel, who is personally known to me and who acknowledged she/he signed the foregoing document.

Kimberley E. Perryman
Notary Public
My Commission Expires: 4-11-2007

KIMBERLEY E. PERRYMAN
NOTARY PUBLIC
STATE OF TEXAS
EXPIRES
04-11-2007

Mortgage Assistance Corporation

P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

Exhibit A
OSMI PN-16

LAST NAME	FIRST NAME	COLLATERAL ADDRESS	CITY	ST	ZIP	COUNTY	BPO	UPB	ORIG LOAN AMT	NOTE DATE
Youngs	Lori	1936 County Highway 10	Norwich	NY	13815	Chenango	$ 15,000	32,769.02	22,400.00	11/05/98
Jackson	Terry	1838 Penrose Ave	East Cleveland	OH	44112	Cuyahoga	$ 25,500	49,421.15	49,600.00	11/19/99
Bevel Jr	Otis	13304 Benwood Avenue	Cleveland	OH	44105	Cuyahoga	$ 30,000	69,438.75	72,000.00	07/26/02
Kimbrough	Gregory	3556 Nearing Avenue	Toledo	OH	43608	Lucas	$ 3,500	24,866.11	24,900.00	11/24/00
White	Kevin	710 Neosha Avenue	Springfield	OH	45505	Clark	$ 9,280	21,174.33	22,500.00	12/16/02
Seemann	Yancy	1755 Union Street SW	Warren	OH	44485	Trumbull	$ 9,900	36,398.43	36,550.00	05/09/02
Rayman	Estate of Donald	412 Cochran Street	Duqusne	PA	15110	Allegheny	$ 7,800	7,407.98	11,900.00	06/14/95
							$ 100,980	$ 241,476	$ 239,850	

Buyer

Seller

M000427

Mortgage Assistance Corporation

P.O. Box 560724 • Dallas Tx • 75356-0724 • 877-656-2434 • fax 822-684-1335

OSMI PN-16

Loan Number	Address	City	State	Zip	BPO Date	BPO	UPB
6002001349	13304 Benwood Avenue	Cleveland	OH	44105	9/17/2007	$30,000.00	$69,438.75
6002001352	1755 Union Street SW	Warren	OH	44485	8/21/2006	$9,900.00	$36,398.43
7002001669	245 SOUTH DENNY STREET	INDIANAPOLIS	IN	46201	7/25/2007	$61,000.00	
						$ 100,900.00	$105,837.18

Secured

Debtor

Date

10/29/2007

Date

M000428

Mortgage Assistance Corporation

P.O. Box 562724 • Dallas Tx • 75356-2724 • 877-656-2434 • fax 877-684-1335

OSMI PN-16

Loan Number	Address	City	State	Zip	BPO Date	BPO	UPB
6002001349	13304 Benwood Avenue	Cleveland	OH	44105	9/17/2007	$30,000.00	$69,438.75
6002001352	1755 Union Street SW	Warren	OH	44485	8/21/2006	$9,900.00	$36,398.43
7002001669	245 SOUTH DENNY STREET	INDIANAPOLIS	IN	46201	7/25/2007	$61,000.00	
						$ 100,900.00	$105,837.18

Secured

Debtor

Date

11/2/07

Date

PROFIT SHARING AGREEMENT

This Profit Sharing Agreement is made on 24th day of July, 2006 between ***One Source Mortgage and Investments*** *("OSMI"), an Arizona Corporation, and Kenneth Jones ("Investor"). The parties agree to the following terms:*

Whereas, OSMI has a pool of notes listed in the attached Exhibit A available for partnering;
Whereas, Investor is willing to purchase these notes and is willing to profit share;
Whereas, OSMI is willing to service these notes for a share of the profits, and
Each party hereby agrees to the following Profit Sharing Agreement.

Profit Sharing:
The profit share percentages to be paid are 50% to OSMI and 50% to the Investor.

Profit is defined as all income minus all costs.

- Income is the net proceeds from all sales plus all receipts such as monthly loan payments or payment of late fees.
- Costs are defined as Acquisition Price (in the attached Exhibit A) plus Direct Costs (e.g., foreclosure, taxes, insurance, filing fees, commissions, servicing costs) or costs directly related to the assets costs.

Title and Legal:
The Investor agrees to the following items for the assets listed in Exhibit A:

- Investor will title the assets in the name of Sam Ferreri (see Bill of Sale, Exhibit B).
- Investor grants a durable and irrevocable Power of Attorney to OSMI, and OSMI is authorized to sign on behalf of Investor with regards to all expenditures and transactions related to these assets. (Exhibit C)
- The Investor will not subordinate these assets or sell these assets to any party other than at OSMI's direction.

Consequently, OSMI agrees to the following:

- OSMI will not subordinate these assets to any other party.

Servicing:
OSMI's fee for servicing these notes is the profit sharing terms delineated herein and the standard $188 per asset per month fee. OSMI will service these assets until every asset is sold unless mutually agreed upon in writing by both parties.

Future Capital Requirements: Any additional capital or cash requirements to service any notes shall be funded by OSMI, not the Investor unless approved in writing by Investor. If major additional capital is required (e.g., taxes or large foreclosure costs), OSMI will first ask the Investor if they desire to "Loan" additional money at a competitive interest rate. If Investor declines, OSMI may secure funds from another Lender and deduct any interest charges from the profit.

Accounting and Payments: OSMI will provide Investor a monthly accounting of any payments due Investor or OSMI. When an asset is sold, a distribution will be made the following month without

waiting on all of the pool to be sold. (Note – a foreclosure to obtain title to the property is NOT treated as a sale.) The priority for "distribution of proceeds" is as follows:

1) Costs to 3rd parties or OSMI expenses and servicing fees (for all assets)
2) Investor or OSMI capital contributions (for the sold asset)
3) Profit sharing payment to both parties (for the sold asset)

There are neither limits nor guarantees on the amount of the profit to be shared. Furthermore, if there is no profit to distribute, no profit will be paid to OSMI nor will additional funds be paid by OSMI; however, all proceeds will follow the "distribution of proceeds" contained herein.

Termination of agreement: This agreement terminates when the last asset of the pool in Exhibit A is sold or is no longer marketable to sell as a note or real estate. If either party wishes to purchase the other's interest in the remainder of the pool, the "purchasing party" will offer a price to the other, and the other party will have the option to either sell it for that price or pay the same price to acquire the "purchasing party's" interest within 30 days.

Miscellaneous:
This agreement is in effect upon funding from Investor or acquisition of the pool, whichever is later.

This agreement may be amended only by an instrument in writing signed by both parties.

This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction.

Payments to the Investor, as well as all reporting, will be mailed to the following addresses:

KEN JONES
[redacted]
[redacted], AZ. [redacted]

AGREED:

One Source Mortgage & Investments, Inc.

Signature

PRESIDENT/CEO
Title

7-24-06
Date:

Investor: KENNETH D. JONES

Signature

Title

7-24-06
Date:

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments, Inc., ("Seller"), and Kenneth Jones ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 19 accounts with an aggregate principal balance of **$100,000**.

Executed this 24th day of July, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: Robert Mangan

Date: 7-24-06

EXHIBIT A

LoanID	BorrName	AddressLine1	City	State	Zip	CurrentAppValue	Purchase Price			
5002000787	Swearingen, John S	13533 North Riverbeach	Chillicothe	IL	61523	Single Family	Second Lien Posi	$ 10,000	$9,981.37	$ 5,300.00
5002000786	Soliman, Maged Geo	235 Cascade Falls Dr.	Folsom	CA	95630	Single Family	Second Lien Posi	$ 94,100	$93,774.63	$ 71,000.00
5002000644	Crawford, Christophe	4260 Lee	St Louis	MO	63115	Single Family	First Lien Position	$ 40,000	$39,826.41	$ 4,702.64
5002000690	Gilmer, Shawn	1620 E. 2nd Street	Muncie	IN	47302	Single Family	First Lien Position	$ 32,000	$31,893.06	$ 4,693.57
5002000590	Reid, Ann	2103 College	Kansas City	MO	64127	Single Family	First Lien Position	$ 36,000	$35,988.24	$ 4,657.00
5002000691	Johnson, Chester	1209 N Jefferson Street	Wellington	KS	67152	Single Family	First Lien Position	$ 35,000	$33,595.00	$ 5,021.43
5002000697	Lejeune, Willie	932 Gallup	Jennings	LA	70546	Single Family	First Lien Position	$ 28,000	$27,785.11	$ 4,625.36
									$272,843.82	$100,000.00

BUYER

SELLER

7-24-06

DATE

DATE

M000432

----------[Space Above Reserved for Recording Purposes]----------

LIMITED IRREVOCABLE DURABLE POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

THAT, I (We), Kenneth Jones, of the County of Maricopa, State of Arizona, reposing special trust and confidence in Bob Mangold or any other authorized officer of One Source Mortgage & Investments, Inc. (hereinafter "Agent"), of the County of Maricopa, State of Arizona

have made, constituted and appointed, and by these presents do make, constitute and appoint said Agent to be my (our) true and lawful attorney-in-fact, to act for me (us) and in my (our) stead in regards to the assets described in the attached **"Exhibit A"**.

My (Our) agent is hereby authorized to sign, seal and deliver as my (our) act and deed any instruments necessary to manage, sell, convey, convert or effectuate in any way of the above-referenced assets

This is a durable power of attorney, which is not affected by my (our) subsequent disability or incapacity and will not lapse because of a passage of time and is irrevocable.

I bind myself (ourselves) and my (our) heirs and personal representatives to indemnify and hold Agent harmless from all claims, demands, losses, damages, actions, and expenses that Agent may sustain or incur in connection with carrying out the authority granted to Agent in this power of attorney.

Signature	Signature
ROBERT MANGOLD	KENNETH D. JONES
Printed Name	Printed Name
Jessica Mangold	Vickie Stoddard
Witness	Witness
Jessica Mangold	VICKIE STODDARD
Printed Name	Printed Name

ACKNOWLEDGEMENT

STATE OF Arizona

COUNTY OF Maricopa

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named Kenneth D. Jones and _____ sign, seal, and as _____ and deed, deliver the within Power of Attorney, and that (s)he with the other witness above witnessed the execution thereof.

SWORN to before me this 24th day of July, 2006.

_____

Notary Public, State of Arizona
Notary's Name Printed Patricia Jones
My commission expires: 11/29/2009

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones

Wells Fargo Bank
Transaction Record

Store # 06496 09 Deposit

Account Number XXXX-XX3585 Amount $100,000.00

038

Transaction # 067 0074

09:18PM 07/24/06 Credited: 07/24/06

7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	TOTAL
																												100,000.00

PLEASE ENTER TOTAL HERE

Safeguard Business Systems, Inc.

WELLS FARGO BANK, N.A.
100 W. WASHINGTON
PHOENIX, ARIZONA 85003

ONE SOURCE MORTGAGE & INVESTMENTS, INC.
OPERATING ACCOUNT
11000 N. SCOTTSDALE RD., SUITE 121 SCOTTSDALE, ARIZONA 85254

TOTAL ITEMS 1

TOTAL DEPOSIT 100,000.00

⑆038103991⑆ [redacted]3585⑈

Thank you, Adam

Bank of America

Cashier's Check

No. 005617351

Notice to Purchaser: In the event this check is lost, misplaced or stolen, a sworn statement and 90 day waiting period will be required prior to replacement. This check should be negotiated within 90 days.

Date JULY 24, 2006

91-170/1222
NAZ

Banking Center TATUM & SHEA

0002233 00011 005617351

KENNETH D. JONES
Remitter (Purchased By)

Pay To The Order Of **ONE SOURCE MORTGAGE AND INVESTMENT** ****

$ **100000.00**

ONE HUNDRED THOUSAND DOLLARS AND 00 CENTS**

Authorized Signature

03-14-3774B 09-2005

Bank of America, N.A.
Phoenix, AZ

VOID AFTER 90 DAYS

⑈005617351⑈ ⑆122101706⑆ [redacted]3602⑈

THE ORIGINAL DOCUMENT HAS REFLECTIVE WATERMARK ON THE BACK

THE ORIGINAL DOCUMENT HAS REFLECTIVE WATERMARK ON THE BACK

PROFIT SHARING AGREEMENT

This Profit Sharing Agreement is made on 24th day of July, 2006 between Mortgage Assistance Corporation ("MAC"), a Texas Corporation, and ***One Source Mortgage and Investments*** *("Investor"). The parties agree to the following terms:*

Whereas, MAC has a pool of notes listed in the attached Exhibit A available for partnering, totaling an investment of $100,000.00;
Whereas, Investor is willing to purchase these notes and is willing to profit share;
Whereas, MAC is willing to service these notes for a share of the profits, and
Each party hereby agrees to the following Profit Sharing Agreement.

Profit Sharing:
The profit share percentages to be paid are 50% to MAC and 50% to the Investor.

Profit is defined as all income minus all costs.

- Income is the net proceeds from all sales plus all receipts such as monthly loan payments or payment of late fees.
- Costs are defined as Acquisition Price (in the attached Exhibit A) plus Direct Costs (e.g., foreclosure, taxes, insurance, filing fees, commissions, servicing costs) or costs directly related to the assets costs.

Title and Legal:
The Investor agrees to the following items for the assets listed in Exhibit A:

Investor will title the assets in the name of One Source Mortgage and Investments (see Bill of Sale, Exhibit B).

- Investor grants a durable and irrevocable Power of Attorney to MAC, and MAC is authorized to sign on behalf of Investor with regards to all expenditures and transactions related to these assets. (Exhibit C)
- The Investor will not subordinate these assets or sell these assets to any party other than at MAC's direction.

Consequently, MAC agrees to the following:

- MAC will not subordinate these assets to any other party.

Servicing:
MAC's fee for servicing these notes is the profit sharing terms delineated herein and the standard $188 per asset per month fee. MAC will service these assets until every asset is sold unless mutually agreed upon in writing by both parties.

Future Capital Requirements: Any additional capital or cash requirements to service any notes shall be funded by MAC, not the Investor unless approved in writing by Investor. If major additional capital is required (e.g., taxes or large foreclosure costs), MAC will first ask the Investor if they desire to "Loan" additional money at a competitive interest rate. If Investor declines, MAC may secure funds from another Lender and deduct any interest charges from the profit.

Accounting and Payments: MAC will provide Investor a monthly accounting of any payments due Investor or MAC. When an asset is sold, a distribution will be made the following month without waiting on all of the pool to be sold. (Note – a foreclosure to obtain title to the property is NOT treated as a sale.) The priority for "distribution of proceeds" is as follows:

1) Costs to 3rd parties or MAC expenses and servicing fees (for all assets)
2) Investor or MAC capital contributions (for the sold asset)
3) Profit sharing payment to both parties (for the sold asset)

There are neither limits nor guarantees on the amount of the profit to be shared. Furthermore, if there is no profit to distribute, no profit will be paid to MAC nor will additional funds be paid by MAC; however, all proceeds will follow the "distribution of proceeds" contained herein.

Termination of agreement: This agreement terminates when the last asset of the pool in Exhibit A is sold or is no longer marketable to sell as a note or real estate. If either party wishes to purchase the other's interest in the remainder of the pool, the "purchasing party" will offer a price to the other, and the other party will have the option to either sell it for that price or pay the same price to acquire the "purchasing party's" interest within 30 days.

Miscellaneous:
This agreement is in effect upon funding from Investor or acquisition of the pool, whichever is later.

This agreement may be amended only by an instrument in writing signed by both parties.

This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction.

Payments to the Investor, as well as all reporting, will be mailed to the following addresses:

One Source Mortgage and Investments
11000 N. Scottsdale Road, Suite 121
Scottsdale, AZ 85254

AGREED:

Mortgage Assistance Corporation	Investor: One Source Mortgage and Investments
By: _____	By: Bob Mangold
Title: _____	Title: President/CEO
Date: 7/24/06	Date: _____

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Mortgage Assistance Corporation., ("Seller"), and One Source Mortgage and Investments ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling _19_ accounts with an aggregate principal balance of **$ ___272,843.82.**

Executed this 24th day of July, 2006.

Seller: Mortgage Assistance Corporation

Signed: _____

Date: 7/24/06

----------[Space Above Reserved for Recording Purposes]----------

LIMITED IRREVOCABLE DURABLE POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

THAT, I (We), One Source Mortgage and Investments, of the County of Maricopa, State of Arizona, reposing special trust and confidence in Dan Barnett or any other authorized officer of Mortgage Assistance Corporation (hereinafter "Agent"), of the County of Dallas, State of TEXAS

have made, constituted and appointed, and by these presents do make, constitute and appoint said Agent to be my (our) true and lawful attorney-in-fact, to act for me (us) and in my (our) stead in regards to the assets described in the attached **"Exhibit A"**.

My (Our) agent is hereby authorized to sign, seal and deliver as my (our) act and deed any instruments necessary to manage, sell, convey, convert or effectuate in any way of the above-referenced assets

This is a durable power of attorney, which is not affected by my (our) subsequent disability or incapacity and will not lapse because of a passage of time and is irrevocable.

I bind myself (ourselves) and my (our) heirs and personal representatives to indemnify and hold Agent harmless from all claims, demands, losses, damages, actions, and expenses that Agent may sustain or incur in connection with carrying out the authority granted to Agent in this power of attorney.

Signature	Signature
Printed Name	Printed Name
Witness	Witness
Printed Name	Printed Name

ACKNOWLEDGEMENT

STATE OF _____

COUNTY OF _____

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named _____ and _____ sign, seal, and as _____ and deed, deliver the within Power of Attorney, and that (s)he with the other witness above witnessed the execution thereof.

SWORN to before me this _____ day of _____, 200__.

_____
Notary Public, State of _____
Notary's Name Printed _____
My commission expires:_____

Prepared By:

Wendy McKnight
Mortgage Assistance Corporation
2614 Main Street
Dallas, Texas 75226
877-656-2434

Mortgage Assistance Corporation

P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

LoanID	BorrName	AddressLine1	City	State	Zip	Collateral	Lien Position	OriginalAmt	Current Principal	Price
5002000787	Swearingen, John S	13533 North Riverbeach	Chillicothe	IL	61523	Single Family	Second Lien Position	$ 10,000	$9,981.37	$ 5,300.00
5002000786	Soliman, Maged George	235 Cascade Falls Dr.	Folsom	CA	95630	Single Family	Second Lien Position	$ 94,100	$93,774.63	$ 71,000.00
5002000644	Crawford, Christopher	4260 Lee	St Louis	MO	63115	Single Family	First Lien Position	$ 40,000	$39,826.41	$ 4,702.64
5002000690	Gilmer, Shawn	1620 E. 2nd Street	Muncie	IN	47302	Single Family	First Lien Position	$ 32,000	$31,893.06	$ 4,693.57
5002000590	Reid, Ann	2103 College	Kansas Cit	MO	64127	Single Family	First Lien Position	$ 36,000	$35,988.24	$ 4,657.00
5002000691	Johnson, Chester	1209 N Jefferson Street	Wellington	KS	67152	Single Family	First Lien Position	$ 35,000	$33,595.00	$ 5,021.43
5002000697	Lejeune, Willie	932 Gallup	Jennings	LA	70546	Single Family	First Lien Position	$ 28,000	$27,785.11	$ 4,625.36
									$272,843.82	$100,000.00

BUYER

SELLER

Date

7/24/06
Date

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments., ("Seller"), and Barry & Devi Kubasak ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 9 accounts with an aggregate principal balance of **$100,000**.

Executed this 14th day of December, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: [signature]

Date: 12-14-06

Dan BarnettX:\Bobs Team\Team Docs\Notes\Kubasek\Bill of Sale EXHIBIT B_Kubasek.doc

EXHIBIT
S-20
ADMITTED

PROMISSORY NOTE

Date: December 14, 2006

Borrower: One Source Mortgage & Investments

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Barry and Devi Kubasak

Place for Payment: [redacted], AZ [redacted]

Principal Amount $100,000

Interest Rate: Twelve Percent (12%)

Maturity Date: December 14, 2008

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

One Source Mortgage & Investments, Inc.

By: _____

Title: Robert Mangold, President/CEO

SECURITY AGREEMENT

Date: December 14, 2006

Debtor: One Source Mortgage & Investments, Inc.

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Barry & Devi Kubasak

Secured Party's Mailing Address: [redacted], AZ [redacted]

Amount of Promissory Note: $100,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees *not* to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **One Source Mortgage & Investments, Inc.**

Robert Mangold 12-14-06

Robert Mangold, President/CEO Date

Signed: **Lender**

Barry Kubasak 12/14/06

Barry Kubasak Date

Devi Kubasak 12/14/06

Devi Kubasak Date

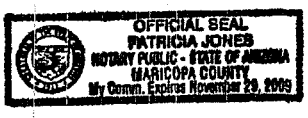
Vicki E. Stoddard, Witness

Rick Stoddard, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 14th day of December, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.



Patricia Jones
Notary Public
My Commission Expires: November 29, 2009

M000450

one source MORTGAGE & INVESTMENTS

Schedule "A" Barry & Devi Kubasak

OSMI PN - 15

COUNT	ADDRESS	CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Original Loan Amount
1	407 West 10th Street	Fordyce	AR	71742	Waller	Maurice	30,593.68	32,689.38
2	14 Amelia Dr	Cahokia	IL	62206	King	Darlene	24,307.55	24,720.00
3	1827 NE Madison Ave	Peoria	IL	61603	Jones	Estate of Waldon	26,814.59	30,000.00
	505 Main Street	Little River	KS	67457	Paramore	Raymond	24,713.98	25,600.00
	15002 Dolphin St	Detroit	MI	48223	Kourani	Mahmoud	33,085.99	34,000.00
	14115 Westbrook St	Detroit	MI	48223	Sterling	Cheryl	53,653.83	54,000.00
	67 Goembel Avenue	Buffalo	NY	14211	Daniels	Lee	22,115.47	25,400.00
	152 Mulberry Street	Buffalo	NY	14204	Anderson Sr	Estate of Harvey	19,577.52	21,450.00
	87 East Glenaven Avenue	Youngstown	OH	44507	Anderson	Clarence	33,552.25	33,600.00
totals							**$268,414.86**	**$281,459.38**

Seller

12-14-06

Date

Barry Kubasak Devi Kubasak

Buyer

12/14/06

Date

PROMISSORY NOTE

Date: December 20, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $100,000 (one hundred thousand dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: December 20, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

OSMI-PN-15 **Barry Kubasek**

Exhibit A
OSMI PN-15

Mortgage Assistance Corporation

P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

LAST NAME	FIRST NAME	COLLATERAL ADDRESS	CITY	ST	ZIP	COUNTY	PROP TYPE	BPO	UPB	ORIG LOAN AMT	NOTE DATE	MATURITY DATE
Waller	Maurice	407 West 10th Street	Fordyce	AR	71742	Dallas	SFR	5,000.00	30,593.68	32,689.38	02/21/05	07/15/15
King	Darlene	14 Amelia Dr	Cahokia	IL	62206	St Clair	SFR	3,000.00	24,307.55	24,720.00	03/14/01	03/14/16
Jones	Estate of Waldon	1827 NE Madison Ave	Peoria	IL	61603	Peoria	SFR	17,500.00	26,814.59	30,000.00	10/26/00	01/01/14
Paramore	Raymond	505 Main Street	Little River	KS	67457	Rice	SFR	10,000.00	24,713.98	25,600.00	06/30/99	08/01/29
Kourani	Mahmoud	15002 Dolphin St	Detroit	MI	48223	Wayne	SFR	12,000.00	33,085.99	34,000.00	04/16/04	04/20/19
Sterling	Cheryl	14115 Westbrook St	Detroit	MI	48223	Wayne	SFR	20,500.00	53,653.83	54,000.00	02/13/04	03/01/34
Daniels	Lee	67 Goembel Avenue	Buffalo	NY	14211	Erie	SFR	8,900.00	22,115.47	25,400.00	10/15/93	11/01/23
Anderson Sr	Estate of Harvey	152 Mulberry Street	Buffalo	NY	14204	Erie	SFR	13,600.00	19,577.52	21,450.00	10/09/00	10/13/20
Anderson	Clarence	87 East Glenaven Avenue	Youngstown	OH	44507	Mahoning	SFR	10,000.00	33,552.25	33,600.00	10/24/00	10/30/15
								100,500.00	268,414.86	281,459.38		

~~Buyer~~ Dale Henyei

Date

~~Seller~~ Don Barnett

12/13/06

Date

M000452

SECURITY AGREEMENT

Date: December 20, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage Investments, Inc

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 852254

Amount of Promissory Note: $100,000.00

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Secured Party Obligations:

1. The original loan documents will be maintained in a secure location at the Secured Party's primary office until the Promissory Note is paid in full.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed:

Mortgage Assistance Corporation

Dan Barnett, Vice President — Date 12/13/06

Dale Hensel, President — Date 12.13.06

Wendy McKnight
Wendy McKnight, Witness

LeAnn Hoosier Castleo
LeAnn Hoosier Castleo, Witness

State of Texas:

County of Dallas:

Before me, a Notary Public in and for the State of Texas this 14 day of December, 2006, appeared Dan Barnett & Dale Hensel, who is personally known to me and who acknowledged she/he signed the foregoing document.

MELISSA ANN GUTIERREZ
Notary Public, State of Texas
My Commission Expires
November 14, 2009

Notary Public
My Commission Expires: 11/14/2009

PROMISSORY NOTE

Date: December 20, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $100,000 (one hundred thousand dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: December 20, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

OSMI-PN-15 **Barry Kubasek**

SECURITY AGREEMENT

Date: December 20, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage Investments, Inc.

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 852254

Amount of Promissory Note: $100,000.00

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Secured Party Obligations:

1. The original loan documents will be maintained in a secure location at the Secured Party's primary office until the Promissory Note is paid in full.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

PROMISSORY NOTE

Date: December 10, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Heritage Property Investments

Place for Payment: 25139 North 72nd Avenue Peoria, AZ 85383

Principal Amount $50,000

Interest Rate: Twelve Percent (14%)

Maturity Date: December 10, 2010

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

EXHIBIT
S-21
ADMITTED

SECURITY AGREEMENT

Date: December 10, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Richard Kuczak

Secured Party's Mailing Address: [redacted], AZ [redacted]

Amount of Promissory Note: $50,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;

d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

Richard Kuczak Date

Date

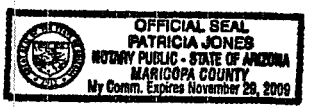
, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 3rd day of DEC., 2007, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.



Patricia Jones
Notary Public
My Commission Expires: 11/29/2009

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Richard Kuczak

OSMI PN - 50

COUNT	ADDRESS	CITY	ST	ZIP	Value
1	1205 West Green	Carlsbad	NM	88220	$40,000.00
2	12260 Roachton Road	Perrysburg	OH	43551	$23,000.00
3					
4					
5					
6					
7					
totals					**$63,000.00**

Richard Kuczak

Investor

Debtor

Date

Date

PROMISSORY NOTE

Date: December 06, 2007

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 1341 West Mockingbird Lane, Suite 1200 West Tower, Dallas, Dallas County, Texas 75247

Lender: Strategic Equity Investments LLC.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $50,000.00 (Fifty Thousand Dollars)

Annualized Interest Rate: Fourteen percent (14%)

Maturity Date: December 06, 2010

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____ 12/06/07
Title: Fred Brown, Senior Vice President Date

By: _____ 12/06/07
Title: Rick Coleman, CFO Date

OSMI PN-50

SECURITY AGREEMENT

Date: December 06, 2007

Debtor: Mortgage Assistance Corporation

Debtor's Address: 1341 West Mockingbird Lane, Suite 1200 West Tower, Dallas, Dallas County, Texas 75247

Secured Party: Strategic Equity Investments LLC.

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121,

Phoenix, AZ 85254

Amount of Promissory Note: $50,000 (Fifty Thousand Dollars)

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to

cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except tax and city liens.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence, liens in favor of Secured Party or for tax and city liens;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed:

Mortgage Assistance Corporation

Fred Brown, Senior Vice President — Date 12/06/07

Sandra Valenzuela, Witness

, Witness

State of Texas:

County of Dallas:

Before me, a Notary Public in and for the State of Texas this 6th day of December, 2007, appeared Fred Brown, who is personally known to me and who acknowledged she/he signed the foregoing document.

Kimberley E. Perryman
Notary Public
My Commission Expires: 4-11-2011

KIMBERLEY E. PERRYMAN
Notary Public, State of Texas
My Commission Expires
April 11, 2011

M000480

Mortgage Assistance Corporation

P.O. Box 560724 • Dallas Tx • 75356-0724 • 214-670-0005 • fax 214-670-0001

Loan ID	Collateral Adddress	City	St	Zip	BPO Date	BPO
6002001343	1205 West Green	Carlsbad	NM	88220	7/31/2007	$40,000.00
6002001323	12260 Roachton Road	Perrysburg	OH	43551	7/27/2007	$23,000.00
						$63,000.00

Investor

12/06/07
Date

Borrower

12/10/07
Date

OSMI PN-50

SECURITY AGREEMENT

Date: June 21, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Libby Properties LLC.

Secured Party's Mailing Address:

Amount of Promissory Note: $55,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

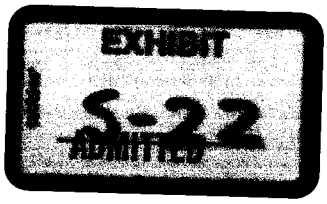
Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.



Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

Libby Properties LLC.

Date 6/26/07

Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 25th day of June 26, 2007, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones
Notary Public
My Commission Expires: 11/29/2009

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments, LLC ("Seller"), and Libby Properties LLC. ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling **1** accounts with an aggregate principal balance of **$55,000**.

Executed this 26 day of June, 2007.

Seller, Strategic Equity Investments, LLC

Signed: [signature]

Date: 6/26/07

Dan BarnettZ:\Bobs Team\Team Docs\Notes\Libby\Bill of Sale EXHIBIT B_Libby.doc

PROMISSORY NOTE

Date: June 21, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Libby Properties LLC.

Place for Payment:

Principal Amount $55,000

Interest Rate: Twelve Percent (12%)

Maturity Date: June 21, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Libby Properties LLC.

OSMI PN

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	Value
1	19247 Gable Street	Detroit	MI	48234	$77,595.57	$90,000.00
2						
3						
4						
5						
6						
7						
totals					$77,595.57	$90,000.00

Seller

6/26/07

Date

Buyer

6/26/07

Date

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Greg Libby

OSMI PN - 45

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	934-936 Lawrence	South Bend	IN	46617	7/25/07	$63,000.00
Totals						**$63,000.00**

Seller

Buyer

10-8-07

Date

Buyer

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Greg Libby

OSMI PN - 45

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	934-936 Lawrence	South Bend	IN	46617	7/25/07	$63,000.00
Totals						**$63,000.00**

Seller

Buyer

10-8-07

Date

Janice L. Libby

Buyer

SECURITY AGREEMENT

Date: ~~June 21, 2007~~ JULY 2, 2007 RM SM

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Steve Maleug IRA

Secured Party's Mailing Address:

Amount of Promissory Note: ~~$147,500~~ $144,000 RM SM

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

EXHIBIT
S-23
ADMITTED

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

Steve Maleug

Date 7-3-07

, Witness

, Witness

PROMISSORY NOTE

Date: ~~June 21,~~ July 2, 2007 RM SM 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Steve Maleug IRA

Place for Payment:

Principal Amount ~~$147,500~~ 144,000 RM

Interest Rate: Twelve Percent (12%)

Maturity Date: ~~June 21,~~ July 2 2009 RM SM

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: Robert Mangold

Title: Robert Mangold, President/CEO

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Steve Maleug IRA

OSMI PN

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	Value
1	6427 Memorial Street	Detroit	MI	48228	$49,958.28	$75,000.00
2	19142 Annot Street	Detroit	MI	48205	$ 59,685.80	$ 75,000.00
3						
4						
5						
6						
7						
totals					$109,644.08	$150,000.00

Seller

Buyer

Date

7-3-07

Date

PROMISSORY NOTE

Date: ~~June 21,~~ JULY 2, 2007 RM SM

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Steve Maleug IRA

Place for Payment:

Principal Amount ~~$147,500~~ 144,000 RM

Interest Rate: Twelve Percent (12%)

Maturity Date: ~~June 21,~~ JULY 2 2009 RM SM

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

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If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: Robert Mangold

Title: Robert Mangold, President/CEO

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Steve Maleug IRA

OSMI PN

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	Value
1	6427 Memorial Street	Detroit	MI	48228	$49,958.28	$75,000.00
2	19142 Annot Street	Detroit	MI	48205	$ 59,685.80	$ 75,000.00
3						
4						
5						
6						
7						
totals					$109,644.08	$150,000.00

Seller

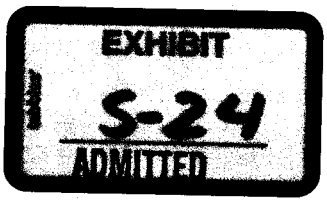
Buyer

Date

7-3-07

Date

SECURITY AGREEMENT



Date: December 20, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313

Secured Party: Robert Mangold

Secured Party's Mailing Address: [redacted] AZ [redacted]

Amount of Promissory Note: $100,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:

a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this

agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed:

Mortgage Assistance Corporation

Dan Barnett, Vice President — Date 12/15/06

Dale Hensel, President — Date 12/13/06

Wendy McKnight
Wendy McKnight Witness

LeAnn Hoosier Castlow
LeAnn Hoosier Castlow Witness

State of Texas :

County of Dallas :

Before me, a Notary Public in and for the State of Texas this 14th day of Dec, 2006, appeared Dan Barnett & Dale Hensel, who is personally known to me and who acknowledged she/he signed the foregoing document.

Notary Public
My Commission Expires: 11/14/2009

Mortgage Assistance Corporation

P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

LAST NAME	FIRST NAME	COLLATERAL ADDRESS	CITY	ST	ZIP	COUNTY	PROP TYPE	BPO	UPB	ORIG LOAN AMT	NOTE DATE	MATURITY DATE
Waller	Maurice	407 West 10th Street	Fordyce	AR	71742	Dallas	SFR	5,000.00	30,593.68	32,689.38	02/21/05	07/15/15
King	Darlene	14 Amella Dr	Cahokia	IL	62206	St Clair	SFR	3,000.00	24,307.55	24,720.00	03/14/01	03/14/16
Jones	Estate of Waldon	1827 NE Madison Ave	Peoria	IL	61603	Peoria	SFR	17,500.00	26,814.59	30,000.00	10/26/00	01/01/14
Paramore	Raymond	505 Main Street	Little River	KS	67457	Rice	SFR	10,000.00	24,713.98	25,600.00	06/30/99	08/01/29
Kourani	Mahmoud	15002 Dolphin St	Detroit	MI	48223	Wayne	SFR	12,000.00	33,085.99	34,000.00	04/16/04	04/20/19
Sterling	Cheryl	14115 Westbrook St	Detroit	MI	48223	Wayne	SFR	20,500.00	53,653.83	54,000.00	02/13/04	03/01/34
Daniels	Lee	67 Goembel Avenue	Buffalo	NY	14211	Erie	SFR	8,900.00	22,115.47	25,400.00	10/15/93	11/01/23
Anderson Sr	Estate of Harvey	152 Mulberry Street	Buffalo	NY	14204	Erie	SFR	13,600.00	19,577.52	21,450.00	10/09/00	10/13/20
Anderson	Clarence	87 East Glenaven Avenue	Youngstown	OH	44507	Mahoning	SFR	10,000.00	33,552.25	33,600.00	10/24/00	10/30/15
								100,500.00	268,414.86	281,459.38		

Dale Hensel

12/13/06
Date

Dan Barnett

12/13/06
Date

M000504

COMPANY AGREEMENT

OF

FALL RIVER CAPITAL LLC

A TEXAS LIMITED LIABILITY COMPANY

EFFECTIVE AS OF APRIL 19, 2007

THE MEMBERSHIP INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES ACTS. SUCH INTERESTS ARE BEING ACQUIRED FOR INVESTMENT ONLY, AND MAY NOT BE SOLD, PLEDGED, HYPOTHECATED, DONATED OR OTHERWISE TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER SUCH ACTS OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED WITH RESPECT TO THE PROPOSED DISPOSITION THEREOF AND THAT SUCH DISPOSITION WILL NOT CAUSE THE LOSS OF THE EXEMPTION UPON WHICH THE ISSUER RELIED IN SELLING THESE MEMBERSHIP INTERESTS TO THE ORIGINAL PURCHASER THEREOF.

THE MEMBERSHIP INTERESTS AND THE TRANSFER THEREOF ARE SUBJECT TO QUALIFICATIONS, LIMITATIONS AND RESTRICTIONS SET FORTH IN THIS COMPANY AGREEMENT, AND THE MEMBERSHIP INTERESTS SHALL NOT BE TRANSFERRED UPON THE BOOKS OF THE COMPANY UNTIL THE TERMS AND CONDITIONS OF THIS AGREEMENT HAVE BEEN FULLY COMPLIED WITH.

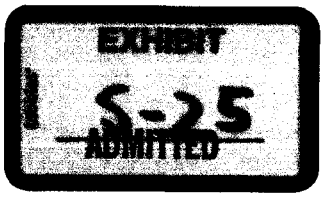


TABLE OF CONTENTS

ARTICLE I. FORMATION 1

1.1. FORMATION 1
1.2. PRINCIPAL PLACE OF BUSINESS 1
1.3. REGISTERED AGENT OFFICE 1
1.4. TERM 1
1.5. PURPOSE 1

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS 2

2.1. MANAGEMENT OF COMPANY VESTED IN THE MANAGERS 2
2.2. CERTAIN POWERS OF MANAGERS 2
2.3. LIABILITY FOR CERTAIN ACTS 2
2.4. MEMBERS AND MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY 3
2.5. AUTHORITY OF MANAGERS TO DEAL WITH AFFILIATES 3
2.6. RESIGNATION AND REMOVAL OF MANAGERS 3
2.7. COMPENSATION AND FEES 3

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS 3

3.1. LIMITATION OF MEMBERS' LIABILITIES 3
3.2. NO CONTROL OF BUSINESS OR RIGHT TO ACT FOR COMPANY 4
3.3. PRIORITY AND RETURN OF CAPITAL 4
3.4. MEETINGS OF THE COMPANY; VOTING RIGHTS 4
3.5. POWERS RESERVED TO THE MEMBERS 5

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY 6

4.1. AMENDMENT OF AGREEMENT 6
4.2. BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS 6

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS 7

5.1. INITIAL CAPITAL CONTRIBUTIONS 7
5.2. ADDITIONAL CONTRIBUTIONS; ADDITIONAL UNITS; PREEMPTIVE RIGHTS 7
5.3. FAILURE TO CONTRIBUTE ADDITIONAL CONTRIBUTIONS 8
5.4. CAPITAL ACCOUNTS 8
5.5. SECURITIES MATTERS 8

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS 8

6.1. ALLOCATIONS OF PROFITS AND LOSSES 8
6.2. SPECIAL ALLOCATIONS 9
6.3. DISTRIBUTIONS 11

ARTICLE VII. TRANSFERABILITY 11

7.1. GENERAL 11
7.2. TRANSFERS NOT REQUIRING PRIOR CONSENT 11
7.3. VOLUNTARY TRANSFER PROCEDURE 12
7.4. PURCHASE PRICE 13
7.5. REMEDIES 13
7.6. EFFECT OF TRANSFER OF INTEREST 13

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS 14

8.1. ADMISSION OF MEMBERS 14
8.2. WITHDRAWAL OF MEMBERS 14

ARTICLE IX. WINDING UP AND TERMINATION 14

9.1. EVENTS REQUIRING WINDING UP 14
9.2. WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS 15
9.3 RETURN OF CONTRIBUTION NONRECOURSE TO MEMBERS 15

ARTICLE X. MISCELLANEOUS 16

10.1. NOTICE 16
10.2. WAIVER OF NOTICE 16
10.3. AUTHORITY TO BIND THE COMPANY 16
10.4. WAIVER OF ACTION FOR PARTITION 16
10.5. INDEMNIFICATION BY COMPANY 16
10.6. CONSTRUCTION 16
10.7. ARTICLES AND OTHER HEADINGS 16
10.8. SEVERABILITY 17
10.9. APPLICATION OF TEXAS LAW 17
10.10. DISREGARDED ENTITY TAX TREATMENT INTENDED IF ONE MEMBER 17
10.11. PARTNERSHIP TAX TREATMENT INTENDED IF MORE THAN ONE MEMBER; TAX ADMINISTRATIVE MATTERS 17
10.12. NO PARTNERSHIP INTENDED FOR NON-TAX PURPOSES 17

CERTIFICATION 18

EXHIBIT A **MEMBER CAPITAL CONTRIBUTIONS** 19

EXHIBIT B **LIST OF ASSETS** 20

EXHIBIT C **SERVICING AGREEMENT** 21

This Company Agreement of FALL RIVER CAPITAL LLC is adopted by the Managers and the undersigned Members, for the purpose of forming and operating FALL RIVER CAPITAL LLC as a Texas limited liability company, and the undersigned Managers and Members do each mutually acknowledge and agree as follows:

DEFINITIONS

The following terms used in this Company Agreement shall have the following meanings unless otherwise expressly provided herein:

(i) **"Agreement"** shall mean this Company Agreement, as originally executed, and as amended from time to time in writing, including all exhibits and schedules hereto, which concerns the conduct of the business of the Company.

(ii) **"Capital Account"** shall mean the Capital Account maintained for each Member in accordance with Section 5.4.

(iii) **"Capital Contribution"** shall mean any contribution to the capital of the Company in cash or property by a Member whenever made.

(iv) **"Certificate of Formation"** shall mean the Certificate of Formation filed with the Texas Secretary of State for the purpose of organizing the Company, as the same may be amended or restated from time to time.

(v) **"Code"** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(vi) **"Company"** shall mean River Falls Capital LLC, the Company organized pursuant to the Certificate of Formation and this Agreement.

(vii) **"Deficit Capital Account"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in company minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any member nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

This definition of Deficit Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(viii) **"Distributable Cash"** shall mean all cash, revenues and funds received by the Company from Company operations, including from the sale of any asset to the extent not reinvested in replacement assets, less the sum of the following to the extent paid or set aside by the Company: (a) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (b) all cash expenditures incurred incident to the purchase or sale of any asset and the normal operation of the Company's business; (c) reimbursement of expenses and payment of compensation to any Manager; and (d) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(ix) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association.

(x) **"Fair Market Value"** shall mean, on the date such Fair Market Value is to be determined, the excess of the value of all of the Company's assets minus all of the Company's liabilities. For purposes of determining Fair Market Value, (a) no value shall be placed on the goodwill or name of the Company or the office records, files, statistical data or any similar intangible assets of the Company not normally reflected in the Company's accounting records, (b) there shall be taken into consideration any related items of income earned but not received, expenses incurred but not yet paid, liabilities fixed or contingent, prepaid expenses to the extent not otherwise reflected in the books of account, and the value of options or commitments to purchase securities pursuant to agreements entered into on or prior to the valuation date, (c) determination of value of any publicly-traded security or bond, shall be the most recent closing sale price quoted for such security on the exchange on which it is traded, (d) determination of the value of other securities shall be based on all relevant factors, including without limitation, type of security, marketability, restrictions on disposition, and current financial position and operating results, (e) the value of real estate shall be deemed to be the most recent fair market value of such real estate as determined by a real estate appraiser selected by the Managers; and (f) as to the liabilities and any other assets of the Company, the book value carried on the books of the Company in accordance with Generally Accepted Accounting Principles, consistent with the Company's past practice.

(xi) **"Fiscal Year"** shall mean the Company's fiscal year, which shall end on December 31, of each year.

(xii) **"Initial Capital Contribution"** shall mean the initial contribution to the capital of the Company pursuant to this Agreement.

(xiii) **"Manager" and "Managers"** As used in this Agreement the term "Manager" shall mean each individual Manager of the Company from time to time. The term "Managers" shall refer (i) to the Manager of the Company at any time when the Company has one (1) Manager and (ii) collectively, to all of the Managers of the Company at any time when the

Company has multiple Managers. Initially, the Company shall have one Manager, which shall be Strategic Equity Investments, LLC, an Arizona corporation.

(xiv) **"Member"** shall mean any person that signs in person or by an attorney-in-fact, or otherwise is a party to the Agreement at the time that the Company is formed and is identified as a Member in the Agreement and any Person who is subsequently admitted as a Member in the Company in accordance with the Texas Act and the Agreement, until such time as such Person withdraws, is removed, or is otherwise no longer a Member of the Company.

(xv) **"Membership Interest"** shall mean a Member's entire interest in the Company, including such Member's right to participate in the decisions of the Members, as reflected by the ratio of such Member's Units to the aggregate of the Units of all Members.

(xvi) **"Net Profits"** and **"Net Losses"** shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined under the Company's adopted method of accounting at the close of each Fiscal Year.

(xvii) **"Offer"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xviii) **"Offered Interest"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xix) **"Percentage of Interest"** means, for a Member, the percentage equivalent of a fraction, the numerator of which is the number of Units owned by such Member and the denominator of which is the total number of Units owned by all Members.

(xx) **"Persons"** shall mean any individuals, partnerships, limited liability companies, corporations, trusts, business trusts, real estate investment trusts, estates and other associations or business entities.

(xxi) **"Reserves"** shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(xxii) **"Securities Acts"** shall mean the Securities Act of 1933 or any other applicable state securities laws.

(xxiii) **"Selling Member"** shall mean any Member who sells, assigns, or otherwise transfers for consideration, all or any portion of a Membership Interest.

(xiv) **"Texas Act"** shall mean the Texas Limited Liability Company Law, part of the Texas Business Organizations Code, as amended.

(xxv) A **"Transfer"** of all or any part of a Membership Interest means any type of disposition of any right, title or interest whatsoever in such Membership Interest, voluntarily or

involuntarily, directly or indirectly, including without limitation any sale, exchange, assignment, encumbrance, grant of security interest, pledge, hypothecation, gift, transfer by trust, transfer by will or intestate succession, or other disposition whatsoever.

(xxvi) **"Transferring Person"** shall have the meaning ascribed to such term in Section 7.3.

(xxvii) **"Treasury Regulations"** shall mean the proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Formation and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(xxviii) **"Units"** shall mean equity ownership in the Company represented by membership units ("Units"). The Company may issue such total number of Units as the Managers shall determine, and may issue partial Units.

ARTICLE I. FORMATION

1.1. **Formation.** On January 26, 2007, the Company was organized as a Texas limited liability company by execution and delivery of Certificate of Formation to the Texas Secretary of State in accordance with the Texas Act.

1.2. **Principal Place Of Business.** The principal place of business of the Company shall be located 11000 North Scottsdale Road, Suite 121 Scottsdale, AZ 85254. The Company at any time may change the location of such principal office and may have such other offices, either within or without the State of Texas, as the Members may designate or as the business of the Company may require.

1.3. **Registered Agent Office.** The initial registered agent is Strategic Equity Investments, LLC and the address of the initial registered agent office of the Company is 11000 North Scottsdale Road, Suite 121 Scottsdale, AZ 85254. The registered agent office and the registered agent may be changed from time to time by the Managers, with the consent of the Members, filing the prescribed form with the Texas Secretary of State.

1.4. **Term.** The existence of the Company shall be perpetual, unless terminated or dissolved as set forth herein.

1.5. **Purpose.** The Company may conduct or promote any lawful businesses or purposes for which limited liability companies may be organized under the Texas Act. The Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion, or attainment of the businesses or purposes of the Company.

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS

2.1. **Management of Company Vested in the Managers.** The business and affairs of the Company shall be managed by the Managers. The consent of a majority in number of the Managers then-serving shall be the act of the Managers. The Managers shall direct, manage and control the business of the Company to the best of their ability. Except for situations in which the approval of the Members is expressly required herein and as specifically provided in Section 3.5, the Managers shall have full and complete authority, power and discretion to: (i) manage and control the business, affairs and property of the Company; (ii) make all decisions regarding the business, affairs and property of the Company; and (iii) perform any and all other acts incident to the management of the Company's business subject to the provisions of this Agreement. Subject to the limitations in the preceding sentence, the right, power, and authority of the Managers pursuant to this Agreement shall be liberally construed to encompass all acts and activities in which a Company may engage under the Texas Act.

2.2. **Certain Powers of Managers.** Without limiting the generality of the provisions set forth in Section 2.1 above, the Managers shall have the power to act on behalf of the Company:

(a) To enter into and execute, on behalf of the Company, all agreements, contracts, instruments and related documents in connection with the Company's business, on such terms as the Managers, in their reasonable discretion, deem to be in the best interests of the Company.

(b) To carry out the business of the Company.

(c) To acquire and enter into, on behalf of the Company, any contract of insurance, which the Managers reasonably deem necessary and proper for the protection of the Company, for the conservation of its property, or for any purpose beneficial to the Company.

(d) To employ persons (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) in the operation of the Company, on such terms and for such compensation as the Managers shall reasonably determine.

(e) To employ attorneys, accountants, consultants, brokers, and other outside entities or individuals (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) on behalf of the Company.

(f) To pay, collect, compromise, arbitrate, resort to legal action for or otherwise adjust claims or demands of or against the Company.

(g) To sell assets to another investor as well as maintain servicing and/or obtain other incentives as deemed in the best interest of the company.

2.3. **Liability for Certain Acts.** Each Manager shall perform its duties as a Manager in good faith, in a manner reasonably believed to be in the best interest of the Company, and with

such care as an ordinarily prudent person in a like position would use under similar circumstances. If any Manager so performs the duties as a Manager, it shall not have any liability by reason of being or having been a Manager. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

2.4. **Members and Managers Have No Exclusive Duty to Company.** The Managers, and affiliates of the Managers, shall not be required to manage the Company as their sole and exclusive function and each Member and Manager and their affiliates may have other business interests and may engage in other activities in addition to those relating to the Company, including business interests or other activities that directly compete with the business of the Company.

2.5. **Authority of Managers to Deal with Affiliates.** Any Manager may, on behalf of the Company, contract with any person, firm or corporation, including, without limitation, any of the Members, any entity in which any of the Members or any Manager has a direct or indirect interest and any affiliated or related corporation or other entity, for the performance of any and all services which may at any time be necessary, proper, convenient or advisable to carry on the business of the Company; provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated persons. Any goods or services provided by affiliates to the Company shall be pursuant to a written contract which sets forth the goods and services to be provided and the compensation to be paid.

2.6. **Resignation and Removal of Managers.** Any Manager may resign by giving thirty (30) days prior written notice to the Members. Any Manager may be removed by the unanimous vote of all of the Members. The Members shall by the unanimous vote of all Members then elect a successor Manager to begin serving simultaneously with the resignation or removal of any Manager. The Members may increase or decrease (but not below one (1)) the number of Managers constituting all of the Managers of the Company.

2.7. **Compensation and Fees.** Each Manager shall be reimbursed by the Company for all out of pocket expenses incurred by such Manager in furtherance of performing its obligations to the Company as Manager. Except as specifically provided in the Servicing Agreement (as described in Section 3.5(c) herein), Manager shall receive no compensation other than reimbursement of out-of-pocket expenses incurred by Manager in furtherance of the business of the Company. No Manager shall receive any additional compensation except as the Members shall decide.

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS

3.1. **Limitation of Members' Liabilities.** Based on the Texas Act, a Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company or the Manager, and such Member's liability shall be limited solely to the amount of its Capital Contributions, whether or not returned to such Member, together with the undistributed share of the profits of the Company from time to time credited to such Member's Capital Account and

any money or other property wrongfully paid or conveyed to such Member on account of its Capital Contribution, including but not limited to money or property to which creditors were legally entitled, paid or conveyed to a Member, and, under certain circumstances, interest on returned capital.

3.2. **No Control of Business or Right to Act for Company.** No Member shall have any right or authority to act for or bind the Company or to vote on matters other than the matters set forth in this Agreement, except as specifically required by applicable law.

3.3. **Priority and Return of Capital.** Except as provided herein, no Member shall have priority over any other Member, as to the return of Capital Contributions, Net Profits, Net Losses or distributions.

3.4. **Meetings of the Company; Voting Rights.**

(a) Meetings of the Company may be called by the Managers and shall be called by it upon the written request of Members with the authority to vote an aggregate of not less than 49% Percentage of Interest. Upon receipt of such a written request, stating the purpose of the proposed meeting, the Managers shall provide each Member, within ten (10) days of such request, with written notification of a meeting and the purpose of such meeting. Such meetings shall be held not less than fifteen (15) days or more than sixty (60) days after the receipt of such request and shall be held at the principal place of business or principal executive office of the Company or such other place as the Members shall unanimously decide.

(b) At all meetings of the Company, any decision, determination, consent, approval or action by or of the Members shall be affected by the favorable vote of all of the Members of the Company, unless the vote of a greater or lesser number is otherwise required by the Act, the Certificate of Formation or this Agreement.

(c) At all meetings of the Company, a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company at least one (1) day before the meeting. Unless otherwise provided in the proxy, no proxy shall be effective after eleven (11) months after the date of its execution.

(d) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to a Manager for inclusion in the minutes or for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed a consent, unless the consent specifies a different effective date.

(e) When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice.

3.5. **Powers Reserved to the Members.** Each of the following actions on behalf of the Company shall require the unanimous approval of the Members:

(a) the acquisition of any real property in excess of $100,000 per parcel of real estate;

(b) the acquisition of any loan or portfolio of loans in excess of $100,000 per loan;

(c) the execution, on behalf of the Company, of a servicing agreement in the form of Exhibit B, attached hereto and incorporated herein by this reference, or any amendment thereto, to service the Initial Loan Portfolio (as defined in Section 5.6 herein) and an additional portfolio of loans owned by the Company (hereinafter referred to as a "Servicing Agreement").

(d) the sale, exchange or other disposition of substantially all of the assets of the Company;

(e) the filing by the Company of any voluntary petition in bankruptcy or delivery of any assignment for the benefit of creditors;

(f) the lending of Company funds to any person (except as otherwise set forth herein), or obligating the Company as surety, guarantor or accommodation party, except that the Company shall be able to guarantee credit accounts with suppliers in the ordinary course of business;

(g) the incurrence of any debt on behalf of the Company, other than trade debt incurred in the ordinary course of the Company's business;

(h) the investment or participation by the Company in any other entity;

(i) the merger or consolidation of the Company;

(j) the admission of new Members of the Company, except as specifically provided in Section 8.1; or

(k) the establishment of reserves to help meet anticipated Company expenses and the investment of such reserves pending utilization.

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY

4.1. **Amendment of Agreement.**

(a) Amendment. Any amendment to this Agreement must be approved in writing by all of the Members and by the Managers.

(b) Recording of Amendment. In making any amendments, there shall be prepared and filed for recordation by the Managers such documents and certificates, if any, as shall be required to be prepared and filed under the Texas Act and under the laws of the other jurisdictions in which the Company is then formed or qualified.

4.2. **Books and Records, Accounting, Reports, Tax Elections.**

(a) Availability. At all times during the existence of the Company, the Managers shall keep or cause to be kept full and true books and records of account. Such books and records of account shall be maintained at the principal place of business of the Company or such other place or places as may be determined by the Managers from time to time. In addition, the Company shall maintain at its principal office (i) a current list of the full name and last known business address of each Member set forth in alphabetical order, (ii) a copy of this Agreement and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendment has been executed, (iii) copies of the Company's federal, state and local tax returns and reports, if any, for the three (3) most recent years, and (iv) accounting records of the Company. Any Member or his, her or its duly authorized representative shall have the right to inspect and copy the books and records of the Company upon reasonable notice during business hours.

(b) Financial Reports. The Managers shall cause to be prepared and delivered to each Member, at the expense of the Company, such financial reports as shall be decided by the Members.

(c) Income Tax Information. The Managers shall cause income tax returns for the Company to be prepared by the Company's accountant and filed with the appropriate authorities and shall furnish to each Member within ninety (90) days after the close of the taxable year of the Company, all tax information with respect to the Company as may be required by the Member for the preparation of his, her or its individual federal and state tax returns, at the expense of the Company.

(d) Accounting Principles. The Company's books shall be maintained in accordance with generally accepted accounting principles determined by the Company's accountants, which accounting principles shall be consistently applied.

(e) Bank Accounts. The Managers are authorized to open a bank or investment account for the Company and withdraw funds or sign checks withdrawing funds from such bank or investment account for the sole purpose of paying all ordinary and necessary

charges and expenses incident to or arising out of the operations of the Company in the ordinary course of business (including expenses arising out of a Servicing Agreement provided said Servicing Agreement has been approved by the Members as required herein), and that such banks and investment companies be, and hereby are, authorized and directed to honor, pay and charge to the account of this Company all checks and orders for the payment of money so drawn when so signed. The Managers are authorized to certify to any bank or other investment company a copy of this Section 4.2(e) and the names and signatures of the Company's Managers authorized to sign checks as provided in this Section 4.2(e), and such bank or other investment company is hereby authorized to rely upon such certificate until formally advised of any changes therein.

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS

5.1. **Initial Capital Contributions.** Each Member shall contribute the amount set forth for such Member in Exhibit A, attached hereto and incorporated herein, as his, her or its Initial Capital Contribution. Exhibit A shall be revised from time to time as necessary to record all Capital Contributions and all changes in the Company and ownership of the Company effected in accordance with this Agreement, and Exhibit A as so revised shall be furnished to each Member.

5.2. **Additional Contributions; Additional Units; Preemptive Rights.**

(a) Unless approved by all of the Members, no additional Capital Contributions shall be required from any Members. Upon such approval, the Managers shall give written notice to each Member of the amount of any required additional Capital Contributions, and each Member shall deliver to the Company his, her or its pro rata share thereof based upon such Member's Percentage of Interest no later than thirty (30) days following the date such notice is given.

(b) Unless approved by the Members, the Company shall not offer additional Units or any other interest in the Company for sale to third parties. If authorized by the Members, the purchase price for which additional Units shall be offered shall be determined by the Members. Purchasers of additional Units pursuant to this paragraph who are not already Members shall be admitted to the Company as Members in accordance with Section 8.1 hereof. The Managers are authorized to adjust the Percentages of Interest of the Members as appropriate to reflect the issuance of additional Units. Exhibit A shall be revised from time to time as necessary to record all changes in the ownership of the Company affected in accordance with this section, and Exhibit A as so revised shall be furnished to each Member.

5.3. **Failure to Contribute Additional Contributions.** In the event that a Member does not contribute his, her or its portion of the additional Capital Contribution provided for in Section 5.2(a) when due, then such Member's Membership Interest shall be reduced pro-rata by the proportion of the unpaid additional Capital Contribution of such Member to the aggregate of all Capital Contributions actually made by such Member pursuant to Section 5.1 and 5.2.

5.4. **Capital Accounts.**

(a) A Capital Account will be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Each Member's Capital Account will be increased by: (i) the amount of money or the fair market value of property contributed by such Member to the Company; (ii) allocations to each Member of Net Profits; and (iii) allocations to each Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account will be decreased by: (a) the amount of money distributed to each Member by the Company; (b) the Fair Market Value of property distributed to each Member by the Company, net of liabilities secured by such distributed property that such Member is considered to assume or take subject to, pursuant to Code Section 752; (c) allocations to the Member for expenditures described in Code Section 705(a)(2)(B); (d) allocations to each Member of Net Losses; and (e) allocations to the account of such Member of other Company losses and deductions as set forth in the Treasury Regulations.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(c) A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them.

5.5. **Securities Matters.** The undersigned Members understand: (i) that the Membership Interests evidenced by this Agreement have not been, and will not be, registered under the Securities Acts because the Company is issuing these Membership Interests in reliance upon the exemptions from the registration requirements of the Securities Acts; (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment; and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS

6.1. **Allocations of Profits and Losses.**

(a) Except as provided in Section 6.2, Net Profits of the Company for each Fiscal Year shall be allocated to each Member in proportion to their Percentage of Interests.

(b) Except as provided in Section 6.2, Net Losses of the Company for each Fiscal Year shall be allocated to the Members in proportion to their Percentage of Interests.

6.2. **Special Allocations.**

Notwithstanding any other provisions of this Agreement to the contrary:

(a) No allocation of loss, deduction, and/or expenditures described in Code Section 705(a)(2)(B) shall be charged to the Capital Account of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of each Member who would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3) and shall be applied and interpreted consistent therewith.

(c) In the event any Member would have a Deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-l(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Treasury Regulation Section 1.704-2(g)(1), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this section 6.2, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section 6.2(d) is intended to comply with the minimum gain chargeback requirement of Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirements in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Code Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as member nonrecourse deductions under Treasury Regulation Section 1.704-2(i) shall be allocated to the Members' Capital Accounts in accordance with Treasury Regulation Section 1.704-2(i).

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions," as described in Treasury Regulation Section 1.704-2(b), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company Net Profit or Net Loss for such period.

(g) In connection with a Capital Contribution by a new or existing Member as consideration for one or more Units, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member as consideration for one or more Units, the Capital Accounts of the Members shall be adjusted to reflect a revaluation of Company property including intangible assets in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Treasury Regulation Section 1.704-1(b)(2)(iv)(f) Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and Fair Market Value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Code Section 704(c).

(h) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Members to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Member is allocated any gain from the sale or other disposition of such Company property.

(i) Any credit or charge to the Capital Accounts of the Members under this section 6.2 shall be taken into account in computing subsequent allocations of profits and losses, so that the net amount of any items charged or credited to Capital Accounts shall be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article if the special allocations required by this Section 6.2 had not occurred.

(j) In accordance with Code Section 704(c)(1)(A) and Treasury Regulation Section 1.704-3, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution.

6.3. **Distributions.**

(a) Notwithstanding anything herein to the contrary, the Managers may distribute available funds on an asset by asset basis or quarterly basis. If the managing member elects to distribute when an asset is sold, then a distribution will be made the following month. The priority for "distribution of proceeds" is as follows:

1) Costs to third parties or Managers expenses and servicing fees (for all assets)
2) Return of capital contribution in proportion to members' contribution for the sold assets.
3) Excess proceeds (or profit) in proportion to the Members' Percentage of Interest.

(b) The Company shall make a distribution to any Member from Distributable Cash to the extent that such Member is allocated income pursuant to Section 6.1 or Section 6.2 in excess of distributions received pursuant to Section 6.3(a), in an amount sufficient to defray federal, state and local tax liabilities of such Member with respect to such excess for the Fiscal Year, based upon the then-current highest marginal federal tax rate plus the then-current highest marginal state tax rate for the State of Texas.

ARTICLE VII. TRANSFERABILITY

7.1. **General.** Except as provided herein or as otherwise consented to in writing by the Members, a Member shall not Transfer all or any part of a Membership Interest. Any purported or attempted Transfer of all or any part of a Membership Interest in violation of this Article 7 shall be null and void and the purported transferee of such invalid Transfer shall not be entitled to have any interest in the Company transferred to such purported transferee on the books of the Company.

7.2. **Transfers Not Requiring Prior Consent.**

(a) A Member may, without first obtaining the written consents required in Section 7.1 above, Transfer by sale or gift all or any undivided share of its Membership Interest to any one or more of the following: (i) a partnership, limited liability company or corporation in which fifty percent (50%) or more of the capital and profit interests (in the case of a partnership or a limited liability company) or in which fifty percent (50%) or more of the capital stock (in the case of a corporation) is owned by or for the benefit of the Member; (ii) the Member's partners (if the Member is a partnership), the Member's members (if the Member is a limited liability company) or the Member's shareholders (if the Member is a corporation); (iii) the Company; and (iv) a Member or Members; provided any such transferee shall agree in writing to be bound by the terms and conditions of this Agreement as they applied to the transferring Member on the date of execution of this Agreement in the same manner as if the transferring Member had retained ownership of its Membership Interest (upon meeting the foregoing requirements, such transferee shall be referred to as a "Permitted Transferee").

(b) The Managing Member may, without first obtaining the written consents required in Section 7.1, transfer by sale, assignment or gift all or any undivided share over and above its fifty percent Membership Interest to a third party.

7.3. **Voluntary Transfer Procedure.**

(a) A Member who desires to Transfer all or any portion of a Membership Interest (the "Transferring Person") to a third party, except as permitted under Section 7.2, shall obtain from such third party a bona fide written offer to purchase such Membership Interest (the "Offered Interest"), stating the terms and conditions upon which the purchase is to be made and the consideration offered therefore (the "Offer"). The Transferring Person shall give written notification to the Managers and each of the Members, by certified mail or personal delivery, of his, her or its intention to Transfer the Offered Interest, furnishing to the Managers and each Member a copy of the Offer.

(b) Upon receipt of the written notice required under paragraph (a) above, the Company and the Members shall comply with the following procedure:

(i) The Company shall have thirty (30) days from the date of delivery of the notice required by paragraph (a) above to notify the Transferring Person in writing of the Company's election to redeem all or a part of the Offered Interest at the purchase price set forth in Section 7.4 of this Agreement, which decision of the Company shall be made by an affirmative vote of all of the Members.

(ii) If the Company does not elect to redeem all of the Offered Interest, the other Members shall have the right, within thirty (30) days of the date of the notice of nonelection by the Company or election as to less than all of the Offered Interest, to elect to purchase the remaining Offered Interest, and the Transferring Person shall sell such interest to the other Members at the purchase price set forth in Section 7.4 of this Agreement. Any Member desiring to acquire any or all of the Offered Interest shall deliver to the Managers and each of the Members a written election to purchase the Offered Interest.

(iii) If two or more Members of the Company elect to exercise the option to purchase the Offered Interest then, in the absence of an agreement between them, each Member shall have priority to purchase such proportion of the available interest that such Member's Percentage of Interest bears to the total Percentage of Interests held by all other Members electing to purchase. The portion of the Offered Interest not purchased on such a priority basis shall be allocated in one or more successive allocations to those Members electing to purchase more than the proportion of the Percentage of Interest to which they have a priority right, up to the proportion of the Offered Interest specified in their respective notices, in the proportion that the Percentage of Interests held by each of them bears to the total Percentage of Interest held by all of them.

(iv) If the Company and the Members do not exercise their rights to redeem or purchase, as the case may be, all of the Offered Interest pursuant to the terms set forth

in Section 7.3(b)(i) and Section 7.3(b)(ii) above, then the Transferring Person shall be free to Transfer the remaining part of the Offered Interest to the bona fide purchaser set forth in the Offer under the terms of the Offer, subject to the restrictions on such Transfer imposed by this Agreement or any other agreement or by law.

(v) If the Company exercises its right to redeem all or a part of the Offered Interest in accordance with Section 7.3(b)(i) above, the Transferring Person shall be obligated to sell such Offered Interest to the Company. If any or all of the Members exercise their rights to purchase all or a part of the Offered Interest in accordance with Section 7.3(b)(ii) above, the Transferring Person shall be obligated to sell such Offered Interest to such exercising Members. The closing of the Transfer of the Offered Interest from the Transferring Person to the Company or any Members pursuant to this Section shall be held at the principal offices of the Company not later than ninety (90) days after receipt of notice required by paragraph (a) above.

(c) In the event of the Transfer of all or any part of any Offered Interest by a Transferring Person to any third party, and as a condition to recognizing the effectiveness and binding nature of any such Transfer, the Company may require the Transferring Person or Transferring Person and the third party, as the case may be, to execute, acknowledge and deliver to the Members or Managers such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the Managers deem necessary or desirable.

7.4. **Purchase Price.** The purchase price to be paid to a Transferring Person for all or any part of such Transferring Person's Membership Interest redeemed by the Company or purchased by a Member under Section 7.3(b) shall be the lower of (i) the purchase price set forth in the Offer for such Membership Interest, or (ii) the product of (A) the Percentage of Interest represented by the Offered Interest multiplied by (B) the Fair Market Value of the Company as of the date of such redemption or purchase.

7.5. **Remedies.** The Members agree that a violation by any of them of this Article 7 will cause such damage to the Company and to the other Members as will be irreparable and the exact amount of which will be impossible to ascertain. For this reason, the Members agree that the Company shall be entitled as a matter of right to a decree of specific performance of the terms of this Article 7 or for temporary or permanent injunctive relief from any court of competent jurisdiction restraining any attempted or purported Transfer of interest in the Company in violation of this Article 7. In addition, any Member attempting or purporting to Transfer an interest in the Company in violation of this Article 7 and the purported transferee participating in the attempted or purported Transfer, shall be jointly and severally liable to reimburse and pay the Company for any and all costs, fees and expenses including without limitation any attorneys', accountants', and other professional fees and expenses actually expended or incurred by the Company in connection with any such violation, whether or not litigation ensues. The remedies set forth in this Section 7.6 shall be cumulative and in addition to whatever other rights and remedies the Company and the Members may have to protect their respective rights in the event of a violation of the provisions of this Article 7, including without limitation the right to recover damages including actual, compensatory, consequential, incidental and punitive damages.

7.6. **Effect of Transfer of Interest.** Upon the Transfer of any interest in the Company in accordance with the provisions of this Article 7, the transferee of such interest shall own and hold such interest in the Company as a transferee, subject to all the terms, conditions, and limitations of this Agreement, including without limitation restriction on any further Transfer of such interest as provided in this Article 7. Consent to such Transfer shall not constitute consent to the admission of the transferee as a Member of the Company. A transferee may become a Member only in accordance with the provisions of Section 8.1. Unless a transferee is admitted to the Company as a Member in accordance with the provisions of Section 8.1, such transferee shall not be entitled to any of the rights or benefits of a Member hereunder except the right to the share of profits and losses and distributions of assets based on the transferee's Percentage of Interest. Without limiting the generality of the preceding sentence, such transferee shall have no right (i) to vote upon, approve, or consent to, any matter requiring the vote, approval or consent of the Members, or (ii) to receive any information from the Company of the kind to which Members are entitled, or any other information.

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS

8.1. **Admission of Members.** No additional Member may be admitted to the Company, except upon the prior written consent of and upon such additional Member signing, in person or by attorney-in-fact, or otherwise becoming a party to this Agreement; provided, however, each Permitted Assignee (as defined in Section 7.1) shall automatically be deemed to be a Member of the Company regardless of whether or not the Members consented to said transfer. No Member shall have the power to grant a transferee, and no transferee shall have, the right to become a Member of the Company except as specifically provided in the preceding sentence. If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage person or property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property and shall have any power the Member had to give his or her assignee a Percentage of Interest in Net Profits and Net Losses. Said assignee may not be admitted as a Member of the Company except upon the prior written consent of the Members.

8.2. **Withdrawal of Members.** No Member shall have any right to withdraw or resign as a Member of the Company prior to the dissolution and winding up of the Company, except upon a Transfer of all of his, her or its interest in the Company in accordance with the terms and conditions of Article 7. A Member who resigns or whose Membership Interest is otherwise terminated for any reason, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Damages for breach of this section 8.2 shall be monetary damages only and not specific performance, and such damages may be offset against distributions by the Company to which such Member would otherwise be entitled.

ARTICLE IX. WINDING UP AND TERMINATION

9.1. **Events Requiring Winding Up.** The Company shall be wound up upon the occurrence of any of the following events:

(a) Unanimous written consent of the Members; or

(b) The consent of a majority in number of the remaining Members to wind up the Company within ninety (90) days after the Company is wound up in accordance with the Texas Act.

9.2. **Winding Up, Liquidation and Distribution of Assets.** If an event requiring the winding up of the Company occurs, the Managers shall wind up the business of the Company and shall apply or distribute the assets of the Company, or shall sell the assets of the Company and apply or distribute proceeds thereof, as promptly as practicable and in the following order of priority:

(a) First, if there are sufficient assets therefore, to creditors of the Company, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members; and if there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefore; and if there is any contingent, conditional, or unmatured debt, claim, obligation, or liability known to the Company, a reserve shall be established for it in accordance with law, in an amount determined by the Managers to be appropriate for such purpose;

(b) Second, to Members in satisfaction of liabilities for distributions; and

(c) Third, any remaining assets, to the Members in proportion to the positive balances in their respective Capital Accounts, and after all Capital Accounts have been reduced to zero, in accordance with their respective Percentages of Interest. The Company may offset damages for breach of this Agreement by a Member against the amount otherwise distributable to such Member hereunder.

(d) At the time final distributions, exclusive of any reserves for contingent, conditional or unmatured items, are made in accordance with clause (c) above, the Company shall terminate, but, if at any time thereafter, any reserve is released because the Managers determine the need for such reserve is ended, then such reserve shall be distributed in accordance with clause (c) above.

9.3. **Return of Contribution Nonrecourse to Members.** Except as provided by law or as expressly provided in this Agreement, upon winding up, each Member shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is

insufficient to return the Capital Contribution of one or more Members, such Member or Members shall have no recourse against any other Member or the Manager.

ARTICLE X. MISCELLANEOUS

10.1. **Notice.** Any notice required or permitted to be given pursuant to the provisions of the Texas Act or this Agreement shall be effective as of the date personally delivered, delivered via facsimile with electronic confirmation, or delivered via overnight express mail, or if sent by certified mail, return receipt requested, three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at the last known address as shown in the Company's records.

10.2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Act or this Agreement, a waiver thereof, in writing, signed by the person entitled to such notice shall be deemed equivalent to the giving of such notice.

10.3. **Authority to Bind the Company.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniary for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

10.4. **Waiver of Action For Partition.** Each Member irrevocably waives any right to maintain an action for partition with respect to the property of the Company during the term of the Company.

10.5. **Indemnification By Company.** The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Managers determine that he, she or it acted in good faith and in a manner reasonably believed to be in the best interest of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the Person did or did not act in good faith and in a manner which was reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

10.6. **Construction.** Whenever the context requires, as used in this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter genders, and vice versa.

10.7. **Articles and Other Headings.** The Articles and headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation thereof.

10.8. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected.

10.9. **Application of Texas Law.** This Agreement will be governed by the laws of the State of Texas, without giving effect to its conflicts of laws provisions.

10.10. **Disregarded Entity Tax Treatment Intended If One Member.** At any time when the Company has only one (1) Member, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a disregarded entity under the Code and not as a corporation, and the Managers and each Member shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.11. **Partnership Tax Treatment Intended If More Than One Member; Tax Administrative Matters.** At any time when there is more than one Member of the Company, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a partnership under the Code and not as a corporation, and the Managers and Members shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company. The Members hereby designate Strategic Equity Investments, LLC as the tax matters partner of the Company pursuant to Section 6231(a)(7) of the Code. The person designated tax matters partner shall not take any action contemplated by Section 6222 through 6232 of the Code without the approval of the Members.

10.12. **No Partnership Intended For Non-Tax Purposes.** The undersigned Members have formed the Company under the Texas Act, and as long as there is more than one Member of the Company such parties expressly do not intend hereby to form a partnership under either the Revised Uniform Partnership Act of the State of Texas nor the Revised Uniform Limited Partnership Act of the State of Texas. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

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CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Fall River Capital LLC as of the date indicated below.

Strategic Equity Investments, LLC, as Member and Manager

Date: 5-29-07

By: Robert Mangold
Its: PRESIDENT / CEO
Name: ROBERT MANGOLD

Date: 5-29-07

Chuck McAlpine as Member
By: [illegible]
Its:
Name: CHUCK MCALPINE

EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

REVISED AS OF MAY 29, 2007

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Strategic Equity Investments, LLC, 11000 North Scottsdale Road, Suite 121 Scottsdale, AZ 85254	None	50	50%
John Walker	$200,000.00	21.98	21.98%
Thomas & Joyce Sherman	$200,000.00	21.98	21.98%
Chuck McAlpine	$54,872.00	6.04	6.04%
Total	**$454,872.08**	**100**	**100%**

EXHIBIT B

ASSET LIST

Address	City	County	State	Zip	Fall River Purchase Price
529 South Bendix Street	SOUTH BEND	ST JOSEPH	IN	46619	$5,867.09
1120 Milton St	LOUISVILLE	JEFFERSON	KY	40217	$15,849.81
1209 South Mulberry	MUNCIE	DELAWARE	IN	47302	$2,076.95
1735 West Main St	FORT WAYNE	ALLEN	IN	46808	$9,070.13
1816 York St	ELKHART	ELKHART	IN	46516	$22,066.77
20 N Deerborn St	INDIANAPOLIS	MARION	IN	46201	$21,223.21
2139 N Armstrong Street	KOKOMO	HOWARD	IN	46901	$19,700.14
247 Park Avenue	ELKHART	ELKHART	IN	46516	$13,687.63
2603 Ellet Avenue	AKRON	SUMMIT	OH	44312	$68,045.70
3661 East 112th Street	CLEVELAND	CUYAHOGA	OH	44105	$43,667.83
4137 Peak Avenue	TOLEDO	LUCAS	OH	43612	$21,747.70
4208 Garden Park	TOLEDO	LUCAS	OH	43613	$55,444.15
5905 Livingston	TOLEDO	LUCAS	OH	43613	$53,838.56
725 South 43rd Avenue	TULSA	TULSA	OK	74127	$5,475.93
842 Harvard St	AKRON	SUMMIT	OH	44311	$30,668.36
878 Berwin Street	AKRON	SUMMIT	OH	44310	$45,872.13
929 East 21st Avenue	COLUMBUS	FRANKLIN	OH	43211	$17,820.00
3009 East 75th Street	CLEVELAND	CUYAHOGA	OH	44104	$2,750.00
					$454,872.08

EXHIBIT C

SERVICING AGREEMENT

Owner:	Fall River Capital LLC.
Owner's Address:	11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254
Servicer:	Strategic Equity Investments, LLC
Servicer Address:	11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254
Notes and/or REOs:	Attachment A

This servicing agreement was made and entered into this _____ day of _____, 2007, between SERVICER and OWNER.

OWNER shall initial below where appropriate.

Section 1. Servicing of Notes

Note Servicing: OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "NOTES" and in that connection, to do the following:

A. To receive any and all payments due OWNER on the NOTES, which includes but is not limited to all monthly payments, all late payments and all payoffs in full or in part. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account;

B. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

C. To transmit OWNER's portion of such payments of principal and interest as required by laws, rules and regulations which are applicable. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

D. To provide periodic reporting on the OWNER's NOTES that SERVICER is servicing per this contract.

E. If the source of payment is not the maker of the NOTES, to so inform OWNER;

F. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

G. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the NOTES including but not limited to instituting foreclosure proceedings in the event of default or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the security of the Security Agreement or the priority thereof;

H. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have under the NOTES, including but not limited to Request for Reconveyance, Payoff Demands, Beneficiary Statements, Declarations and Notices of Default, bidding authorizations and other instructions to the Trustee of the NOTES;

I. To receive Notices of Default of prior encumbrances and to promptly notifiy OWNER of any default upon the Notes and any prior encumbrances;

J. To grant such extensions or loan modifications as SERVICER deems reasonably appropriate;

K. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the NOTES;

L. THE FOLLOWING PROVISIONS (1) & (2) APPLY ONLY TO LOANS IN WHICH OWNER HOLDS AN UNDIVIDED FRACTIONAL INTEREST IN THE NOTES:

1. A default upon any interest in the NOTES shall constitute a default upon all interests. A simple majority in interest of lenders may determine and direct the actions to be taken on behalf of all lenders in the event of default or with respect to other matters requiring the direction or approval of lenders, and such majority may designate the SERVICER to so act in their behalf.
2. SERVICER shall furnish to OWNER a list of names and addresses of all lenders holding an interest in the NOTES upon five (5) days written notice.

M. Fees will be according to the attached Fee Schedule.

Section 2 – Servicing of REOs

I. REO Servicing: OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "REOs" and in that connection, to do the following:

A. Authorize SERVICER to act on behalf of OWNER as landlord to the REOs, where applicable;

B. Authorize SERVICER to manage, operate, control, rent and lease OWNER'S REOs.

C. Authorize SERVICER to contract for or undertake the making of all necessary repairs and the performance of all other necessary work for the benefit of the REOs including all required alterations to properly carry out this agreement. SERVICER agrees to secure prior written approval of the OWNER on expenditures in excess of $1,000 except emergency repairs in excess of the maximum if, in the opinion of SERVICER, such repairs are necessary to protect the property from damage, prevent damage to life or to the property of others;

D. To collect any and all payments due OWNER, which includes but is not limited to, all monthly RENT payments and all LATE payments. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

E. Any trust account SERVICER maintains under this agreement may be an interest-bearing or income producing account. SERVICER may retain any interest or income from such account as compensation under this agreement.

F. To hold security deposits from tenants in escrow or trust account until the end of tenancy.

G. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

H. To provide periodic reporting on the OWNER's REOs that SERVICER is servicing per this contract;

I. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

J. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the REOs including but not limited to instituting eviction proceedings in the event of default or selling of the REOs or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the OWNER's interest in the property. To advertise the property and display signs thereon; to rent and lease the property; to sign, renew and cancel rental agreements and leases for the property or any part thereof; to sue or recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits;

K. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have

as to the REOs, including but not limited to evictions, listing the property for sale, selling the property, or renting the property;

L. To pay all operating expenses and such other expenses as requested by the OWNER from the rents received. This may include the payment of taxes and insurance;

M. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the REOs;

N. OWNER hereby agrees to hold SERVICER harmless from any and all claims, charges, debts, demand and lawsuits, including attorney's fees related to SERVICER's management of OWNER's REOs, and from any liability for injury on or about the properties which may be suffered by an employee, tenant or guest upon the properties.

O. Fees will be according to the attached Fee Schedule.

Section 3 – General Provisions

OWNER represents that all of the persons designated above are over the age of 18 and are competent.

Make OWNER Check Payable To: Fall River Capital LLC
Tax ID Number: 71-1031037

DEFAULT: A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. SERVICER is also entitled to recover any compensation SERVICER would have been entitled to receive if Owner did not breach this agreement.

MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the cost of mediation equally.

ATTORNEY'S FEES: If OWNER or SERVICER is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

SPECIAL PROVISIONS: This Agreement may be amended from time to time by the parties pursuant to a written agreement or addendum signed by the SERVICER and the OWNER.

ENTIRE AGREEMENT: This document contains the entire agreement of the parties and may not be changed except by written agreement.

ASSIGNMENTS: Neither party may assign this agreement without the written consent of the other party.

BINDING EFFECT: OWNER's obligations to SERVICER under this agreement are binding upon OWNER and OWNER's heirs, executors, successors, and permitted assignees.

JOINT AND SEVERAL: OWNERS executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to , refund to , or signature of, any one or more of the OWNERS regarding any term of this agreement or its termination is binding on all OWNERS executing this agreement.

GOVERNING LAW: Texas law governs the interpretation, validity, performance, and enforcement of this agreement.

SEVERABILITY: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected and all other provisions of this agreement will remain valid and enforceable.

CONTEXT: When the context requires, singular nouns and pronouns include the plural.

NOTICES: Notices between the parties must be in writing and are effective when sent to the receiving party's address as stated in this agreement.

MEMBER: Fall River Capital LLC
Signed: _____ Date 5-29-07
Print Name: _____
Title: CHUCK MCALPINE

SERVICER: Strategic Equity Investments, LLC
Signed: _____ Date 5-29-07
Print Name: ROBERT MANGOLD
Title: PRESIDENT/CEO

Fee Schedule

1. **Note Servicing:** (for current notes)
$12.00 per note per month for standard servicing support that includes, but not limited to item such as monthly mailings of statements and responding to borrower requests. In addition, Owners will pay any directly related expenses.

1. **Default Management Fee:** *(for non-performing and REO)*
$188.00 per Note or REO per month for standard default management support such as collections, skip tracing, coordinating foreclosures, responding to bankruptcy claims, and any overhead related to default management plus REO sales coordination, forced insurance placements, property management and evictions. In addition, all directly related fees or commissions, internal or outsourced, will be charged to OWNER's account

ATTACHMENT A

Address	City	County	State	Zip	Fall River Purchase Price
529 South Bendix Street	SOUTH BEND	ST JOSEPH	IN	46619	$5,867.09
1120 Milton St	LOUISVILLE	JEFFERSON	KY	40217	$15,849.81
1209 South Mulberry	MUNCIE	DELAWARE	IN	47302	$2,076.95
1735 West Main St	FORT WAYNE	ALLEN	IN	46808	$9,070.13
1816 York St	ELKHART	ELKHART	IN	46516	$22,066.77
20 N Deerborn St	INDIANAPOLIS	MARION	IN	46201	$21,223.21
2139 N Armstrong Street	KOKOMO	HOWARD	IN	46901	$19,700.14
247 Park Avenue	ELKHART	ELKHART	IN	46516	$13,687.63
2603 Ellet Avenue	AKRON	SUMMIT	OH	44312	$68,045.70
3661 East 112th Street	CLEVELAND	CUYAHOGA	OH	44105	$43,667.83
4137 Peak Avenue	TOLEDO	LUCAS	OH	43612	$21,747.70
4208 Garden Park	TOLEDO	LUCAS	OH	43613	$55,444.15
5905 Livingston	TOLEDO	LUCAS	OH	43613	$53,838.56
725 South 43rd Avenue	TULSA	TULSA	OK	74127	$5,475.93
842 Harvard St	AKRON	SUMMIT	OH	44311	$30,668.36
878 Berwin Street	AKRON	SUMMIT	OH	44310	$45,872.13
929 East 21st Avenue	COLUMBUS	FRANKLIN	OH	43211	$17,820.00
3009 East 75th Street	CLEVELAND	CUYAHOGA	OH	44104	$2,750.00
					$454,872.08

PROMISSORY NOTE

Date: March 26, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Cathleen McCarthy

Place for Payment: [redacted], [redacted], AZ [redacted]

Principal Amount $50,000

Interest Rate: Twelve Percent (12%)

Maturity Date: February 27, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

EXHIBIT
S-26
ADMITTED

SECURITY AGREEMENT

Date: March 26, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Cathleen McCarthy

Secured Party's Mailing Address: [redacted], AZ [redacted]

Amount of Promissory Note: $50,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

3-26-07

Robert Mangold, President/CEO Date

Signed: **Lender**

3/23/07

Cathleen McCarthy Date

Date

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 23rd day of March, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones
Notary Public
My Commission Expires: November 29, 2009

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments, LLC ("Seller"), and Cathleen McCarthy ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 2 accounts with an aggregate principal balance of **$50,000**.

Executed this 26th day of March, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: 3-26-07

Dan BarnettX:\Bobs Team\Team Docs\Notes\McCarthy\Bill of Sale EXHIBIT B_McCarthy.doc

M000546

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" McCarthy

OSMI PN - 20

COUNT	ADDRESS	CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	935 Lake Street	Meridian	MS	39307	Estate of Maxine	Sharp	$24,000.00	$38,617.65
2	1205 West Green	Carlsbad	NM	88220	Paul	Burington	$26,500.00	$25,043.27
3								
4								
5								
6								
7								
totals							$50,500.00	$63,660.92

Robert T Mangold
Seller

3-26-07
Date

Cathleen A McCarthy
Buyer

3/23/07
Date

TABLE OF CONTENTS

ARTICLE I. FORMATION 1

1.1. FORMATION 1
1.2. PRINCIPAL PLACE OF BUSINESS 1
1.3. REGISTERED AGENT OFFICE 1
1.4. TERM 1
1.5. PURPOSE 1

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS 2

2.1. MANAGEMENT OF COMPANY VESTED IN THE MANAGERS 2
2.2. CERTAIN POWERS OF MANAGERS 2
2.3. LIABILITY FOR CERTAIN ACTS 2
2.4. MEMBERS AND MANAGERS HAVE NO EXCLUSIVE DUTY TO COMPANY 3
2.5. AUTHORITY OF MANAGERS TO DEAL WITH AFFILIATES 3
2.6. RESIGNATION AND REMOVAL OF MANAGERS 3
2.7. COMPENSATION AND FEES 3

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS 3

3.1. LIMITATION OF MEMBERS' LIABILITIES 3
3.2. NO CONTROL OF BUSINESS OR RIGHT TO ACT FOR COMPANY 4
3.3. PRIORITY AND RETURN OF CAPITAL 4
3.4. MEETINGS OF THE COMPANY; VOTING RIGHTS 4
3.5. POWERS RESERVED TO THE MEMBERS 5

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY 6

4.1. AMENDMENT OF AGREEMENT 6
4.2. BOOKS AND RECORDS, ACCOUNTING, REPORTS, TAX ELECTIONS 6

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS 7

5.1. INITIAL CAPITAL CONTRIBUTIONS 7
5.2. ADDITIONAL CONTRIBUTIONS; ADDITIONAL UNITS; PREEMPTIVE RIGHTS 7
5.3. FAILURE TO CONTRIBUTE ADDITIONAL CONTRIBUTIONS 8
5.4. CAPITAL ACCOUNTS 8
5.5. SECURITIES MATTERS 8

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS 8

6.1. ALLOCATIONS OF PROFITS AND LOSSES 8
6.2. SPECIAL ALLOCATIONS 9
6.3. DISTRIBUTIONS 11

ARTICLE VII. TRANSFERABILITY 11

7.1. GENERAL 11
7.2. TRANSFERS NOT REQUIRING PRIOR CONSENT 11
7.3. VOLUNTARY TRANSFER PROCEDURE 12
7.4. PURCHASE PRICE 13
7.5. REMEDIES 13
7.6. EFFECT OF TRANSFER OF INTEREST 13

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS 14

8.1. ADMISSION OF MEMBERS 14
8.2. WITHDRAWAL OF MEMBERS 14

ARTICLE IX. WINDING UP AND TERMINATION 14

EXHIBIT
S-27
ADMITTED

9.1. EVENTS REQUIRING WINDING UP 14
9.2. WINDING UP, LIQUIDATION AND DISTRIBUTION OF ASSETS 15
9.3 RETURN OF CONTRIBUTION NONRECOURSE TO MEMBERS 15

ARTICLE X. MISCELLANEOUS 16

10.1. NOTICE 16
10.2. WAIVER OF NOTICE 16
10.3. AUTHORITY TO BIND THE COMPANY 16
10.4. WAIVER OF ACTION FOR PARTITION 16
10.5. INDEMNIFICATION BY COMPANY 16
10.6. CONSTRUCTION 16
10.7. ARTICLES AND OTHER HEADINGS 16
10.8. SEVERABILITY 17
10.9. APPLICATION OF TEXAS LAW 17
10.10. DISREGARDED ENTITY TAX TREATMENT INTENDED IF ONE MEMBER 17
10.11. PARTNERSHIP TAX TREATMENT INTENDED IF MORE THAN ONE MEMBER; TAX ADMINISTRATIVE MATTERS 17
10.12. NO PARTNERSHIP INTENDED FOR NON-TAX PURPOSES 17

CERTIFICATION 18

EXHIBIT A **MEMBER CAPITAL CONTRIBUTIONS** 19

EXHIBIT B **LIST OF ASSETS** 20

EXHIBIT C **SERVICING AGREEMENT** 21

This Company Agreement of ELF FORK CAPITAL LLC is adopted by the Managers and the undersigned Members, for the purpose of forming and operating ELF FORK CAPITAL LLC as a Texas limited liability company, and the undersigned Managers and Members do each mutually acknowledge and agree as follows:

DEFINITIONS

The following terms used in this Company Agreement shall have the following meanings unless otherwise expressly provided herein:

(i) **"Agreement"** shall mean this Company Agreement, as originally executed, and as amended from time to time in writing, including all exhibits and schedules hereto, which concerns the conduct of the business of the Company.

(ii) **"Capital Account"** shall mean the Capital Account maintained for each Member in accordance with Section 5.4.

(iii) **"Capital Contribution"** shall mean any contribution to the capital of the Company in cash or property by a Member whenever made.

(iv) **"Certificate of Formation"** shall mean the Certificate of Formation filed with the Texas Secretary of State for the purpose of organizing the Company, as the same may be amended or restated from time to time.

(v) **"Code"** shall mean the Internal Revenue Code of 1986, as amended, or corresponding provisions of subsequent superseding federal revenue laws.

(vi) **"Company"** shall mean Elf Fork Capital LLC, the Company organized pursuant to the Certificate of Formation and this Agreement.

(vii) **"Deficit Capital Account"** shall mean with respect to any Member, the deficit balance, if any, in such Member's Capital Account as of the end of the taxable year, after giving effect to the following adjustments:

(a) credit to such Capital Account any amount which such Member is obligated to restore under Section 1.704-1(b)(2)(ii)(c) of the Treasury Regulations, as well as any addition thereto pursuant to the next to last sentence of Sections 1.704-2(g)(1) and (i)(5) of the Treasury Regulations, after taking into account thereunder any changes during such year in company minimum gain (as determined in accordance with Section 1.704-2(d) of the Treasury Regulations) and in the minimum gain attributable to any member nonrecourse debt (as determined under Section 1.704-2(i)(3) of the Treasury Regulations); and

(b) debit to such Capital Account the items described in Sections 1.704-1(b)(2)(ii)(d)(4), (5) and (6) of the Treasury Regulations.

This definition of Deficit Capital Account is intended to comply with the provisions of Treasury Regulations Section 1.704-1(b)(2)(ii)(d) and 1.704-2, and will be interpreted consistently with those provisions.

(viii) **"Distributable Cash"** shall mean all cash, revenues and funds received by the Company from Company operations, including from the sale of any asset to the extent not reinvested in replacement assets, less the sum of the following to the extent paid or set aside by the Company: (a) all principal and interest payments on indebtedness of the Company and all other sums paid to lenders; (b) all cash expenditures incurred incident to the purchase or sale of any asset and the normal operation of the Company's business; (c) reimbursement of expenses and payment of compensation to any Manager; and (d) such Reserves as the Managers deem reasonably necessary to the proper operation of the Company's business.

(ix) **"Entity"** shall mean any general partnership, limited partnership, limited liability company, corporation, joint venture, trust, business trust, cooperative or association.

(x) **"Fair Market Value"** shall mean, on the date such Fair Market Value is to be determined, the excess of the value of all of the Company's assets minus all of the Company's liabilities. For purposes of determining Fair Market Value, (a) no value shall be placed on the goodwill or name of the Company or the office records, files, statistical data or any similar intangible assets of the Company not normally reflected in the Company's accounting records, (b) there shall be taken into consideration any related items of income earned but not received, expenses incurred but not yet paid, liabilities fixed or contingent, prepaid expenses to the extent not otherwise reflected in the books of account, and the value of options or commitments to purchase securities pursuant to agreements entered into on or prior to the valuation date, (c) determination of value of any publicly-traded security or bond, shall be the most recent closing sale price quoted for such security on the exchange on which it is traded, (d) determination of the value of other securities shall be based on all relevant factors, including without limitation, type of security, marketability, restrictions on disposition, and current financial position and operating results, (e) the value of real estate shall be deemed to be the most recent fair market value of such real estate as determined by a real estate appraiser selected by the Managers; and (f) as to the liabilities and any other assets of the Company, the book value carried on the books of the Company in accordance with Generally Accepted Accounting Principles, consistent with the Company's past practice.

(xi) **"Fiscal Year"** shall mean the Company's fiscal year, which shall end on December 31, of each year.

(xii) **"Initial Capital Contribution"** shall mean the initial contribution to the capital of the Company pursuant to this Agreement.

(xiii) **"Manager" and "Managers"** As used in this Agreement the term "Manager" shall mean each individual Manager of the Company from time to time. The term "Managers" shall refer (i) to the Manager of the Company at any time when the Company has one (1) Manager and (ii) collectively, to all of the Managers of the Company at any time when the

Company has multiple Managers. Initially, the Company shall have one Manager, which shall be Strategic Equity Investments, LLC, an Arizona corporation.

(xiv) **"Member"** shall mean any person that signs in person or by an attorney-in-fact, or otherwise is a party to the Agreement at the time that the Company is formed and is identified as a Member in the Agreement and any Person who is subsequently admitted as a Member in the Company in accordance with the Texas Act and the Agreement, until such time as such Person withdraws, is removed, or is otherwise no longer a Member of the Company.

(xv) **"Membership Interest"** shall mean a Member's entire interest in the Company, including such Member's right to participate in the decisions of the Members, as reflected by the ratio of such Member's Units to the aggregate of the Units of all Members.

(xvi) **"Net Profits"** and **"Net Losses"** shall mean the income, gain, loss, deductions and credits of the Company in the aggregate or separately stated, as appropriate, determined under the Company's adopted method of accounting at the close of each Fiscal Year.

(xvii) **"Offer"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xviii) **"Offered Interest"** shall have the meaning ascribed to such term in Section 7.3 hereof.

(xix) **"Percentage of Interest"** means, for a Member, the percentage equivalent of a fraction, the numerator of which is the number of Units owned by such Member and the denominator of which is the total number of Units owned by all Members.

(xx) **"Persons"** shall mean any individuals, partnerships, limited liability companies, corporations, trusts, business trusts, real estate investment trusts, estates and other associations or business entities.

(xxi) **"Reserves"** shall mean, with respect to any fiscal period, funds set aside or amounts allocated during such period to reserves which shall be maintained in amounts deemed sufficient by the Managers for working capital and to pay taxes, insurance, debt service or other costs or expenses incident to the ownership or operation of the Company's business.

(xxii) **"Securities Acts"** shall mean the Securities Act of 1933 or any other applicable state securities laws.

(xxiii) **"Selling Member"** shall mean any Member who sells, assigns, or otherwise transfers for consideration, all or any portion of a Membership Interest.

(xiv) **"Texas Act"** shall mean the Texas Limited Liability Company Law, part of the Texas Business Organizations Code, as amended.

(xxv) A **"Transfer"** of all or any part of a Membership Interest means any type of disposition of any right, title or interest whatsoever in such Membership Interest, voluntarily or

involuntarily, directly or indirectly, including without limitation any sale, exchange, assignment, encumbrance, grant of security interest, pledge, hypothecation, gift, transfer by trust, transfer by will or intestate succession, or other disposition whatsoever.

(xxvi) **"Transferring Person"** shall have the meaning ascribed to such term in Section 7.3.

(xxvii) **"Treasury Regulations"** shall mean the proposed, temporary and final regulations promulgated under the Code in effect as of the date of filing the Certificate of Formation and the corresponding sections of any regulations subsequently issued that amend or supersede such regulations.

(xxviii) **"Units"** shall mean equity ownership in the Company represented by membership units ("Units"). The Company may issue such total number of Units as the Managers shall determine, and may issue partial Units.

ARTICLE I. FORMATION

1.1. **Formation.** On January 26, 2007, the Company was organized as a Texas limited liability company by execution and delivery of Certificate of Formation to the Texas Secretary of State in accordance with the Texas Act.

1.2. **Principal Place Of Business.** The principal place of business of the Company shall be located at 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The Company at any time may change the location of such principal office and may have such other offices, either within or without the State of Texas, as the Members may designate or as the business of the Company may require.

1.3. **Registered Agent Office.** The registered agent is Strategic Equity Investments, LLC. and the address of the registered agent office of the Company is 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254. The registered agent office and the registered agent may be changed from time to time by the Managers, with the consent of the Members, filing the prescribed form with the Texas Secretary of State.

1.4. **Term.** The existence of the Company shall be perpetual, unless terminated or dissolved as set forth herein.

1.5. **Purpose.** The Company may conduct or promote any lawful businesses or purposes for which limited liability companies may be organized under the Texas Act. The Company shall possess and may exercise all the powers and privileges necessary or convenient to the conduct, promotion, or attainment of the businesses or purposes of the Company.

ARTICLE II. RIGHTS AND DUTIES OF MANAGERS

2.1. **Management of Company Vested in the Managers.** The business and affairs of the Company shall be managed by the Managers. The consent of a majority in number of the Managers then-serving shall be the act of the Managers. The Managers shall direct, manage and control the business of the Company to the best of their ability. Except for situations in which the approval of the Members is expressly required herein and as specifically provided in Section 3.5, the Managers shall have full and complete authority, power and discretion to: (i) manage and control the business, affairs and property of the Company; (ii) make all decisions regarding the business, affairs and property of the Company; and (iii) perform any and all other acts incident to the management of the Company's business subject to the provisions of this Agreement. Subject to the limitations in the preceding sentence, the right, power, and authority of the Managers pursuant to this Agreement shall be liberally construed to encompass all acts and activities in which a Company may engage under the Texas Act.

2.2. **Certain Powers of Managers.** Without limiting the generality of the provisions set forth in Section 2.1 above, the Managers shall have the power to act on behalf of the Company:

(a) To enter into and execute, on behalf of the Company, all agreements, contracts, instruments and related documents in connection with the Company's business, on such terms as the Managers, in their reasonable discretion, deem to be in the best interests of the Company.

(b) To carry out the business of the Company.

(c) To acquire and enter into, on behalf of the Company, any contract of insurance, which the Managers reasonably deem necessary and proper for the protection of the Company, for the conservation of its property, or for any purpose beneficial to the Company.

(d) To employ persons (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) in the operation of the Company, on such terms and for such compensation as the Managers shall reasonably determine.

(e) To employ attorneys, accountants, consultants, brokers, and other outside entities or individuals (including affiliates of any Manager, subject to the restrictions on compensation to such affiliates set forth in this Agreement) on behalf of the Company.

(f) To pay, collect, compromise, arbitrate, resort to legal action for or otherwise adjust claims or demands of or against the Company.

(g) To sell assets to another investor as well as maintain servicing and/or obtain other incentives as deemed in the best interest of the company.

2.3. **Liability for Certain Acts.** Each Manager shall perform its duties as a Manager in good faith, in a manner reasonably believed to be in the best interest of the Company, and with

such care as an ordinarily prudent person in a like position would use under similar circumstances. If any Manager so performs the duties as a Manager, it shall not have any liability by reason of being or having been a Manager. No Manager shall be liable to the Company or to any Member for any loss or damage sustained by the Company or any Member, unless the loss or damage shall have been the result of fraud, deceit, gross negligence, willful misconduct or a wrongful taking by such Manager.

2.4. **Members and Managers Have No Exclusive Duty to Company.** The Managers, and affiliates of the Managers, shall not be required to manage the Company as their sole and exclusive function and each Member and Manager and their affiliates may have other business interests and may engage in other activities in addition to those relating to the Company, including business interests or other activities that directly compete with the business of the Company.

2.5. **Authority of Managers to Deal with Affiliates**. Any Manager may, on behalf of the Company, contract with any person, firm or corporation, including, without limitation, any of the Members, any entity in which any of the Members or any Manager has a direct or indirect interest and any affiliated or related corporation or other entity, for the performance of any and all services which may at any time be necessary, proper, convenient or advisable to carry on the business of the Company; provided that any such transaction shall be effected only on terms competitive with those that may be obtained from unaffiliated persons. Any goods or services provided by affiliates to the Company shall be pursuant to a written contract which sets forth the goods and services to be provided and the compensation to be paid.

2.6. **Resignation and Removal of Managers.** Any Manager may resign by giving thirty (30) days prior written notice to the Members. Any Manager may be removed by the unanimous vote of all of the Members. The Members shall by the unanimous vote of all Members then elect a successor Manager to begin serving simultaneously with the resignation or removal of any Manager. The Members may increase or decrease (but not below one (1)) the number of Managers constituting all of the Managers of the Company.

2.7. **Compensation and Fees.** Each Manager shall be reimbursed by the Company for all out of pocket expenses incurred by such Manager in furtherance of performing its obligations to the Company as Manager. Except as specifically provided in the Servicing Agreement (as described in Section 3.5(c) herein), Manager shall receive no compensation other than reimbursement of out-of-pocket expenses incurred by Manager in furtherance of the business of the Company. No Manager shall receive any additional compensation except as the Members shall decide.

ARTICLE III. RIGHTS AND OBLIGATIONS OF MEMBERS

3.1. **Limitation of Members' Liabilities.** Based on the Texas Act, a Member shall not be bound by, or be personally liable for, the expenses, liabilities or obligations of the Company or the Manager, and such Member's liability shall be limited solely to the amount of its Capital Contributions, whether or not returned to such Member, together with the undistributed share of the profits of the Company from time to time credited to such Member's Capital Account and

any money or other property wrongfully paid or conveyed to such Member on account of its Capital Contribution, including but not limited to money or property to which creditors were legally entitled, paid or conveyed to a Member, and, under certain circumstances, interest on returned capital.

3.2. **No Control of Business or Right to Act for Company.** No Member shall have any right or authority to act for or bind the Company or to vote on matters other than the matters set forth in this Agreement, except as specifically required by applicable law.

3.3. **Priority and Return of Capital.** Except as provided herein, no Member shall have priority over any other Member, as to the return of Capital Contributions, Net Profits, Net Losses or distributions.

3.4. **Meetings of the Company; Voting Rights.**

(a) Meetings of the Company may be called by the Managers and shall be called by it upon the written request of Members with the authority to vote an aggregate of not less than 49% Percentage of Interest. Upon receipt of such a written request, stating the purpose of the proposed meeting, the Managers shall provide each Member, within ten (10) days of such request, with written notification of a meeting and the purpose of such meeting. Such meetings shall be held not less than fifteen (15) days or more than sixty (60) days after the receipt of such request and shall be held at the principal place of business or principal executive office of the Company or such other place as the Members shall unanimously decide.

(b) At all meetings of the Company, any decision, determination, consent, approval or action by or of the Members shall be affected by the favorable vote of all of the Members of the Company, unless the vote of a greater or lesser number is otherwise required by the Act, the Certificate of Formation or this Agreement.

(c) At all meetings of the Company, a Member may vote by proxy executed in writing by the Member or by a duly authorized attorney-in-fact. Such proxy shall be filed with the Company at least one (1) day before the meeting. Unless otherwise provided in the proxy, no proxy shall be effective after eleven (11) months after the date of its execution.

(d) Action required or permitted to be taken at a meeting of Members may be taken without a meeting if the action is evidenced by one or more written consents describing the action taken, signed by each Member entitled to vote, and delivered to a Manager for inclusion in the minutes or for filing with the Company records. Action taken under this section is effective when all Members entitled to vote have signed a consent, unless the consent specifies a different effective date.

(e) When any notice is required to be given to any Member, a waiver of the notice in writing signed by the person entitled to the notice, whether before, at, or after the time stated therein, shall be equivalent to the giving of the notice.

3.5. **Powers Reserved to the Members.** Each of the following actions on behalf of the Company shall require the unanimous approval of the Members:

(a) the acquisition of any real property in excess of $100,000 per parcel of real estate;

(b) the acquisition of any loan or portfolio of loans in excess of $100,000 per loan;

(c) the execution, on behalf of the Company, of a servicing agreement in the form of Exhibit B, attached hereto and incorporated herein by this reference, or any amendment thereto, to service the Initial Loan Portfolio (as defined in Section 5.6 herein) and an additional portfolio of loans owned by the Company (hereinafter referred to as a "Servicing Agreement").

(d) the sale, exchange or other disposition of substantially all of the assets of the Company;

(e) the filing by the Company of any voluntary petition in bankruptcy or delivery of any assignment for the benefit of creditors;

(f) the lending of Company funds to any person (except as otherwise set forth herein), or obligating the Company as surety, guarantor or accommodation party, except that the Company shall be able to guarantee credit accounts with suppliers in the ordinary course of business;

(g) the incurrence of any debt on behalf of the Company, other than trade debt incurred in the ordinary course of the Company's business;

(h) the investment or participation by the Company in any other entity;

(i) the merger or consolidation of the Company;

(j) the admission of new Members of the Company, except as specifically provided in Section 8.1; or

(k) the establishment of reserves to help meet anticipated Company expenses and the investment of such reserves pending utilization.

ARTICLE IV. COMPANY BOOKS AND RECORDS; AMENDMENT OF AGREEMENT; POWER OF ATTORNEY

4.1. **Amendment of Agreement.**

(a) Amendment. Any amendment to this Agreement must be approved in writing by all of the Members and by the Managers.

(b) Recording of Amendment. In making any amendments, there shall be prepared and filed for recordation by the Managers such documents and certificates, if any, as shall be required to be prepared and filed under the Texas Act and under the laws of the other jurisdictions in which the Company is then formed or qualified.

4.2. **Books and Records, Accounting, Reports, Tax Elections.**

(a) Availability. At all times during the existence of the Company, the Managers shall keep or cause to be kept full and true books and records of account. Such books and records of account shall be maintained at the principal place of business of the Company or such other place or places as may be determined by the Managers from time to time. In addition, the Company shall maintain at its principal office (i) a current list of the full name and last known business address of each Member set forth in alphabetical order, (ii) a copy of this Agreement and all amendments thereto, together with executed copies of any powers of attorney pursuant to which this Agreement or any amendment has been executed, (iii) copies of the Company's federal, state and local tax returns and reports, if any, for the three (3) most recent years, and (iv) accounting records of the Company. Any Member or his, her or its duly authorized representative shall have the right to inspect and copy the books and records of the Company upon reasonable notice during business hours.

(b) Financial Reports. The Managers shall cause to be prepared and delivered to each Member, at the expense of the Company, such financial reports as shall be decided by the Members.

(c) Income Tax Information. The Managers shall cause income tax returns for the Company to be prepared by the Company's accountant and filed with the appropriate authorities and shall furnish to each Member within ninety (90) days after the close of the taxable year of the Company, all tax information with respect to the Company as may be required by the Member for the preparation of his, her or its individual federal and state tax returns, at the expense of the Company.

(d) Accounting Principles. The Company's books shall be maintained in accordance with generally accepted accounting principles determined by the Company's accountants, which accounting principles shall be consistently applied.

(e) Bank Accounts. The Managers are authorized to open a bank or investment account for the Company and withdraw funds or sign checks withdrawing funds from such bank or investment account for the sole purpose of paying all ordinary and necessary

charges and expenses incident to or arising out of the operations of the Company in the ordinary course of business (including expenses arising out of a Servicing Agreement provided said Servicing Agreement has been approved by the Members as required herein), and that such banks and investment companies be, and hereby are, authorized and directed to honor, pay and charge to the account of this Company all checks and orders for the payment of money so drawn when so signed. The Managers are authorized to certify to any bank or other investment company a copy of this Section 4.2(e) and the names and signatures of the Company's Managers authorized to sign checks as provided in this Section 4.2(e), and such bank or other investment company is hereby authorized to rely upon such certificate until formally advised of any changes therein.

ARTICLE V. CONTRIBUTIONS TO THE COMPANY; CAPITAL ACCOUNTS; SECURITIES MATTERS

5.1. **Initial Capital Contributions.** Each Member shall contribute the amount set forth for such Member in Exhibit A, attached hereto and incorporated herein, as his, her or its Initial Capital Contribution. Exhibit A shall be revised from time to time as necessary to record all Capital Contributions and all changes in the Company and ownership of the Company effected in accordance with this Agreement, and Exhibit A as so revised shall be furnished to each Member.

5.2. **Additional Contributions; Additional Units; Preemptive Rights.**

(a) Unless approved by all of the Members, no additional Capital Contributions shall be required from any Members. Upon such approval, the Managers shall give written notice to each Member of the amount of any required additional Capital Contributions, and each Member shall deliver to the Company his, her or its pro rata share thereof based upon such Member's Percentage of Interest no later than thirty (30) days following the date such notice is given.

(b) Unless approved by the Members, the Company shall not offer additional Units or any other interest in the Company for sale to third parties. If authorized by the Members, the purchase price for which additional Units shall be offered shall be determined by the Members. Purchasers of additional Units pursuant to this paragraph who are not already Members shall be admitted to the Company as Members in accordance with Section 8.1 hereof. The Managers are authorized to adjust the Percentages of Interest of the Members as appropriate to reflect the issuance of additional Units. Exhibit A shall be revised from time to time as necessary to record all changes in the ownership of the Company affected in accordance with this section, and Exhibit A as so revised shall be furnished to each Member.

5.3. **Failure to Contribute Additional Contributions.** In the event that a Member does not contribute his, her or its portion of the additional Capital Contribution provided for in Section 5.2(a) when due, then such Member's Membership Interest shall be reduced pro-rata by the proportion of the unpaid additional Capital Contribution of such Member to the aggregate of all Capital Contributions actually made by such Member pursuant to Section 5.1 and 5.2.

5.4. **Capital Accounts.**

(a) A Capital Account will be maintained for each Member in accordance with Section 1.704-1(b)(2)(iv) of the Treasury Regulations. Each Member's Capital Account will be increased by: (i) the amount of money or the fair market value of property contributed by such Member to the Company; (ii) allocations to each Member of Net Profits; and (iii) allocations to each Member of income described in Code Section 705(a)(1)(B). Each Member's Capital Account will be decreased by: (a) the amount of money distributed to each Member by the Company; (b) the Fair Market Value of property distributed to each Member by the Company, net of liabilities secured by such distributed property that such Member is considered to assume or take subject to, pursuant to Code Section 752; (c) allocations to the Member for expenditures described in Code Section 705(a)(2)(B); (d) allocations to each Member of Net Losses; and (e) allocations to the account of such Member of other Company losses and deductions as set forth in the Treasury Regulations.

(b) In the event of a permitted sale or exchange of a Membership Interest in the Company, the Capital Account of the transferor shall become the Capital Account of the transferee to the extent it relates to the transferred Membership Interest in accordance with Treasury Regulations Section 1.704-1(b)(2)(iv).

(c) A Member shall not receive out of the Company's property any part of its Capital Contribution until all liabilities of the Company, except liabilities to Members on account of their Capital Contributions, have been paid or there remains property of the Company sufficient to pay them.

5.5. **Securities Matters.** The undersigned Members understand: (i) that the Membership Interests evidenced by this Agreement have not been, and will not be, registered under the Securities Acts because the Company is issuing these Membership Interests in reliance upon the exemptions from the registration requirements of the Securities Acts; (ii) that the Company has relied upon the fact that the Membership Interests are to be held by each Member for investment; and (iii) that exemption from registrations under the Securities Acts would not be available if the Membership Interests were acquired by a Member with a view to distribution.

ARTICLE VI. ALLOCATIONS, DISTRIBUTIONS

6.1. **Allocations of Profits and Losses.**

(a) Except as provided in Section 6.2, Net Profits of the Company for each Fiscal Year shall be allocated to each Member in proportion to their Percentage of Interests.

(b) Except as provided in Section 6.2, Net Losses of the Company for each Fiscal Year shall be allocated to the Members in proportion to their Percentage of Interests.

6.2. **Special Allocations.**

Notwithstanding any other provisions of this Agreement to the contrary:

(a) No allocation of loss, deduction, and/or expenditures described in Code Section 705(a)(2)(B) shall be charged to the Capital Account of any Member if such allocation would cause such Member to have a Deficit Capital Account. The amount of the loss, deduction and/or expenditure which would have caused a Member to have a Deficit Capital Account shall instead be charged to the Capital Account of each Member who would not have a Deficit Capital Account as a result of the allocation, in proportion to their respective Capital Contributions.

(b) In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(4),(5), or (6), which create or increase a Deficit Capital Account of such Member, then items of Company income and gain (consisting of a pro rata portion of each item of Company income, including gross income, and gain for such year and, if necessary, for subsequent years) shall be specially credited to the Capital Account of such Member in an amount and manner sufficient to eliminate, to the extent required by the Treasury Regulations, the Deficit Capital Account so created as quickly as possible. This provision is intended to constitute a "qualified income offset" within the meaning of Treasury Regulation Section 1.704-1(b)(2)(ii)(d)(3) and shall be applied and interpreted consistent therewith.

(c) In the event any Member would have a Deficit Capital Account at the end of any Fiscal Year which is in excess of the sum of any amount that such Member is obligated to restore to the Company under Treasury Regulations Section 1.704-l(b)(2)(ii)(c) and such Member's share of minimum gain as defined in Treasury Regulation Section 1.704-2(g)(1), the Capital Account of such Member shall be specially credited with items of Company income (including gross income) and gain in the amount of such excess as quickly as possible.

(d) Notwithstanding any other provision of this section 6.2, if there is a net decrease in the Company's minimum gain as defined in Treasury Regulation Section 1.704-2(d) during a taxable year of the Company, then each Member shall be allocated items of income (including gross income) and gain for such year (and if necessary for subsequent years) equal to that Member's share of the net decrease in Company minimum gain. This section 6.2(d) is intended to comply with the minimum gain chargeback requirement of Treasury Regulation Section 1.704-2(f) and shall be interpreted consistently therewith. If in any taxable year that the Company has a net decrease in the Company's minimum gain, the minimum gain chargeback requirement would cause a distortion in the economic arrangement among the Members and it is not expected that the Company will have sufficient other income to correct that distortion, the Managers may in their discretion (and shall, if requested to do so by a Member) seek to have the Internal Revenue Service waive the minimum gain chargeback requirements in accordance with Treasury Regulation Section 1.704-2(f)(4).

(e) Items of Company loss, deduction and expenditures described in Code Section 705(a)(2)(B) which are attributable to any nonrecourse debt of the Company and are characterized as member nonrecourse deductions under Treasury Regulation Section 1.704-2(i) shall be allocated to the Members' Capital Accounts in accordance with Treasury Regulation Section 1.704-2(i).

(f) Beginning in the first taxable year in which there are allocations of "nonrecourse deductions," as described in Treasury Regulation Section 1.704-2(b), such deductions shall be allocated to the Members in accordance with, and as a part of, the allocations of Company Net Profit or Net Loss for such period.

(g) In connection with a Capital Contribution by a new or existing Member as consideration for one or more Units, or in connection with the liquidation of the Company or a distribution of money or other property (other than a de minimis amount) by the Company to a retiring Member as consideration for one or more Units, the Capital Accounts of the Members shall be adjusted to reflect a revaluation of Company property including intangible assets in accordance with Treasury Regulation Section 1.704-1(b)(2)(iv)(f). If under Treasury Regulation Section 1.704-1(b)(2)(iv)(f) Company property that has been revalued is properly reflected in the Capital Accounts and on the books of the Company at a book value that differs from the adjusted tax basis of such property, then depreciation, depletion, amortization and gain or loss with respect to such property shall be shared among the Members in a manner that takes account of the variation between the adjusted tax basis of such property and its book value, in the same manner as variations between the adjusted tax basis and Fair Market Value of property contributed to the Company are taken into account in determining the Members' shares of tax items under Code Section 704(c).

(h) All recapture of income tax deductions resulting from sale or disposition of Company property shall be allocated to the Members to whom the deduction that gave rise to such recapture was allocated hereunder to the extent that such Member is allocated any gain from the sale or other disposition of such Company property.

(i) Any credit or charge to the Capital Accounts of the Members under this section 6.2 shall be taken into account in computing subsequent allocations of profits and losses, so that the net amount of any items charged or credited to Capital Accounts shall be equal to the net amount that would have been allocated to the Capital Account of each Member pursuant to the provisions of this Article if the special allocations required by this Section 6.2 had not occurred.

(j) In accordance with Code Section 704(c)(1)(A) and Treasury Regulation Section 1.704-3, if a Member contributes property with a fair market value that differs from its adjusted basis at the time of contribution, income, gain, loss and deductions with respect to the property shall, solely for federal income tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company and its fair market value at the time of contribution.

6.3. **Distributions.**

(a) Notwithstanding anything herein to the contrary, the Managers may distribute available funds on an asset by asset basis or quarterly basis. If the managing member elects to distribute when an asset is sold, then a distribution will be made the following month. The priority for "distribution of proceeds" is as follows:

1) Costs to third parties or Managers expenses and servicing fees (for all assets)
2) Return of capital contribution in proportion to members' contribution for the sold assets.
3) Excess proceeds (or profit) in proportion to the Members' Percentage of Interest.

(b) The Company shall make a distribution to any Member from Distributable Cash to the extent that such Member is allocated income pursuant to Section 6.1 or Section 6.2 in excess of distributions received pursuant to Section 6.3(a), in an amount sufficient to defray federal, state and local tax liabilities of such Member with respect to such excess for the Fiscal Year, based upon the then-current highest marginal federal tax rate plus the then-current highest marginal state tax rate for the State of Texas.

ARTICLE VII. TRANSFERABILITY

7.1. **General.** Except as provided herein or as otherwise consented to in writing by the Members, a Member shall not Transfer all or any part of a Membership Interest. Any purported or attempted Transfer of all or any part of a Membership Interest in violation of this Article 7 shall be null and void and the purported transferee of such invalid Transfer shall not be entitled to have any interest in the Company transferred to such purported transferee on the books of the Company.

7.2. **Transfers Not Requiring Prior Consent.**

(a) A Member may, without first obtaining the written consents required in Section 7.1 above, Transfer by sale or gift all or any undivided share of its Membership Interest to any one or more of the following: (i) a partnership, limited liability company or corporation in which fifty percent (50%) or more of the capital and profit interests (in the case of a partnership or a limited liability company) or in which fifty percent (50%) or more of the capital stock (in the case of a corporation) is owned by or for the benefit of the Member; (ii) the Member's partners (if the Member is a partnership), the Member's members (if the Member is a limited liability company) or the Member's shareholders (if the Member is a corporation); (iii) the Company; and (iv) a Member or Members; provided any such transferee shall agree in writing to be bound by the terms and conditions of this Agreement as they applied to the transferring Member on the date of execution of this Agreement in the same manner as if the transferring Member had retained ownership of its Membership Interest (upon meeting the foregoing requirements, such transferee shall be referred to as a "Permitted Transferee").

(b) The Managing Member may, without first obtaining the written consents required in Section 7.1, transfer by sale, assignment or gift all or any undivided share over and above its fifty percent Membership Interest to a third party.

7.3. **Voluntary Transfer Procedure.**

(a) A Member who desires to Transfer all or any portion of a Membership Interest (the "Transferring Person") to a third party, except as permitted under Section 7.2, shall obtain from such third party a bona fide written offer to purchase such Membership Interest (the "Offered Interest"), stating the terms and conditions upon which the purchase is to be made and the consideration offered therefore (the "Offer"). The Transferring Person shall give written notification to the Managers and each of the Members, by certified mail or personal delivery, of his, her or its intention to Transfer the Offered Interest, furnishing to the Managers and each Member a copy of the Offer.

(b) Upon receipt of the written notice required under paragraph (a) above, the Company and the Members shall comply with the following procedure:

(i) The Company shall have thirty (30) days from the date of delivery of the notice required by paragraph (a) above to notify the Transferring Person in writing of the Company's election to redeem all or a part of the Offered Interest at the purchase price set forth in Section 7.4 of this Agreement, which decision of the Company shall be made by an affirmative vote of all of the Members.

(ii) If the Company does not elect to redeem all of the Offered Interest, the other Members shall have the right, within thirty (30) days of the date of the notice of nonelection by the Company or election as to less than all of the Offered Interest, to elect to purchase the remaining Offered Interest, and the Transferring Person shall sell such interest to the other Members at the purchase price set forth in Section 7.4 of this Agreement. Any Member desiring to acquire any or all of the Offered Interest shall deliver to the Managers and each of the Members a written election to purchase the Offered Interest.

(iii) If two or more Members of the Company elect to exercise the option to purchase the Offered Interest then, in the absence of an agreement between them, each Member shall have priority to purchase such proportion of the available interest that such Member's Percentage of Interest bears to the total Percentage of Interests held by all other Members electing to purchase. The portion of the Offered Interest not purchased on such a priority basis shall be allocated in one or more successive allocations to those Members electing to purchase more than the proportion of the Percentage of Interest to which they have a priority right, up to the proportion of the Offered Interest specified in their respective notices, in the proportion that the Percentage of Interests held by each of them bears to the total Percentage of Interest held by all of them.

(iv) If the Company and the Members do not exercise their rights to redeem or purchase, as the case may be, all of the Offered Interest pursuant to the terms set forth

in Section 7.3(b)(i) and Section 7.3(b)(ii) above, then the Transferring Person shall be free to Transfer the remaining part of the Offered Interest to the bona fide purchaser set forth in the Offer under the terms of the Offer, subject to the restrictions on such Transfer imposed by this Agreement or any other agreement or by law.

(v) If the Company exercises its right to redeem all or a part of the Offered Interest in accordance with Section 7.3(b)(i) above, the Transferring Person shall be obligated to sell such Offered Interest to the Company. If any or all of the Members exercise their rights to purchase all or a part of the Offered Interest in accordance with Section 7.3(b)(ii) above, the Transferring Person shall be obligated to sell such Offered Interest to such exercising Members. The closing of the Transfer of the Offered Interest from the Transferring Person to the Company or any Members pursuant to this Section shall be held at the principal offices of the Company not later than ninety (90) days after receipt of notice required by paragraph (a) above.

(c) In the event of the Transfer of all or any part of any Offered Interest by a Transferring Person to any third party, and as a condition to recognizing the effectiveness and binding nature of any such Transfer, the Company may require the Transferring Person or Transferring Person and the third party, as the case may be, to execute, acknowledge and deliver to the Members or Managers such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and to perform all such other acts which the Managers deem necessary or desirable.

7.4. **Purchase Price.** The purchase price to be paid to a Transferring Person for all or any part of such Transferring Person's Membership Interest redeemed by the Company or purchased by a Member under Section 7.3(b) shall be the lower of (i) the purchase price set forth in the Offer for such Membership Interest, or (ii) the product of (A) the Percentage of Interest represented by the Offered Interest multiplied by (B) the Fair Market Value of the Company as of the date of such redemption or purchase.

7.5. **Remedies.** The Members agree that a violation by any of them of this Article 7 will cause such damage to the Company and to the other Members as will be irreparable and the exact amount of which will be impossible to ascertain. For this reason, the Members agree that the Company shall be entitled as a matter of right to a decree of specific performance of the terms of this Article 7 or for temporary or permanent injunctive relief from any court of competent jurisdiction restraining any attempted or purported Transfer of interest in the Company in violation of this Article 7. In addition, any Member attempting or purporting to Transfer an interest in the Company in violation of this Article 7 and the purported transferee participating in the attempted or purported Transfer, shall be jointly and severally liable to reimburse and pay the Company for any and all costs, fees and expenses including without limitation any attorneys', accountants', and other professional fees and expenses actually expended or incurred by the Company in connection with any such violation, whether or not litigation ensues. The remedies set forth in this Section 7.6 shall be cumulative and in addition to whatever other rights and remedies the Company and the Members may have to protect their respective rights in the event of a violation of the provisions of this Article 7, including without limitation the right to recover damages including actual, compensatory, consequential, incidental and punitive damages.

7.6. **Effect of Transfer of Interest.** Upon the Transfer of any interest in the Company in accordance with the provisions of this Article 7, the transferee of such interest shall own and hold such interest in the Company as a transferee, subject to all the terms, conditions, and limitations of this Agreement, including without limitation restriction on any further Transfer of such interest as provided in this Article 7. Consent to such Transfer shall not constitute consent to the admission of the transferee as a Member of the Company. A transferee may become a Member only in accordance with the provisions of Section 8.1. Unless a transferee is admitted to the Company as a Member in accordance with the provisions of Section 8.1, such transferee shall not be entitled to any of the rights or benefits of a Member hereunder except the right to the share of profits and losses and distributions of assets based on the transferee's Percentage of Interest. Without limiting the generality of the preceding sentence, such transferee shall have no right (i) to vote upon, approve, or consent to, any matter requiring the vote, approval or consent of the Members, or (ii) to receive any information from the Company of the kind to which Members are entitled, or any other information.

ARTICLE VIII. ADMISSION AND WITHDRAWAL OF MEMBERS

8.1. **Admission of Members.** No additional Member may be admitted to the Company, except upon the prior written consent of and upon such additional Member signing, in person or by attorney-in-fact, or otherwise becoming a party to this Agreement; provided, however, each Permitted Assignee (as defined in Section 7.1) shall automatically be deemed to be a Member of the Company regardless of whether or not the Members consented to said transfer. No Member shall have the power to grant a transferee, and no transferee shall have, the right to become a Member of the Company except as specifically provided in the preceding sentence. If a Member who is an individual dies or a court of competent jurisdiction adjudges him or her to be incompetent to manage person or property, the Member's executor, administrator, guardian, conservator, or other legal representative may exercise all of the Member's rights for the purpose of settling his estate or administering his property and shall have any power the Member had to give his or her assignee a Percentage of Interest in Net Profits and Net Losses. Said assignee may not be admitted as a Member of the Company except upon the prior written consent of the Members.

8.2. **Withdrawal of Members.** No Member shall have any right to withdraw or resign as a Member of the Company prior to the dissolution and winding up of the Company, except upon a Transfer of all of his, her or its interest in the Company in accordance with the terms and conditions of Article 7. A Member who resigns or whose Membership Interest is otherwise terminated for any reason, shall not be entitled to receive any distributions to which such Member would have been entitled had such Member remained a Member. Damages for breach of this section 8.2 shall be monetary damages only and not specific performance, and such damages may be offset against distributions by the Company to which such Member would otherwise be entitled.

ARTICLE IX. WINDING UP AND TERMINATION

9.1. **Events Requiring Winding Up.** The Company shall be wound up upon the occurrence of any of the following events:

(a) Unanimous written consent of the Members; or

(b) The consent of a majority in number of the remaining Members to wind up the Company within ninety (90) days after the Company is wound up in accordance with the Texas Act.

9.2. **Winding Up, Liquidation and Distribution of Assets.** If an event requiring the winding up of the Company occurs, the Managers shall wind up the business of the Company and shall apply or distribute the assets of the Company, or shall sell the assets of the Company and apply or distribute proceeds thereof, as promptly as practicable and in the following order of priority:

(a) First, if there are sufficient assets therefore, to creditors of the Company, including Members who are creditors, to the extent permitted by law, in satisfaction of liabilities of the Company (whether by payment or the making of reasonable provision for payment thereof) other than liabilities for distributions to Members; and if there are insufficient assets, such claims and obligations shall be paid or provided for according to their priority and, among claims and obligations of equal priority, ratably to the extent of assets available therefore; and if there is any contingent, conditional, or unmatured debt, claim, obligation, or liability known to the Company, a reserve shall be established for it in accordance with law, in an amount determined by the Managers to be appropriate for such purpose;

(b) Second, to Members in satisfaction of liabilities for distributions; and

(c) Third, any remaining assets, to the Members in proportion to the positive balances in their respective Capital Accounts, and after all Capital Accounts have been reduced to zero, in accordance with their respective Percentages of Interest. The Company may offset damages for breach of this Agreement by a Member against the amount otherwise distributable to such Member hereunder.

(d) At the time final distributions, exclusive of any reserves for contingent, conditional or unmatured items, are made in accordance with clause (c) above, the Company shall terminate, but, if at any time thereafter, any reserve is released because the Managers determine the need for such reserve is ended, then such reserve shall be distributed in accordance with clause (c) above.

9.3. **Return of Contribution Nonrecourse to Members.** Except as provided by law or as expressly provided in this Agreement, upon winding up, each Member shall look solely to the assets of the Company for the return of his, her or its Capital Contribution. If the Company property remaining after the payment or discharge of the debts and liabilities of the Company is

insufficient to return the Capital Contribution of one or more Members, such Member or Members shall have no recourse against any other Member or the Manager.

ARTICLE X. MISCELLANEOUS

10.1. **Notice.** Any notice required or permitted to be given pursuant to the provisions of the Texas Act or this Agreement shall be effective as of the date personally delivered, delivered via facsimile with electronic confirmation, or delivered via overnight express mail, or if sent by certified mail, return receipt requested, three (3) days after being deposited with the United States Postal Service, prepaid and addressed to the intended recipient at the last known address as shown in the Company's records.

10.2. **Waiver of Notice.** Whenever any notice is required to be given under the provisions of the Texas Act or this Agreement, a waiver thereof, in writing, signed by the person entitled to such notice shall be deemed equivalent to the giving of such notice.

10.3. **Authority to Bind the Company.** Unless authorized to do so by this Agreement or by the Managers, no attorney-in-fact, employee or other agent of the Company shall have any power or authority to bind the Company in any way, to pledge its credit or to render it liable pecuniary for any purpose. No Member shall have any power or authority to bind the Company unless the Member has been authorized by the Managers to act as an agent of the Company.

10.4. **Waiver of Action For Partition.** Each Member irrevocably waives any right to maintain an action for partition with respect to the property of the Company during the term of the Company.

10.5. **Indemnification By Company.** The Company may indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Company) by reason of the fact that he is or was a Manager, Member, employee or agent of the Company, or is or was serving at the request of the Company, against expenses, including attorney's fees, judgments, fines and amounts paid in settlement actually and reasonably incurred in connection with such action, suit or proceeding if the Managers determine that he, she or it acted in good faith and in a manner reasonably believed to be in the best interest of the Company, and with respect to any criminal action or proceeding, had no reasonable cause to believe the conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not in itself create a presumption that the Person did or did not act in good faith and in a manner which was reasonably believed to be in the best interest of the Company, and, with respect to any criminal action or proceeding, had reasonable cause to believe the conduct was unlawful.

10.6. **Construction.** Whenever the context requires, as used in this Agreement, the singular shall include the plural and the masculine gender shall include the feminine and neuter genders, and vice versa.

10.7. **Articles and Other Headings.** The Articles and headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation thereof.

10.8. **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the remainder of this Agreement shall not be affected.

10.9. **Application of Texas Law.** This Agreement will be governed by the laws of the State of Texas, without giving effect to its conflicts of laws provisions.

10.10. **Disregarded Entity Tax Treatment Intended If One Member.** At any time when the Company has only one (1) Member, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a disregarded entity under the Code and not as a corporation, and the Managers and each Member shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company.

10.11. **Partnership Tax Treatment Intended If More Than One Member; Tax Administrative Matters.** At any time when there is more than one Member of the Company, the parties intend that the provisions of this Agreement will qualify the Company to be taxed as a partnership under the Code and not as a corporation, and the Managers and Members shall take such action from time to time as may be necessary or desirable to carry out such intention. The Managers may make any tax elections for the Company allowed under the Code or the tax laws of any state or other jurisdiction having taxing jurisdiction over the Company. The Members hereby designate Strategic Equity Investments, LLC. as the tax matters partner of the Company pursuant to Section 6231(a)(7) of the Code. The person designated tax matters partner shall not take any action contemplated by Section 6222 through 6232 of the Code without the approval of the Members.

10.12. **No Partnership Intended For Non-Tax Purposes.** The undersigned Members have formed the Company under the Texas Act, and as long as there is more than one Member of the Company such parties expressly do not intend hereby to form a partnership under either the Revised Uniform Partnership Act of the State of Texas nor the Revised Uniform Limited Partnership Act of the State of Texas. The Members do not intend to be partners one to another, or partners as to any third party. To the extent any Member, by word or action, represents to another person that any other Member is a partner or that the Company is a partnership, the Member making such wrongful representation shall be liable to any other Member who incurs personal liability by reason of such wrongful representation.

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CERTIFICATION

THE UNDERSIGNED hereby evidence their adoption and ratification of the foregoing Company Agreement of Elf Fork Capital LLC as of the date indicated below.

Strategic Equity Investments, LLC, as Member and Manager

Date: 3-9-2007

By: Robert Mangold
Its: PRESIDENT / CEO
Name: ROBERT MANGOLD

Leighton McKeen as Member

Date: 3/9/2007

By: Leighton McKeen
Its:
Name: LEIGHTON MCKEEN

EXHIBIT A

MEMBER CAPITAL CONTRIBUTIONS

REVISED AS OF MARCH 27, 2007

MEMBER	CAPITAL CONTRIBUTION	UNITS	PERCENTAGE OF INTEREST
Lee Houk Homes W284 N4955 Roosevelt's Quay Pewaukee, WI 53072	$220,000.00	28.57	28.57%
Strategic Equity Investments, LLC 11000 N. Scottsdale Rd Suite 121 Scottsdale, AZ 85254-6168	$200,000.00	25.975	25.975%
Michael Steil	$150,000.00	19.48	19.48%
Leighton McKeen	$200,000.00	25.975	25.975%
Total	$770,000.00	**100**	**100%**

EXHIBIT B

ASSET LIST

Address	City	State	Zip	Elf Fork Purchase Price
11426 Robson Street	DETROIT	MI	48227	$ 42,770.03
11945 W. Outer Dr.	DETROIT	MI	48223	$ 38,121.11
14161 Sussex	DETROIT	MI	48207	$ 41,840.25
14285 Corbett	DETROIT	MI	48213	$ 34,866.87
14434 Edmore Drive	DETROIT	MI	48205	$ 37,191.33
14975 Manning Street	DETROIT	MI	48205	$ 24,639.26
16840 Vaughan Street	DETROIT	MI	48219	$ 43,234.92
19307 Fenmore St	DETROIT	MI	48235	$ 31,612.63
19467 Westbrook	DETROIT	MI	48219	$ 32,542.41
19975 Westphalia St	DETROIT	MI	48205	$ 24,639.26
20040 Wexford St	DETROIT	MI	48234	$ 34,866.87
20134 Carrie Street	DETROIT	MI	48234	$ 9,297.83
2503 Lawndale St.	DETROIT	MI	48209	$ 32,542.41
303 Maplelawn St Se	GRAND RAPIDS	MI	49548	$ 32,495.92
436 Barker Ave NW	GRAND RAPIDS	MI	49504	$ 27,847.01
6700 Forrer Street	DETROIT	MI	48228	$ 32,077.52
7724 Plainview	DETROIT	MI	48228	$ 37,191.33
5331 W Court St	FLINT	MI	48532	$ 25,569.04
7836 Mansfield St	DETROIT	MI	48228	$ 20,920.12
815 Edison Avenue	LANSING	MI	48910	$ 25,336.59
9225 Vaughan Street	DETROIT	MI	48228	$ 34,866.87
9388 Burnette St	DETROIT	MI	48204	$ 22,779.69
9401 Mendota St	DETROIT	MI	48204	$ 25,569.04
9553 Westwood	DETROIT	MI	48228	$ 36,261.55
957 N Pinecrest Ave	WICHITA	KS	67208	$ 20,920.12
				$ 770,000.00

EXHIBIT C

SERVICING AGREEMENT

Owner:	Elf Fork Capital, LLC.
Owner's Address:	11000 North Scottsdale Road, Suite 121
Servicer:	Strategic Equity Investments, LLC
Servicer Address:	11000 North Scottsdale Road, Suite 121
Notes and/or REOs:	Attachment A

This servicing agreement was made and entered into this _____ day of _____, 2007, between SERVICER and OWNER.

OWNER shall initial below where appropriate.

Section 1. Servicing of Notes

Note Servicing:_OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "NOTES" and in that connection, to do the following:

A. To receive any and all payments due OWNER on the NOTES, which includes but is not limited to all monthly payments, all late payments and all payoffs in full or in part. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account;

B. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

C. To transmit OWNER's portion of such payments of principal and interest as required by laws, rules and regulations which are applicable. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

D. To provide periodic reporting on the OWNER's NOTES that SERVICER is servicing per this contract.

E. If the source of payment is not the maker of the NOTES, to so inform OWNER;

F. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

G. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the NOTES including but not limited to instituting foreclosure proceedings in the event of default or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the security of the Security Agreement or the priority thereof;

H. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have under the NOTES, including but not limited to Request for Reconveyance, Payoff Demands, Beneficiary Statements, Declarations and Notices of Default, bidding authorizations and other instructions to the Trustee of the NOTES;

I. To receive Notices of Default of prior encumbrances and to promptly notifiy OWNER of any default upon the Notes and any prior encumbrances;

J. To grant such extensions or loan modifications as SERVICER deems reasonably appropriate;

K. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the NOTES;

L. THE FOLLOWING PROVISIONS (1) & (2) APPLY ONLY TO LOANS IN WHICH OWNER HOLDS AN UNDIVIDED FRACTIONAL INTEREST IN THE NOTES:

1. A default upon any interest in the NOTES shall constitute a default upon all interests. A simple majority in interest of lenders may determine and direct the actions to be taken on behalf of all lenders in the event of default or with respect to other matters requiring the direction or approval of lenders, and such majority may designate the SERVICER to so act in their behalf.
2. SERVICER shall furnish to OWNER a list of names and addresses of all lenders holding an interest in the NOTES upon five (5) days written notice.

M. Fees will be according to the attached Fee Schedule.

Section 2 – Servicing of REOs

I. REO Servicing: OWNER hereby authorizes and instructs SERVICER, and SERVICER agrees to service the "REOs" and in that connection, to do the following:

A. Authorize SERVICER to act on behalf of OWNER as landlord to the REOs, where applicable;

B. Authorize SERVICER to manage, operate, control, rent and lease OWNER'S REOs.

C. Authorize SERVICER to contract for or undertake the making of all necessary repairs and the performance of all other necessary work for the benefit of the REOs including all required alterations to properly carry out this agreement. SERVICER agrees to secure prior written approval of the OWNER on expenditures in excess of $1,000 except emergency repairs in excess of the maximum if, in the opinion of SERVICER, such repairs are necessary to protect the property from damage, prevent damage to life or to the property of others;

D. To collect any and all payments due OWNER, which includes but is not limited to, all monthly RENT payments and all LATE payments. SERVICER is authorized to direct any payment to be made payable to SERVICER's Trust Account. There is a seven day hold on all checks to allow for clearing with the bank. Good funds are delivered to OWNER without a hold at the address shown herein. SERVICER will not use such payment for any other transaction other than the transaction for which the funds are received;

E. Any trust account SERVICER maintains under this agreement may be an interest-bearing or income producing account. SERVICER may retain any interest or income from such account as compensation under this agreement.

F. To hold security deposits from tenants in escrow or trust account until the end of tenancy.

G. To endorse to SERVICER's Trust Account any checks or money orders payable to OWNER and to immediately deposit same in SERVICER's Trust Account which is to be maintained in accordance with such laws and rules applicable thereto and as to which SERVICER will not commingle its assets;

H. To provide periodic reporting on the OWNER's REOs that SERVICER is servicing per this contract;

I. To cause SERVICER's Trust Account utilized for this transaction to be inspected as required by such laws, rules and regulations as are applicable thereto;

J. To take any other action which SERVICER deems necessary or convenient to the collection and servicing of the REOs including but not limited to instituting eviction proceedings in the event of default or selling of the REOs or making such payments for OWNER's account or taking such other action as SERVICER deems necessary or desirable to protect the OWNER's interest in the property. To advertise the property and display signs thereon; to rent and lease the property; to sign, renew and cancel rental agreements and leases for the property or any part thereof; to sue or recover for rent and for loss or damage to any part of the property and/or furnishings thereof; and, when expedient, to compromise, settle and release any such legal proceedings or lawsuits;

K. To execute and deliver on OWNER's behalf and in OWNER's name any documents necessary or convenient for the exercise of any rights or duties which OWNER may have

as to the REOs, including but not limited to evictions, listing the property for sale, selling the property, or renting the property;

L. To pay all operating expenses and such other expenses as requested by the OWNER from the rents received. This may include the payment of taxes and insurance;

M. OWNER may terminate SERVICER's authority hereunder only with 30 days written notice and upon repayment and/or payment of the following:

1. Any outstanding payments made by SERVICER on OWNER's behalf;
2. Any accrued expenses incurred by SERVICER in connection with servicing the REOs;

N. OWNER hereby agrees to hold SERVICER harmless from any and all claims, charges, debts, demand and lawsuits, including attorney's fees related to SERVICER's management of OWNER's REOs, and from any liability for injury on or about the properties which may be suffered by an employee, tenant or guest upon the properties.

O. Fees will be according to the attached Fee Schedule.

Section 3 – General Provisions

OWNER represents that all of the persons designated above are over the age of 18 and are competent.

Make OWNER Check Payable To:_Leighton McKeen

Address: [redacted]

City, State, Zip Code: [redacted], Az. [redacted]

DEFAULT: A party is in default if the party fails to cure a breach within 10 days after receipt of written demand from the other party. If either party is in default, the non-defaulting party may: (a) terminate this agreement by providing at least 10 days written notice; (b) recover all amounts due to the non-defaulting party under this agreement; (c) recover reasonable collection costs and attorney's fees; and (d) exercise any other remedy available at law. SERVICER is also entitled to recover any compensation SERVICER would have been entitled to receive if Owner did not breach this agreement.

MEDIATION: The parties agree to negotiate in good faith in an effort to resolve any dispute related to this agreement that may arise between the parties. If the dispute cannot be resolved by negotiation, the dispute will be submitted to mediation. The parties to the dispute will choose a mutually acceptable mediator and will share the cost of mediation equally.

ATTORNEY'S FEES: If OWNER or SERVICER is a prevailing party in any legal proceeding brought as a result of a dispute under this agreement or any transaction related to or

contemplated by this agreement, such party will be entitled to recover from the non-prevailing party all costs of such proceeding and reasonable attorney's fees.

SPECIAL PROVISIONS: This Agreement may be amended from time to time by the parties pursuant to a written agreement or addendum signed by the SERVICER and the OWNER.

ENTIRE AGREEMENT: This document contains the entire agreement of the parties and may not be changed except by written agreement.

ASSIGNMENTS: Neither party may assign this agreement without the written consent of the other party.

BINDING EFFECT: OWNER's obligations to SERVICER under this agreement are binding upon OWNER and OWNER's heirs, executors, successors, and permitted assignees.

JOINT AND SEVERAL: OWNERS executing this agreement are jointly and severally liable for the performance of all its terms. Any act or notice to , refund to , or signature of, any one or more of the OWNERS regarding any term of this agreement or its termination is binding on all OWNERS executing this agreement.

GOVERNING LAW: Texas law governs the interpretation, validity, performance, and enforcement of this agreement.

SEVERABILITY: If a court finds any clause in this agreement invalid or unenforceable, the remainder of this agreement will not be affected and all other provisions of this agreement will remain valid and enforceable.

CONTEXT: When the context requires, singular nouns and pronouns include the plural.

NOTICES: Notices between the parties must be in writing and are effective when sent to the receiving party's address as stated in this agreement.

MEMBER: Leighton McKeen
Signed: Leighton McKeen
Print Name: _____
Title: LEIGHTON MCKEEN

Date 3-2-2007

SERVICER: Strategic Equity Investments, LLC
Signed: Robert Mangold
Print Name: ROBERT MANGOLD
Title: PRESIDENT/CEO

Date _____

Fee Schedule

1. **Note Servicing:** (for current notes)
$12.00 per note per month for standard servicing support that includes, but not limited to item such as monthly mailings of statements and responding to borrower requests. In addition, Owners will pay any directly related expenses.

1. **Default Management Fee:** *(for non-performing and REO)*
$188.00 per Note or REO per month for standard default management support such as collections, skip tracing, coordinating foreclosures, responding to bankruptcy claims, and any overhead related to default management plus REO sales coordination, forced insurance placements, property management and evictions. In addition, all directly related fees or commissions, internal or outsourced, will be charged to OWNER's account

ATTACHMENT A

Address	City	State	Zip	Elf Fork Purchase Price
11426 Robson Street	DETROIT	MI	48227	$ 42,770.03
11945 W. Outer Dr.	DETROIT	MI	48223	$ 38,121.11
14161 Sussex	DETROIT	MI	48207	$ 41,840.25
14285 Corbett	DETROIT	MI	48213	$ 34,866.87
14434 Edmore Drive	DETROIT	MI	48205	$ 37,191.33
14975 Manning Street	DETROIT	MI	48205	$ 24,639.26
16840 Vaughan Street	DETROIT	MI	48219	$ 43,234.92
19307 Fenmore St	DETROIT	MI	48235	$ 31,612.63
19467 Westbrook	DETROIT	MI	48219	$ 32,542.41
19975 Westphalia St	DETROIT	MI	48205	$ 24,639.26
20040 Wexford St	DETROIT	MI	48234	$ 34,866.87
20134 Carrie Street	DETROIT	MI	48234	$ 9,297.83
2503 Lawndale St.	DETROIT	MI	48209	$ 32,542.41
303 Maplelawn St Se	GRAND RAPIDS	MI	49548	$ 32,495.92
436 Barker Ave NW	GRAND RAPIDS	MI	49504	$ 27,847.01
6700 Forrer Street	DETROIT	MI	48228	$ 32,077.52
7724 Plainview	DETROIT	MI	48228	$ 37,191.33
5331 W Court St	FLINT	MI	48532	$ 25,569.04
7836 Mansfield St	DETROIT	MI	48228	$ 20,920.12
815 Edison Avenue	LANSING	MI	48910	$ 25,336.59
9225 Vaughan Street	DETROIT	MI	48228	$ 34,866.87
9388 Burnette St	DETROIT	MI	48204	$ 22,779.69
9401 Mendota St	DETROIT	MI	48204	$ 25,569.04
9553 Westwood	DETROIT	MI	48228	$ 36,261.55
957 N Pinecrest Ave	WICHITA	KS	67208	$ 20,920.12
				$ 770,000.00

SECURITY AGREEMENT

Date: June 11, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Petula McLeod

Secured Party's Mailing Address:

Amount of Promissory Note: $225,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments,LLC ("Seller"), and Petula Mcleod ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 4 accounts with an aggregate principal balance of **$225,000**.

Executed this _____ day of June, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: _____

Dan BarnettZ:\Bobs Team\Team Docs\Notes\McLeod\Bill of Sale EXHIBIT B_McLeod.doc

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

Date

Petula McLeod

, Witness

, Witness

PROMISSORY NOTE

Date: June 11, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Petula McLeod

Place for Payment:

Principal Amount $225,000

Interest Rate: Twelve Percent (12%)

Maturity Date: June 11, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

M000583

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Petula McLeod

OSMI PN

COUNT	ADDRESS	CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	1867 13th Street NW	Akron	OH	44314	Stanley	Robert	$80,151.55	$80,000.00
2	1128 Jefferson Avenue	Evansville	IN	47714	January	Donald	$ 25,821.50	$ 39,500.00
3	34 Harvey Place	Buffalo	NY	14210	Kilianski	Thomas	$ 39,578.02	$ 58,000.00
4	1572 Tompkins St	Gary	IN	46406	Jackson	Marcell	$ 48,107.22	$ 55,000.00
5								
6								
7								
totals							$193,658.29	$232,500.00

Seller

Date

Buyer

Date

EXHIBIT "B"

Bill of Sale

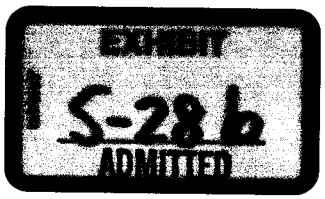
For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments,LLC ("Seller"), and John Walker ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 4 accounts with an aggregate principal balance of **$225,000**.

Executed this 7th day of June, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: _____



STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Petula McLeod

OSMI PN - 46

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	19247 Gable Street	Detroit	MI	48234	6/12/07	$90,000.00
2	2104 Chamberlin Avenue	Dayton	OH	45406	7/25/07	$32,000.00
3	352 Raymer Boulevard	Toledo	OH	43605	7/25/07	$35,000.00
7	479 Jackson	Peru	IN	46970	7/25/07	$37,500.00
5	718 Bellows	Columbus	OH	43222	7/25/07	$25,000.00
6	9859 Mapleton SE	Canton	OH	44730	7/25/07	$64,000.00
Totals						**$283,500.00**

Seller

Buyer

10-8-07

Date

Buyer

ACC001740
FILE #7920

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Petula McLeod

OSMI PN - 46

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	19247 Gable Street	Detroit	MI	48234	6/12/07	$90,000.00
2	2104 Chamberlin Avenue	Dayton	OH	45406	7/25/07	$32,000.00
3	352 Raymer Boulevard	Toledo	OH	43605	7/25/07	$35,000.00
7	479 Jackson	Peru	IN	46970	7/25/07	$37,500.00
5	718 Bellows	Columbus	OH	43222	7/25/07	$25,000.00
6	9859 Mapleton SE	Canton	OH	44730	7/25/07	$64,000.00
Totals						**$283,500.00**

Seller

10-8-07

Date

Buyer

Buyer

ACC001741
FILE #7920

Mortgage Assistance Corporation

P.O. Box 962724 • Dallas Tx • 75356-2724 • 877-656-2444 • fax 800-684-1339

OSMI PN-46

Loan Number	Address	City	State	Zip	BPO Date	BPO	UPB
7002001668	3823 SOUTH STATE ROAD 25	MENTONE	IN	46539	7/25/2007	$48,000.00	
7002001623	19247 GABLE STREET	Detroit	MI	48234	6/12/2007	$90,000.00	
7002001619	6850 METTETAL	DETROIT	MI	48228	6/11/2007	$90,000.00	
						$ 228,000.00	$0.00

Secured

Date

Debtor

10/29/07

Date

ACC001742

FILE #7920

STRATEGIC
EQUITY INVESTMENTS

NOTES COVER SHEET/PAY LOG

Investors Name: PETULA McCLEOD

Investment Amount: 225,000 Pool Number: _____

Investment Date: _____

Signing Date: _____

Originals In File: _____

Date Wire Sent: _____

OSMI Payment Received: _____

Dates Warrants Issued & Paid: _____

File Completed By; _____

Completion Date: _____

ACC001743
FILE #7920

SECURITY AGREEMENT

Date: June 11, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Petula McLeod

Secured Party's Mailing Address:

Amount of Promissory Note: $225,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments,LLC ("Seller"), and Petula Mcleod ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 4 accounts with an aggregate principal balance of **$225,000.**

Executed this _____ day of June, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: _____

Dan BarnettZ:\Bobs Team\Team Docs\Notes\McLeod\Bill of Sale EXHIBIT B_McLeod.doc

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

Date

Petula McLeod

, Witness

, Witness

PROMISSORY NOTE

Date: June 11, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Petula McLeod

Place for Payment:

Principal Amount $225,000

Interest Rate: Twelve Percent (12%)

Maturity Date: June 11, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

ACC001748
FILE #7920

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Petula McLeod

OSMI PN

COUNT	ADDRESS	CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	1867 13th Street NW	Akron	OH	44314	Stanley	Robert	$80,151.55	$80,000.00
2	1128 Jefferson Avenue	Evansville	IN	47714	January	Donald	$ 25,821.50	$ 39,500.00
3	34 Harvey Place	Buffalo	NY	14210	Kilianski	Thomas	$ 39,578.02	$ 58,000.00
4	1572 Tompkins St	Gary	IN	46406	Jackson	Marcell	$ 48,107.22	$ 55,000.00
5								
6								
7								
totals							$193,658.29	$232,500.00

Seller

Date

Buyer

Date

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Petula McLeod

OSMI PN - 46

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	19247 Gable Street	Detroit	MI	48234	6/12/07	$90,000.00
2	2104 Chamberlin Avenue	Dayton	OH	45406	7/25/07	$32,000.00
3	352 Raymer Boulevard	Toledo	OH	43605	7/25/07	$35,000.00
7	479 Jackson	Peru	IN	46970	7/25/07	$37,500.00
5	718 Bellows	Columbus	OH	43222	7/25/07	$25,000.00
6	9859 Mapleton SE	Canton	OH	44730	7/25/07	$64,000.00
Totals						**$283,500.00**

Seller

Buyer

10-8-07

Date

Buyer

ACC001749
FILE #7920

Mortgage Assistance Corporation

P.O. Box 96724 • Dallas Tx • 75336-0724 • 877-656-2444 • fax 800-688-1335

ACC001750
FILE #7920

OSMI PN-46

Loan Number	Address	City	State	Zip	BPO Date	BPO	UPB
7002001668	3823 SOUTH STATE ROAD 25	MENTONE	IN	46539	7/25/2007	$48,000.00	
7002001623	19247 GABLE STREET	Detroit	MI	48234	6/12/2007	$90,000.00	
7002001619	6850 METTETAL	DETROIT	MI	48228	6/11/2007	$90,000.00	
						$ 228,000.00	$0.00

Secured

Date

Debtor

Date 10/29/07

207.6796

Dated: 10/01/2006 CORPORATION ASSIGNMENT of MORTGAGE

Return To:
RESIDENTIAL FUNDING COMPANY, LLC
One Meridian Crossings
Minneapolis, MN 55423

RFC Loan Number: 8935064
Seller Loan Number: 2080030944510

MIN: 100077910001093356 MERS Phone: 1-888-679-6377

FOR VALUE RECEIVED, Mortgage Electronic Registration Systems, Inc. ("MERS")

the undersigned hereby grants, assigns and transfers to

The Bank of New York Trust Company, N.A. as successor to JPMorgan Chase Bank, N.A. as Trustee

c/o Residential Funding Company, LLC 2255 N Ontario, Suite 400, Burbank, CA 91504-3190

all beneficial interest under that certain Mortgage dated 10/22/2003
executed by ARKON ABDULRAZZAK

TO/FOR:

and recorded in Book _____ on Page _____ as Instrument No. _____ on _____
of official Records in the County Recorder's Office of _____ County, Michigan.

ACC001762
FILE #7920

Mortgage Assistance Corporation
Miscellaneous Disbursement Payment Approval Report

Setup By: sheffieldm
Setup Date: 11/02/2007
Effective Date 11/2/2007 12:00:00A
Money Type: Personal Check

Batch ID **7920**
Description 7002001668

LoanID	TranDesc\Fee Group\Fee	TranCode	Amount	Posted	Override	Stop	Reject	GLPlan	InvestorID	PoolGroup
7002001668	Legal Fees Disb Foreclosure FC-Attorney Fees	720	$-100.00	Unpos	0	0	0	REO FS-Cost Not Recouped	MAC	70718

Approval Signature : NDM
Approval Date: 11/5/07
Needed by:
GL Debit #
GL Credit #

Borrower Name SPARKMAN, SHERRY D
Property Address Data: 3823 SOUTH STATE ROA

MENTONE IN

Special Instructions:

Payee Name **Feiwell & Hannoy, P.C.**
Payee ID IN FEIW
Address P.O. Box 7232
City, State ZIP Indianapolis IN 46206-7232

Return to Requestor: ☐ Yes ☑ No **Emergency Disb Rqst:**

	TranCode	Amount	Posted	Override	Stop	Reject	GLPlan	InvestorID	PoolGroup
7002001668 Legal Fees Disb Foreclosure FC-Foreclosure Fees	720	$-394.00	Unpos	0	0	0	REO FS-Cost Not Recouped	MAC	70718

Approval Signature :
Approval Date: 11/5/07
Needed by:
GL Debit #
GL Credit #

Borrower Name SPARKMAN, SHERRY D
Property Address Data: 3823 SOUTH STATE ROA

MENTONE IN

Special Instructions:

Payee Name **Feiwell & Hannoy, P.C.**
Payee ID IN FEIW
Address P.O. Box 7232
City, State ZIP Indianapolis IN 46206-7232

Return to Requestor: ☐ Yes ☑ No **Emergency Disb Rqst:**

Batch Amount Total: **($494.00)**
Batch Items Count: **2**

ACC001763
FILE #7920

FEIWELL & HANNOY, P.C.
Remit To:
P. O. Box 7232
Dept 167
Indianapolis, IN 46206-7232
Phone: 317/237-2727 Fax: 317/237-2750

Federal I.D. #35-1940929

September 27, 2007

Mortgage Assistance Corporation
1341 West Mockingbird Lane, Suite 1200 W
Dallas, TX 75247

INVOICE

Matter ID: 3523-6.

Client ID: MOAS.

Invoice # 371271

Sparkman, Sherry
7002001668
Conv
3823 South State Road 25
Mentone, IN 46539

7002001668
MMC

LF

For Professional Services Rendered:

09/25/2007	Attorney Fee for Foreclosure - Sheriff Sale	$100.00
	Total Professional Services:	*$100.00*

FC-Atty

For Disbursements Incurred:

09/18/2007	Check # 121989 Kosciusko County Sheriff; Disbursement for PUBS $70.00 SC $200.00 Sparkman 3243-2559 jbz	$70.00
09/18/2007	Check # 121989 Kosciusko County Sheriff; Disbursement for PUBS $70.00 SC $200.00 Sparkman 3243-2559 jbz	$200.00
09/25/2007	Statewide Title Co., Inc. Verification of senior tax lien under IC 32-30-10-12.	$25.00
09/25/2007	Title Search Product	$26.00
09/25/2007	Deed Recording	$23.00
09/25/2007	Foreclosure Guarantee - Sales Complete	$50.00
	Total Disbursements Incurred:	*$394.00*

FC Fees

INVOICE SUMMARY

For Professional Services:	*$100.00*
For Disbursements Incurred:	*$394.00*
Total this Invoice:	***$494.00***

7920

This is a final invoice for foreclosure, and includes the final fee and costs incurred to date. Additional costs may be advanced post-sale and will be invoiced to you as soon as practicable. This invoice does not include any outstanding fees or expenses that have been previously billed. This invoice does not include litigation charges, if applicable, as they are being billed separately.

Clear Capital

10875 Pioneer Trail Second Floor
Trukee, CA 96161
Phone No: (530) 550-2500
Fax No: (530) 550-9218

BPO - BPO Services - Completed *- INVOICE*

GMAC Mortgage Corporation

500 Enterprise Road
Horsham, PA 19044

Re: SPARKMAN, SHERRY D
3823 SOUTH STATE ROAD 25
MENTONE, IN 46539

Loan #: 7437984271
Loan Type: Conventional
Inv. ID / Cat. ID 90790 / 00070
Cost Center:
CONV Case No:
Outsourcer:

Invoice #:	1635252
Invoice Status:	Check Confirmed
Input By:	Troy Campbell
Date Submitted:	9/7/2007
Invoice Date:	9/7/2007
Vendor Ref #:	
Vendor Code:	CLEAR
Payee Code:	46297
Tax #:	680474135
Type:	Non-Judicial

Submitted Date	1st Reviewed	Last Reviewed	Accepted Date	Approved Date	Ck Requested	Ck Confirmed
9/7/2007				9/7/2007	9/7/2007	9/10/2007

Fee Description(s)	*Item Date*	*Qty*	*Item Price*	*Orig. Billed*	*Adjust*	*Net*
Attorney Fees-Allowable	*09/13/2007*	*1*	*$150.00*	*$150.00*	$0.00	*$150.00*
Attorney Fees-Preparation of Loan Assignment	*03/23/2007*	*1*	*$35.00*	*$35.00*	$0.00	*$35.00*
Note: Allowable Okay						
				$185.00	**$0.00**	***$185.00***

Cost Description(s)	*Item Date*	*Qty*	*Item Price*	*Orig. Billed*	*Adjust*	*Net*
Recording Costs-Loan Assignment	*03/30/2007*	*1*	*$12.00*	*$12.00*	$0.00	*$12.00*
Sale Costs-Sheriff Costs	*09/13/2007*	*1*	*$125.00*	*$125.00*	$0.00	*$125.00*
Sale Costs-Sale Publication	*09/13/2007*	*1*	*$125.00*	*$125.00*	$0.00	*$125.00*
Valuation Costs-BPO with pictures - Exterior	*09/07/2007*	*1*	*$95.00*	*$95.00*	$0.00	*$95.00*
				$357.00	**$0.00**	***$357.00***
Total:				***$542.00***	**$0.00**	***$542.00***

Payment Information

Request Date	Check/ACH #	Payment Date	Amount
9/7/2007	32181135	9/10/2007	$95.00

No checks have been confirmed.

Invoice Chronology

Created	Servicer User	Vendor User	Action
9/7/2007		TCAMPBELL	Created
9/7/2007		TCAMPBELL	Submitted
9/7/2007	AutoApprover		Instant Auto Approved
9/7/2007			Check Requested
9/10/2007			Check Confirmed

Invoice History

Invoice #	Submitted	Approved	Dept	Vdr Type	Vendor Name	Status	Checks	Fees	Costs	Total
1635252	9/7/2007	9/7/2007	BPO	Valuations	Clear Capital	Check Conf	32181135	$0.00	$95.00	$95.00
368669	9/13/2007	9/14/2007	Foreclosure	Attorney	Feiwell & Hannoy, P.C.	Check Conf	40087095	$185.00	$262.00	$447.00

Invoice Level Exceptions

Invoice Level Comment

Feiwell & Hannoy, P.C.

Dept. 167 P.O. Box 7232

Indianapolis, IN 46206 7232

Phone No: (317) 237-2713

Fax No: (317) 237-2750

Foreclosure - Service Released ***- INVOICE***

GMAC Mortgage Corporation

500 Enterprise Road
Horsham, PA 19044

Re:	SPARKMAN, SHERRY D
	3823 SOUTH STATE ROAD 25
	MENTONE, IN 46539
Loan #:	7437984271
Loan Type:	Conventional
Inv. ID / Cat. ID	90790 / 00070
Cost Center:	
CONV Case No:	

Invoice #:	368669
Invoice Status:	Check Confirmed
Input By:	Barinder Chawla
Date Submitted:	9/13/2007
Invoice Date:	9/13/2007
Vendor Ref #:	3243-2559
Vendor Code:	FEIWELL
Payee Code:	70524
Tax #:	351940929
Type:	Judicial
Referral Date:	3/6/2007
First Legal Action:	
Legal Action:	3/16/2007
Sale Date:	
Reason Sale Cancelled:	Service Released

Outsourcer:

Submitted Date	1st Reviewed	Last Reviewed	Accepted Date	Approved Date	Ck Requested	Ck Confirmed
9/13/2007				9/14/2007	9/14/2007	9/17/2007

Fee Description(s)	Item Date	Qty	Item Price	Orig. Billed	Adjust	Net
Attorney Fees-Allowable	09/13/2007	1	$150.00	$150.00	$0.00	$150.00
Attorney Fees-Preparation of Loan Assignment	03/23/2007	1	$35.00	$35.00	$0.00	$35.00
Note: Allowable Okay						
				$185.00	**$0.00**	**$185.00**

Cost Description(s)	Item Date	Qty	Item Price	Orig. Billed	Adjust	Net
Recording Costs-Loan Assignment	03/30/2007	1	$12.00	$12.00	$0.00	$12.00
Sale Costs-Sheriff Costs	09/13/2007	1	$125.00	$125.00	$0.00	$125.00
Sale Costs-Sale Publication	09/13/2007	1	$125.00	$125.00	$0.00	$125.00
Valuation Costs-BPO with pictures - Exterior	09/07/2007	1	$95.00	$95.00	$0.00	$95.00
				$357.00	**$0.00**	**$357.00**
Total:				**$542.00**	**$0.00**	**$542.00**

Payment Information

Request Date	Check/ACH #	Payment Date	Amount
9/14/2007	40087095	9/14/2007	$12.00

No checks have been confirmed.

Request Date	Check/ACH #	Payment Date	Amount
9/14/2007	40087095	9/14/2007	$125.00

No checks have been confirmed.

Request Date	Check/ACH #	Payment Date	Amount
9/14/2007	40087095	9/14/2007	$185.00

No checks have been confirmed.

Invoice Chronology

Created	Servicer User	Vendor User	Action
9/13/2007		bchawla2	Created
9/13/2007		bchawla2	Submitted
9/14/2007	jcallan		Approved
9/14/2007			Check Requested
9/17/2007			Check Confirmed

Invoice History

Invoice #	Submitted	Approved	Dept	Vdr Type	Vendor Name	Status	Checks	Fees	Costs	Total
1635252	9/7/2007	9/7/2007	BPO	Valuations	Clear Capital	Check Conf	32181135	$0.00	$95.00	$95.00
368669	9/13/2007	9/14/2007	Foreclosure	Attorney	Feiwell & Hannoy, P.C.	Check Conf	40087095	$185.00	$262.00	$447.00

Invoice Level Exceptions

Execution Date Time: 09/17/2007 10:56:57 AM

Same Service Date

Invoice Level Comment

MESSAGE(S)

FCL/WORK 681 9/17/2007 11:54:21 AM ETPFSP823 5 6

Account Nbr: 7437984271 Name: SHERRY D SPARKMAN Note Panel: .

General Information

Property Type: 10

State: IN FCL Type: JUD Insurer:

Resume: . Resume Date: 00/00/00

Redeemed: 00/00/00 Price: 0.00

HUD Timeline Work Orders

MERS Information

MERS: N

MERS Option: 0

MOM: Y

MIN: 100077910002101679

Actions

Create Bid: N

Convey: N

Eviction: N

Deficiency: N

Cancel: N

Overall Task Information

Total Scheduled Days: 270

Total Elapsed Days: 208

Last Task Completion Elapsed Days: 11

Selected Task Information

Completion Teller: 8034 Date: 00/00/00

Completion Variance Days: 0

Vendor Information

Sort By Completed / Uncompleted Tasks (C/U): .

Task Delay Reason History

C / U L / R	Task Nbr	Task Description	Dep Task	Scheduled Date	Follow Up Date	Completed Date	Resp Code	Delay Rsn	Delay Rsn Date	Delay Reason
	0		0	00/00/00	00/00/00	00/00/00	.			
	1	FORECLOSURE APPROVAL	0	02/21/07	00/00/00	02/21/07	E1	N	00/00/00	
	2	REFERRED TO ATTORNEY	1	02/21/07	00/00/00	02/28/07	E1	N	00/00/00	
	601	FIRST LEGAL ACTION	2	03/08/07	03/31/07	03/16/07	E1	N	00/00/00	
	623	TITLE RECEIVED	601	04/07/07	03/23/07	03/16/07	E1	N	00/00/00	
	625	SERVICE COMPLETED	601	04/07/07	05/30/07	03/29/07	E1	N	00/00/00	
	602	JUDGMENT DATE	601	06/10/07	07/29/07	06/13/07	E1	N	00/00/00	
	603	PRE-SALE REDEMPTION	602	06/19/07	06/29/07	06/14/07	E1	N	00/00/00	
	609	BIDDING INSTRUCTIONS	602	08/20/07	08/23/07	09/06/07	E1	N	00/00/00	
	604	SALE SCHEDULED	602	08/30/07	09/02/07	08/10/07	E1	N	00/00/00	
	9000		0	00/00/00	00/00/00	00/00/00			00/00/00	

Ovrd: 0

Message: OK INQUIRY ONLY MORE...

Command: Submit Reset PrintAll

ACC001769
FILE #7920

MESSAGE(S)

FCL/WORK 681 9/17/2007 11:54:29 AM ETPFSP823 5 6

Account Nbr: 7437984271 Name: SHERRY D SPARKMAN Note Panel: N

General Information

Property Type: 10

State: IN FCL Type: JUD Insurer:

Resume: . Resume Date: 00/00/00

Redeemed: 00/00/00 Price: 0.00

HUD Timeline Work Orders

MERS Information

MERS: N

MERS Option: 0

MOM: Y

MIN: 100077910002101679

Actions

Create Bid: N

Convey: N

Eviction: N

Deficiency: N

Cancel: N

Overall Task Information

Total Scheduled Days: 270

Total Elapsed Days: 208

Last Task Completion Elapsed Days: 11

Sort By Completed / Uncompleted Tasks (C/U): .

Selected Task Information

Completion Teller: 8034 Date: 00/00/00

Completion Variance Days: 0

Vendor Information

Task Delay Reason History

C / U L / R	Task Nbr	Task Description	Dep Task	Scheduled Date	Follow Up Date	Completed Date	Resp Code	Delay Rsn	Delay Rsn Date	Delay Reason
	0		0	00/00/00	00/00/00	00/00/00	.			
	605	FORECLOSURE SALE	604	08/30/07	09/25/07	00/00/00	E1	N	00/00/00	
	606	ACQUIRED	605	08/30/07	09/25/07	00/00/00	E1	N	00/00/00	
	610	SALE DEED RECORDED	606	09/14/07	10/10/07	00/00/00	E1	N	00/00/00	
	622	DEED EXECT-RETRN ATT	610	09/21/07	10/17/07	00/00/00	E1	N	00/00/00	
	1000	FILE CLOSED	1	11/18/07	00/00/00	00/00/00	E1	N	00/00/00	
	0		0	00/00/00	00/00/00	00/00/00			00/00/00	
	0		0	00/00/00	00/00/00	00/00/00			00/00/00	
	0		0	00/00/00	00/00/00	00/00/00			00/00/00	
	0		0	00/00/00	00/00/00	00/00/00			00/00/00	
	9000		0	00/00/00	00/00/00	00/00/00			00/00/00	

Ovrd: 0

Message: OK INQUIRY ONLY BOTTOM

Command: Submit Reset PrintAll

ACC001770
FILE #7920

MESSAGE(S)

FCL/INFO

681 9/17/2007 11:54:37 AM ETPFSP0821

Account Nbr: 7437984271 Name: SHERRY D SPARKMAN

Teller Nbr: 8034 Office Code: 0 Acquisition Code:

General Information

Foreclosure Type: JUD State: IN

Attorney: FEIWELL & HANN MERS: N

Atty Phone: 3172372727 MOM Loan: Y

Insurer:

Investor: RFC SUBPRIME A/

Date Reinstated: 00/00/00

Other Information

Multiple Loans: N Pended For BKR: N

Loss Draft: N Loss Mitigation: Y

Property Vacant : FCL Contested: N

Mortgagor Liable: Y Junior Liens: N

IRS 1099A: F IRS 1099C: F

Outbid: N View: N VA Info: N View: N

General Dates

Next Due:	12/01/06
FCL Approved:	02/21/07
Appealed:	00/00/00
Appeal Denied:	00/00/00
Appeal Apprroved:	00/00/00
Referred to Attorney:	02/28/07
Action Started:	03/16/07
Redemption Expired:	00/00/00
Sale Scheduled:	08/10/07
Projected / Actual Sale:	09/25/07
Acquired:	00/00/00
Date Assigned:	00/00/00
Date FCL Resumed:	00/00/00

Financial Information

Total Amount Due:		9662.14
Appraised Value:		42000.00
Bid Amount:		31500.00
Sale Amount:		0.00
Acquisition Principal Balance:		0.00
Insurance Bid:		0.00
Deficiency Date / Amount:	00/00/00	0.00
Balance:		0.00
Amount Collected:		0.00

Charge Off Information

PCO Amount: 0.00 Last PCO Dt: 00/00/00

Full / Final Charge Off: N Date: 00/00/00

Charged Off Principal Balance: 0.00

Charge Off Sale Reason:

Charged Off Sale Reason Date: 00/00/00

Next Task Information

Due Date: 08/30/07 Task Number: 605 Description: FORECLOSURE SALE

Prior Bankruptcy Action

Chapter: 0 Case Number:

Date Filed: 00/00/00

Date Discharged: 00/00/00

DATE DSMSD: 00/00/00

Conversion Date: 00/00/00

Prior Bankruptcy Action

Chapter: 0 Case Number:

Date Filed: 00/00/00

Date Discharged: 00/00/00

DATE DSMSD: 00/00/00

Conversion Date: 00/00/00

Message: OK INQUIRY ONLY

Command:

Submit Reset PrintAll

ACC001771

FILE #7920

MESSAGE(S)

FIELD SERVICE/REQUEST INSPECTION

681 9/17/2007 11:54:45 AM ETPFSP068

Account Number 7437984271 Ln Tp 1 Sb Tp 8 Pdtodt 11/01/06 Ovrd 0

Prop Pres Tracking? N

Order Inspection (Y/N/P/V)? Valuation Type

Requestor Code Type

Requestor Department I Vend Mnem Vendor Code 0

Inspection Type Vendor Name

Photo Requirements

Field Service Co Override 0 0

Sp Instr

Vndr Unique

Comments:

Prior Inspections Ordered

Cancel (Y/N/P)	Insp Status	Date Ordered	Date Completed	Insp Type	P/M Addrs	Photo Req	Field Co	Srvc Payee	Request Dept	Requestor Code
N	C	08/30/07	09/04/07	R	P	A	2501	1701	F	1150
N	C	08/06/07	08/08/07	F	P	A	1700	0	F	AUTO DELQ
N	C	07/04/07	07/09/07	F	P	A	1700	0	F	AUTO DELQ

Message: OK INQUIRY ONLY

Command:

Submit Reset PrintAll

ACC001772
FILE #7920

MESSAGE(S)

FCL/EXPENSE/PAY 681 9/17/2007 11:54:52 AM ETPFSP930 5 6

Inv ZZ12614965 Vend 70524 Resp Cd LA Vendname FEIWELL & HANNOY Action I

Acct No.: 7437984271 Mtg Name: SHERRY D SPARKMAN Chk # 40087095

Dt Pmt Reqd 09/14/07 Inv Dt 09/14/07 Dt Pd 09/14/07 Old Chk # 0

Exp Code	Description	R N	Purchase Number	Ord T Y	Date Work Performed	Orig Exp	Est Amt	Amount Billed	Amount Paid
16	Commissioner/Sheri	R	ZZ-001040121	F	09/13/07	0.00		125.00	125.00
27	Foreclosure Fee	R	ZZ-001040118	F	09/13/07	900.00		185.00	185.00
35	Publication	R	ZZ-001040120	F	09/13/07	210.00		125.00	125.00
37	Recording Fees	R	ZZ-001040119	F	09/13/07	0.00		12.00	12.00
0									
0									
0									
0									
0									
0									
0									
0									

HOW PD: B Ovrd 0 Total: Bill 447.00 Paid 447.00 Credit 0.00

Message: OK BOTTOM

Command:

Submit Reset PrintAll

ACC001773
FILE #7920

Homecomings Financial, LLC
P.O. Box 205

Waterloo IA 50704

DATE 09/17/07

HISTORY FOR ACCOUNT 7437984271

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

------ DATES ------		---- CURRENT BALANCES -----		------- UNCOLLECTED -------	
PAID TO	11/01/06	PRINCIPAL	73423.89	LATE CHARGES	0.00
NEXT DUE	12/01/06	ESCROW	-186.66	OPTIONAL INS	0.00
LAST PMT	11/16/06	UNAPPLIED FUND	0.00	INTEREST	0.00
AUDIT DT	06/29/04	UNAPPLIED CODES		FEES	-1883.25
		BUYDOWN FUND	0.00	------ YEAR TO DATE -------	
LAST ACTIVITY		BUYDOWN CODE		INTEREST	0.00
09/14/07				TAXES	186.66

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
090704	UFU	080104	UNAPPLIED FUNDS (1)		268.01 BALANCE	268.01
090704	SR	080104	268.01	.00	.00	.00
091504	UFU	080104	UNAPPLIED FUNDS (1)		-268.01 BALANCE	0.00
091504	SR	080104	-268.01	.00	.00	.00
091504	CTR	080104	-268.01	-268.01	.00	.00
091504	RP	090104	536.02	53.89	482.13	.00
092704	RP	100104	536.02	54.24	481.78	.00
110904	RP	110104	536.02	54.59	481.43	.00
110904	CT	110104	20.00	20.00	.00	.00
120604	RP	120104	536.02	55.07	480.95	.00
010705	RP	010105	536.02	55.43	480.59	.00
022205	RP	020105	536.02	55.78	480.24	.00
031105	RP	030105	536.02	56.14	479.88	.00
031105	SR	030105	26.80	.00	.00	.00
			OPT PREMIUMS	.00	LATE CHARGE PYMT	26.80
032805	RP	040105	536.02	56.50	479.52	.00

W COMMENT BASED ON YOUR CONTACT WITH BORROWER.
GN. PLEASE DO NOT CLEAR THIS AUTOQ. PLEASE ADD NE
050505 DM 000000 T:99998 04:00:00
PROMISE TO PAY 6 QUICK COLLECTEI SCORE TEST CAMPAI
050505 DM 000000 T:99998 04:00:00
CL/PPQ6 TGT: 20050531 CLR: 00000000 BY: KF
VERF INFO ADVSD OF TAD
TPRFD;SINGLE MOM NOT GETTING CHILD SUPPORT FROM EX
CONTACT NO PROMISE TO PAY - OUTBOUNDP/R TT B1 NO P
051605 DM 000000 T:99998 04:00:00
CL/CNPO TGT: 20050518 CLR: 00000000 BY: RCOMBS

ALL BKR 8034

ACC001774
FILE #7920

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
052005	DM	000000	T:99998	04:00:00		
				B&R ENVELOPE CONFIRMED		
052005	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050525 CLR: 00000000 BY: ICHO		
052305	RP	050105	562.82	56.87	479.15	.00
		OPT PREMIUMS		.00	LATE CHARGE PYMT	26.80
				YOUR CONTACT		
				FOR ADHOC CAMPAIGNS, PLEASE ADD NEWCODE BASED ON		
				PROMISE TO PAY 6 QUICK COLLECTTHIS IS A TEST AUTOQ		
060705	DM	000000	T:99998	04:00:00		
				CL/PPQ6 TGT: 20050630 CLR: 00000000 BY: JSTEWAR1		
				B&R ENVELOPE CONFIRMED		
061605	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050621 CLR: 00000000 BY: ICHO		
062005	RP	060105	536.02	57.23	478.79	.00
				B&R ENVELOPE CONFIRMED		
070505	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050710 CLR: 00000000 BY: ICHO		
070605	RP	070105	536.02	57.60	478.42	.00
070605	SR	070105	26.80	.00	.00	.00
		OPT PREMIUMS		.00	LATE CHARGE PYMT	26.80
				PLEASE ADD ANOTHER AUTOQ BASED ON YOUR CONTACT		
				FOR OUTBOUND CALL CAMPAIGNS, PLEASEDO NOT CLEAR,		
				PROMISE TO PAY 6 QUICK COLLECTTHIS IS A TEST AUTOQ		
070705	DM	000000	T:99998	04:00:00		
				CL/PPQ6 TGT: 20050731 CLR: 00000000 BY: JSTEWAR1		
				CODE BASED ON YOUR CONTACT WITH THE BORROWER.		
081005	DM	000000	T:99998	04:00:00		
				FOR AD HOC CAMPAIGNS.PLEASE ADD YO UR OWN COMMENT		
				AD-HOC CAMPAIGN NO DOWNLOAD O THIS IS A TEST AUTOQ		
081005	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20050831 CLR: 00000000 BY: JSTEWAR1		
				B&R ENVELOPE CONFIRMED		
081205	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050817 CLR: 00000000 BY: ICHO		
081605	RP	080105	536.02	57.97	478.05	.00

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
090705	DM	000000	T:99998	04:00:00		
				ENT CODE BASED ON YOUR CONTACT WITH THE BORROWER		
				FOR OUTBOUND CAMPAIGNS, PLEASE ADD Y OUR OWN COMM		
				AD-HOC CAMPAIGN NO DOWNLOAD Y THIS IS A TEST AUTOQ		
090705	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20050930 CLR: 00000000 BY: JSTEWAR1		
				B&R ENVELOPE CONFIRMED		
091205	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050917 CLR: 00000000 BY: ICHO		
091405	RP	090105	536.02	58.35	477.67	.00
				AD-HOC CAMPAIGN NO DOWNLOAD		
100705	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20051031 CLR: 00000000 BY: KF		
				B&R ENVELOPE CONFIRMED		
101005	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20051015 CLR: 00000000 BY: ICHO		
101305	RP	100105	536.02	58.72	477.30	.00
				B&R ENVELOPE CONFIRMED		
110805	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20051113 CLR: 00000000 BY: ICHO		
				AD-HOC CAMPAIGN NO DOWNLOAD		
110805	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20051130 CLR: 00000000 BY: KF		
111005	RP	110105	536.02	59.10	476.92	.00
				AD-HOC CAMPAIGN NO DOWNLOAD		
120805	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20051231 CLR: 00000000 BY: KF		
120905	RP	120105	536.02	59.48	476.54	.00
				B&R ENVELOPE CONFIRMED		
121305	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20051218 CLR: 00000000 BY: ICHO		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
011606	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20060116 CLR: 20060116 BY: PAR3		
				B&R ENVELOPE CONFIRMED		
011706	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20060121 CLR: 00000000 BY: ICHO		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
011806	RP	010106	536.02	59.86	476.16	.00
			B&R ENVELOPE CONFIRMED			
020706	DM	000000	T:99998	04:00:00		
			CL/MCON TGT: 20060211 CLR: 00000000 BY: ICHO			
020706	RP	020106	536.02	60.25	475.77	.00
020706	SR	020106	26.80	.00	.00	.00
		OPT PREMIUMS		.00	LATE CHARGE PYMT	26.80
			B&R ENVELOPE CONFIRMED			
030106	DM	000000	T:99998	04:00:00		
			CL/MCON TGT: 20060305 CLR: 00000000 BY: ICHO			
030306	RP	030106	536.02	60.64	475.38	.00
			HECK OR RECEIPT FOR PROOF OF PAYMENT 5/13/06 .AC			
			LED RG1 DLQ LETTER 4/6/06. AC H/O RESPONDED.SENT C			
			FIRST AMERICAN B SERVICE TAX COLLECTION FARETS MAI			
040606	NT	000000	T:99998	YG/BSRV TGT: 20060406 CLR: 00000000 BY: FADCARRO		
			B&R ENVELOPE CONFIRMED			
041206	DM	000000	T:99998	04:00:00		
			CL/MCON TGT: 20060417 CLR: 00000000 BY: CLUHN			
041406	RP	040106	536.02	61.03	474.99	.00
051906	DM	000000	T:99998	04:00:00		
			B&R ENVELOPE CONFIRMED			
051906	DM	000000	T:99998	04:00:00		
			CL/MCON TGT: 20060524 CLR: 00000000 BY: CRAD			
052206	RP	050106	562.82	61.42	474.60	.00
		OPT PREMIUMS		.00	LATE CHARGE PYMT	26.80
			NOTE/RIDER			
			THE PPP HAS EXPIRED ACCORDING TO THE TERMS OF THE			
052406	NT	000000	T:99998	PQ/PPPX TGT: 20060524 CLR: 20060524 BY: 86		
053006	DM	000000	T:99998	04:00:00		
			D THT SHE WOULD LOOK AT STATEMENT			
			SD NO VBL PAYOFFS, ADVSD WOULD GIVE UPB, BUT SHE S			
			D BE FOR JULY, ADVSD OF AMOUNT, WANTED PAYOFF, ADV			
			TO B1, VFD INFO, NEEDED TO KNOW HOW MUCH PMT WOUL			
			CALL RESULTING IN CONTACT W/BOR ON A CUR ACCT TKLD			
053006	DM	000000	T:99998	04:00:00		
			CL/CONT TGT: 20060530 CLR: 00000000 BY: RCONNOR2			
			NFO IS CORRECT AS OF 05.30.06!			

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
053006	NT	000000	T:99998	S LOAN WAS INITIALLY MISC ALCULATED HOWEVER THAT I GENERAL COMMENT C PLEASE NOTE: THE ARM DATA ON THI		
053006	NT	000000	T:99998	NL/COMM TGT: 20060530 CLR: 00000000 BY: PF NFO IS CORRECT AS OF 05.30.06! S LOAN WAS INITIALLY MISC ALCULATED HOWEVER THAT I GENERAL COMMENT C PLEASE NOTE: THE ARM DATA ON THI		
053006	NT	000000	T:99998	NL/COMM TGT: 20060530 CLR: 00000000 BY: PF F L/C & POSSIBLE C/D AND TAD ATED THEY COULD NOT HELP HER; ADVISED OF ADVISED O		
060606	DM	000000	T:99998	04:00:00 REFI; H/O STATED THAT SHE ALREADY SPOKE TO REFI ST OULD NOT BE ABLE TO MAKE THAT PAYMENT; ADVISED OF THAT NEW PAYMENT WOULD BE692.66; H/O STATED SHE W WANTED TO KNOW WHAT NEW PAYMENT WOULD BE; ADVISED CONTACT NO PROMISE TO PAY - INBOUND TTB1; V/I; H/O		
060606	DM	000000	T:99998	04:00:00 CL/CNPI TGT: 20060615 CLR: 00000000 BY: MLAYTON ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
062506	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20060627 CLR: 20060627 BY: PAR3 LIVE ANSWER PDS		
062606	DM	000000	T:99998	04:00:00 CL/LVAN TGT: 20060626 CLR: 20060626 BY: PAR3 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
062706	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20060629 CLR: 20060629 BY: PAR3 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
062906	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20060629 CLR: 20060629 BY: PDS B&R ENVELOPE CONFIRMED		
063006	DM	000000	T:99998	04:00:00 CL/MCON TGT: 20060704 CLR: 00000000 BY: ICHO EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
070206	DM	000000	T:99998	04:00:00 CL/EXPR TGT: 20060702 CLR: 20060702 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		

ALL BKR 8034

--------- MAIL --------- PROPERTY ---------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
070306	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20060703 CLR: 20060703 BY: PAR3		
070306	RP	060106	562.82	61.81	474.21	.00
		OPT PREMIUMS		.00	LATE CHARGE PYMT	26.80
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
070406	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20060704 CLR: 20060704 BY: PAR3		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
071706	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060719 CLR: 20060719 BY: PAR3		
071806	DM	000000	T:99998	04:00:00		
				CONNECTED; CUSTOMER ANSWERED BUT HUNG UP PDS		
071806	DM	000000	T:99998	04:00:00		
				CL/LAUS TGT: 20060718 CLR: 20060718 BY: PAR3		
				NT OUT WORK/OUT PACK....ADVS OF L/F TIME FRAMES..		
				T WAREENT HARDSHIP LTTR TO BE SENT. GVE CCRC... SE		
				SHIP LTTR SNT. ADVS ACCT NOT YET 30 DAYS AND DOSN'		
				SN'T ABLE TO SET UP S/D PMT. B1 WNTED TO HAVE HARD		
				CONTACT NO PROMISE TO PAY - INBOUND TT B1... B1 WA		
072006	DM	000000	T:99998	04:00:00		
				CL/CNPI TGT: 20060722 CLR: 00000000 BY: CLEE7		
				WORKOUT PACKAGE LETTER MAILED		
072006	NT	000000	T:99998	CS/MRLM TGT: 20060720 CLR: 20060720 BY: CLEE7		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
072406	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20060724 CLR: 20060724 BY: PAR3		
				VERFY DEMO'S .		
				NT OUT THAT SHE CAN SHOW HER JOB TO RET HER 401K.		
072506	DM	000000	T:99998	04:00:00		
				ADVS THAT ON THE 35 DAY OF DELINQ LETTER WILL BE S		
				TO MY EXTN.. TT B1 WNTED HARDSHIP LETTER SNT OUT		
				CONTACT NO PROMISE TO PAY - INBOUND CLL TRANSFERED		
072506	DM	000000	T:99998	04:00:00		
				CL/CNPI TGT: 20060727 CLR: 00000000 BY: CLEE7		
				CONNECTED; CUSTOMER ANSWERED BUT HUNG UP PDS		
072506	DM	000000	T:99998	04:00:00		
				CL/LAUS TGT: 20060725 CLR: 20060725 BY: PAR3		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID	
072806	DM	000000	T:99998				04:00:00 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
072806	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20060728 CLR: 20060728 BY: PDS NO ANSWER PDS
073106	DM	000000	T:99998				04:00:00 CL/NOAN TGT: 20060731 CLR: 20060731 BY: PDS NOTICE OF RIGHTS LETTER SENT TAD= 1,385.32
080306	DM	000000	T:99998				04:00:00 RE/BNOR TGT: 20060902 CLR: 20060829 BY: DMNORR
081406	DM	000000	T:99998				04:00:00 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
081406	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20060814 CLR: 20060814 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
081506	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20060815 CLR: 20060815 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
081606	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20060816 CLR: 20060816 BY: PDS
081606	DM	000000	T:99998				04:00:00 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
081606	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20060816 CLR: 20060816 BY: PDS TELEPHONE EMPLOYMENT NO MESSAGE LEFT
081706	DM	000000	T:99998				04:00:00 CL/TENM TGT: 20060817 CLR: 20060817 BY: RCONNOR2 POST-BREACH WORKOUT LETTER SENT
081806	DM	000000	T:99998				04:00:00 CL/LT09 TGT: 20060818 CLR: 20060818 BY: 86
081906	DM	000000	T:99998				04:00:00 TELEPHONED RESIDENCE - ANSWERING PARTY HUNG UP
081906	DM	000000	T:99998				04:00:00 CL/TRHU TGT: 20060819 CLR: 20060819 BY: JHILL6 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
081906	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20060819 CLR: 20060819 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
082006	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20060820 CLR: 20060820 BY: PDS

ACC001780
FILE #7920

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
082106	DM	000000	T:99998	04:00:00		
				PROPERTY INSPECTION REQUESTED		
082106	DM	000000	T:99998	04:00:00		
				PI/PROP TGT: 20060821 CLR: 20060821 BY: DMPRI001R		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
082106	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060821 CLR: 20060821 BY: PDS		
				TELEPHONED RESIDENCE - ANSWERING PARTY HUNG UPLR		
082306	DM	000000	T:99998	04:00:00		
				CL/TRHU TGT: 20060823 CLR: 20060823 BY: TWASHIN		
082406	DM	000000	T:99998	04:00:00		
				K;		
				O RFD GIVEN--WHEN ASKED SHE SAID SHE'S BUSY AT WOR		
				AND JULY PAYT 2 DAYS AGO;ADV OF CONSEQ OF DLNQCY;N		
				PROMISE TO PAY OUTBOUND TT B1;SAID SHE MAILED AUG		
				$0000000.00	$0001385.32	
082406	DM	000000	T:99998	04:00:00		
				CL/PTPO TGT: 20060830 CLR: 20060828 BY: ANYAGA		
082806	UFU	060106	UNAPPLIED FUNDS (1)	1419.95	BALANCE	1419.95
082806	SR	060106	1419.95	.00	.00	.00
082806	UFU	060106	UNAPPLIED FUNDS (1)	-692.66	BALANCE	727.29
082806	AA	060106	.00	.00	.00	.00
082806	RP	070106	692.66	34.85	657.81	.00
082806	UFU	070106	UNAPPLIED FUNDS (1)	-692.66	BALANCE	34.63
082806	AA	070106	.00	.00	.00	.00
082806	RP	080106	692.66	35.16	657.50	.00
082806	UFU	080106	UNAPPLIED FUNDS (1)	-34.63	BALANCE	0.00
082806	AA	080106	.00	.00	.00	.00
082806	SR	080106	34.63	.00	.00	.00
			OPT PREMIUMS	.00	LATE CHARGE PYMT	34.63
				PROPERTY INSPECTION CANCELLATION WAS REQUESTED		
082906	DM	000000	T:99998	04:00:00		
				PI/PICN TGT: 20060829 CLR: 20060829 BY: **		
				REINSTATEMENT		
082906	NT	000000	T:99998	CL/DV20 TGT: 20060829 CLR: 20060829 BY: DMNORR		
				PROPERTY INSPECTION RESULTS RECEIVED		
083006	DM	000000	T:99998	04:00:00		
				PI/RSLT TGT: 20060830 CLR: 20060830 BY: **		

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
090506	DM	000000	T:99998	04:00:00		
				B&R ENVELOPE CONFIRMED		
090506	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20060910 CLR: 00000000 BY: CRAD		
090606	RP	090106	692.66	35.47	657.19	.00
092206	RP	100106	692.66	35.79	656.87	.00
				B&R ENVELOPE CONFIRMED		
111506	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20061120 CLR: 00000000 BY: JALTIER		
111706	RP	110106	692.66	36.11	656.55	.00
				10.725, ADV NO, V/I		
				T RATE WILL NOT GO HIGHER THAN THE CURRENT RATE OF		
				/OINQ ABOUT INTEREST RATE, ADV OF CEILING, INQ THA		
				CALL RESULTING IN CONTACT W/BOR ON A CUR ACCT B1 C		
112806	DM	000000	T:99998	04:00:00		
				CL/CONT TGT: 20061128 CLR: 00000000 BY: BMORAN1		
				CONNECTED; CUSTOMER ANSWERED BUT HUNG UP PDS		
121706	DM	000000	T:99998	04:00:00		
				CL/LAUS TGT: 20061217 CLR: 20061217 BY: PAR3		
121806	DM	000000	T:99998	04:00:00		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
121806	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20061220 CLR: 20061220 BY: PAR3		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
122106	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20061221 CLR: 20061221 BY: PAR3		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
122206	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20061222 CLR: 20061222 BY: PAR3		
122506	DM	000000	T:99998	04:00:00		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
122506	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20061225 CLR: 20061225 BY: PAR3		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
122706	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20061229 CLR: 20061229 BY: PAR3		
				NOTICE OF RIGHTS LETTER SENT TAD= 1,474.54		
010307	DM	000000	T:99998	04:00:00		
				RE/BNOR TGT: 20070202 CLR: 20070228 BY: DMNORR		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
010307	DM	000000	T:99998	04:00:00		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
010307	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20070103 CLR: 20070103 BY: PAR3		
				ST.		
				ED IN TO ORDER P/O, WANTED FAX # TO FAX OVER REQUE		
				THIRD PARTY CONTACT TP DEB FROM TITLE EXPRESS CALL		
010407	DM	000000	T:99998	04:00:00		
				CL/TPCT TGT: 20070104 CLR: 20070104 BY: COWENS2		
010907	DM	000000	T:99998	04:00:00		
				TELEPHONE EMPLOYMENT NO MESSAGE LEFT		
010907	DM	000000	T:99998	04:00:00		
				CL/TENM TGT: 20070109 CLR: 20070109 BY: TGOREE		
				TELEPHONED RESIDENCE - NO ANSWER		
010907	DM	000000	T:99998	04:00:00		
				CL/TRNA TGT: 20070109 CLR: 20070109 BY: RKYSER		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
010907	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070109 CLR: 20070109 BY: PDS		
010907	DM	000000	T:99998	04:00:00		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
010907	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070109 CLR: 20070109 BY: PDS		
				NO ANSWER PDS		
011107	DM	000000	T:99998	04:00:00		
				CL/NOAN TGT: 20070111 CLR: 20070111 BY: PAR3		
				TELEPHONE EMPLOYMENT NO MESSAGE LEFT		
011607	DM	000000	T:99998	04:00:00		
				CL/TENM TGT: 20070116 CLR: 20070116 BY: BCOOK2		
011607	DM	000000	T:99998	04:00:00		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
011607	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070116 CLR: 20070116 BY: PDS		
				NO ANSWER PDS		
011607	DM	000000	T:99998	04:00:00		
				CL/NOAN TGT: 20070116 CLR: 20070116 BY: PDS		
				TELEPHONED RESIDENCE - ANSWERING PARTY HUNG UP		
011707	DM	000000	T:99998	04:00:00		
				CL/TRHU TGT: 20070117 CLR: 20070117 BY: ANYAGA		

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
011807	DM	000000	T:99998	04:00:00 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
011807	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070118 CLR: 20070118 BY: PDS BUSY SIGNAL PDS		
011807	DM	000000	T:99998	04:00:00 CL/BUSY TGT: 20070118 CLR: 20070118 BY: PDS POST-BREACH WORKOUT LETTER SENT		
011907	DM	000000	T:99998	04:00:00 CL/LT09 TGT: 20070119 CLR: 20070119 BY: 86		
011907	DM	000000	T:99998	04:00:00 PROPERTY INSPECTION REQUESTED		
011907	DM	000000	T:99998	04:00:00 PI/PROP TGT: 20070119 CLR: 20070119 BY: DMPRI001R LE TELEPHONED HOME LEFT MESSAGELEFT MESSAGE WITH FEMA		
012107	DM	000000	T:99998	04:00:00 CL/THLM TGT: 20070121 CLR: 20070121 BY: ANYAGA		
012307	DM	000000	T:99998	04:00:00 NO ANSWER PDS		
012307	DM	000000	T:99998	04:00:00 CL/NOAN TGT: 20070123 CLR: 20070123 BY: PDS NO ANSWER PDS		
012807	DM	000000	T:99998	04:00:00 CL/NOAN TGT: 20070128 CLR: 20070128 BY: PDS NO ANSWER PDS		
012907	DM	000000	T:99998	04:00:00 CL/NOAN TGT: 20070129 CLR: 20070129 BY: PDS		
013007	DM	000000	T:99998	04:00:00 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
013007	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070130 CLR: 20070130 BY: PDS PROPERTY INSPECTION RESULTS RECEIVED		
013107	DM	000000	T:99998	04:00:00 PI/RSLT TGT: 20070131 CLR: 20070131 BY: ** 06 PROP INSPECTION FEE		
				$0000027.00	$0000000.00	

ALL BKR 8034

ACC001784
FILE #7920

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
013107	NT	000000	T:99998	FB/FB06 TGT: 20070131 CLR: 00000000 BY: **		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
013107	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070131 CLR: 20070131 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
020107	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070201 CLR: 20070201 BY: PDS		
020507	LMT	000000		ET SENT TO PREFCL BORROWERS		
020507	LMT	000000		REALCHOICES NO CONTACT WK03.RSVP ACCT.WORKOUT PACK		
020507	LMT	000000	T:99998	CL/RC21 TGT: 20070220 CLR: 00000000 BY: BCAMILL		
				TELEPHONED HOME LEFT MESSAGELM W/ TP CHILD		
020707	DM	000000	T:99998	04:00:00		
				CL/THLM TGT: 20070207 CLR: 20070207 BY: ESELE		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
020807	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070208 CLR: 20070208 BY: PDS		
				NO ANSWER PDS		
021207	DM	000000	T:99998	04:00:00		
				CL/NOAN TGT: 20070212 CLR: 20070212 BY: PDS		
021507	DM	000000	T:99998	04:00:00		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
021507	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070215 CLR: 20070215 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
021907	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070219 CLR: 20070219 BY: PDS		
				LED RG1 DLQ LETTER 2/20/07. AC		
				FIRST AMERICAN B SERVICE TAX COLLECTION FARETS MAI		
022007	NT	000000	T:99998	YG/BSRV TGT: 20070220 CLR: 00000000 BY: FADCARRO		
				PROPERTY INSPECTION REQUESTED		
022007	DM	000000	T:99998	04:00:00		
				PI/PROP TGT: 20070220 CLR: 20070220 BY: DMPRI001R		
				PRE FORECLOSURE FINAL CONTACT ATTEMPT		
022707	NT	000000	T:99998	CL/PFFC TGT: 20070228 CLR: 00000000 BY: CMOORE		
				TELEPHONED HOME LEFT MESSAGE		
022707	DM	000000	T:99998	04:00:00		
				CL/THLM TGT: 20070227 CLR: 20070227 BY: CMOORE		

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
022807	DM	000000	T:99998	04:00:00		
				PROPERTY INSPECTION RESULTS RECEIVED		
022807	DM	000000	T:99998	04:00:00		
				PI/RSLT TGT: 20070228 CLR: 20070228 BY: **		
022807	FOR	000000		FORECLOSURE STARTED		
022807	FOR	000000	T:99998	CL/DF43 TGT: 20070228 CLR: 20070228 BY: 86		
				EWTRAK)		
				ATTORNEY WAS CHANGED FROM ------ TO 03/06/2007 (N		
				NOTE TO ATTORNEY: EVENT ID: 5 REFERRAL RECEIVED BY		
030607	NT	000000	T:99998	FC/DM01 TGT: 20070306 CLR: 20070306 BY: BRAIN COMM		
				:51:44 AM BYAUTOMATED TASKS (NEWTRAK)		
				225) SENT TO FEIWELL & HANNOY, P.C. AT 3/6/2007 11		
				COMMENT DATE:03/06/2007; FORECLOSURE (NIE ID# 3032		
030607	NT	000000	T:99998	FC/DM01 TGT: 20070306 CLR: 20070306 BY: BRAIN COMM		
				6/200711:56:01 AM BY JENNIFER CROOK (NEWTRAK)		
				225)PICKED UP BY FIRM FEIWELL & HANNOY, P.C. AT 3/		
				COMMENT DATE:03/06/2007; FORECLOSURE (NIE ID# 3032		
030607	NT	000000	T:99998	FC/DM01 TGT: 20070306 CLR: 20070306 BY: BRAIN COMM		
030707	NT	000000	T:99998	ANK YOU STATUS: ACTIVE (NEWTRAK)		
				OUR OFFICE TO FORECLOSE IN THE NAME OF A.S.A.P.TH		
				. ISSUE COMMENTS: PLEASE PROVIDE THE NAME YOU WISH		
				SUE FOR THISLOAN.ISSUE TYPE: ACTION IN THE NAME OF		
				LLOWING EVENT: USER HAS CREATED A PROCESS-LEVEL IS		
				COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM		
				ANINTERNAL REQUEST. THANK YOU. STATUS: ACTIVE (NE		
				CLUDE OUR FEES & COSTS. PLEASE BE ADVISED THIS IS		
030707	NT	000000	T:99998	"OTHER FEES" GOOD THROUGH 14 DAYS, THIS SHOULD EX		
				NY LUMP SUM FIGURE SUCH AS "CORPORATE ADVANCES" OR		
				H US WITH THE SAME, ALONG WITH AN ITEMIZATION OF A		
				ETTER AS IS REQUIRED UNDER THEFDCPA. PLEASE FURNIS		
				OTE THAT IS NECESSARY TO COMPLETE THE VALIDATION L		
				COMMENTS: THEREFERRAL DID NOT INCLUDE A PAYOFF QU		
				SUE FOR THISLOAN.ISSUE TYPE: PAYOFF REQUEST. ISSUE		
				LLOWING EVENT: USER HAS CREATED A PROCESS-LEVEL IS		

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
030707	NT	000000	T:99998	COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM		
				VED. (NEWTRAK)		
				TYPE: ACTION IN THE NAME OF. STATUS: ACTIVE, APPRO		
				LLOWING EVENT: USER HAS APPROVED THE ISSUE. ISSUE		
				COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM		
				RGAN CHASE BANK N.A. AS TRUSTEE THANKS. (NEWTRAK)		
				NEW YORK TRUST COMPANY, N.A. ASSUCCESSOR TO JP MO		
030707	NT	000000	T:99998	COMMENTS: PLEASE ACTIONIN THE NAME OF THE BANK OF		
				WITH THIS LOAN.ISSUE TYPE: ACTION IN THE NAME OF.		
				LLOWING EVENT: USER HAS ENDED THE ISSUE ASSOCIATED		
				COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM		
				WTRAK)		
				TYPE: PAYOFFREQUEST. STATUS: ACTIVE, APPROVED. (NE		
				LLOWING EVENT: USER HAS APPROVED THE ISSUE. ISSUE		
				COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM		
				ADVISED THIS IS AN INTERNAL REQUEST.THANK YOU. STA		
				S,THIS SHOULD EXCLUDE OUR FEES & COSTS. PLEASE BE		
				RATE ADVANCES" OR "OTHER FEES" GOOD THROUGH 14 DAY		
				N ITEMIZATION OF ANY LUMP SUM FIGURE SUCH AS"CORPO		
				DCPA. PLEASE FURNISH US WITH THE SAME,ALONG WITH A		
				TE THE VALIDATION LETTER AS ISREQUIRED UNDER THE F		
				INCLUDE A PAYOFF QUOTE THATIS NECESSARY TO COMPLE		
				AYOFF REQUEST. ISSUECOMMENTS: THE REFERRAL DID NOT		
030707	NT	000000	T:99998	SUE FOR THISLOAN. ISSUE UPDATED TO: ISSUE TYPE: P		
				LLOWING EVENT: USER HAS UPDATED A PROCESS-LEVEL IS		
				COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM		
				ADVISED THIS IS AN INTERNAL REQUEST.THANK YOU. STA		
				S,THIS SHOULD EXCLUDE OUR FEES & COSTS. PLEASE BE		
				RATE ADVANCES" OR "OTHER FEES" GOOD THROUGH 14 DAY		
				N ITEMIZATION OF ANY LUMP SUM FIGURE SUCH AS"CORPO		
				DCPA. PLEASE FURNISH US WITH THE SAME,ALONG WITH A		

ACC001787
FILE #7920

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
030907	NT	000000	T:99998	TE THE VALIDATION LETTER AS ISREQUIRED UNDER THE F INCLUDE A PAYOFF QUOTE THATIS NECESSARY TO COMPLE AYOFF REQUEST. ISSUECOMMENTS: THE REFERRAL DID NOT SUE FOR THISLOAN. ISSUE UPDATED TO: ISSUE TYPE: P LLOWING EVENT: USER HAS UPDATED A PROCESS-LEVEL IS COMMENT DATE:03/09/2007; SYSTEM UPDATED FOR THE FO			
030907	NT	000000	T:99998	FC/DM01 TGT: 20070309 CLR: 20070309 BY: BRAIN COMM ADVISED THIS IS AN INTERNAL REQUEST.THANK YOU. STA S,THIS SHOULD EXCLUDE OUR FEES & COSTS. PLEASE BE			
031207	NT	000000	T:99998	RATE ADVANCES" OR "OTHER FEES" GOOD THROUGH 14 DAY N ITEMIZATION OF ANY LUMP SUM FIGURE SUCH AS"CORPO DCPA. PLEASE FURNISH US WITH THE SAME,ALONG WITH A TE THE VALIDATION LETTER AS ISREQUIRED UNDER THE F INCLUDE A PAYOFF QUOTE THATIS NECESSARY TO COMPLE AYOFF REQUEST. ISSUECOMMENTS: THE REFERRAL DID NOT SUE FOR THISLOAN. ISSUE UPDATED TO: ISSUE TYPE: P LLOWING EVENT: USER HAS UPDATED A PROCESS-LEVEL IS COMMENT DATE:03/12/2007; SYSTEM UPDATED FOR THE FO			
031207	NT	000000	T:99998	FC/DM01 TGT: 20070312 CLR: 20070312 BY: BRAIN COMM BY USER SHANNA BLACKLEY. (NEWTRAK) COMMENT DATE:03/13/2007; PROCESS OPENED 3/13/2007			
031307	NT	000000	T:99998	FC/DM01 TGT: 20070313 CLR: 20070313 BY: BRAIN COMM 7 ATTORNEY FEES & COSTS: : 0.00 (NEWTRAK) ECIAL INSTRUCTIONS: : GOOD THROUGH DATE: : 3/27/0 02_PAYOFF DATA FORM WITH THE FOLLOWING ENTRIES: SP COMMENT DATE:03/13/2007; USER HAS COMPLETED THE F1			
031307	NT	000000	T:99998	FC/DM01 TGT: 20070313 CLR: 20070313 BY: BRAIN COMM			
031307	NT	000000	T:99998	ONLY,. (NEWTRAK) TS: UPLOADED PAYOFF SCREEN PRINT FOR INTERNAL USE WITH THIS LOAN.ISSUE TYPE: PAYOFF REQUEST. COMMEN LLOWING EVENT: USER HAS ENDED THE ISSUE ASSOCIATED COMMENT DATE:03/13/2007; SYSTEM UPDATED FOR THE FO			
031307	NT	000000	T:99998	FC/DM01 TGT: 20070313 CLR: 20070313 BY: BRAIN COMM 3/200711:11:01 AM BY SHANNA BLACKLEY (NEWTRAK) ID#3070772) SENT TO FEIWELL & HANNOY, P.C. AT 3/1 COMMENT DATE:03/13/2007; FORECLOSURE - PAYOFF (NIE			

ACC001788
FILE #7920

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
031307	NT	000000	T:99998	FC/DM01 TGT: 20070313 CLR: 20070313 BY: BRAIN COMM		
				K)		
				.C. AT3/14/2007 8:26:24 AM BY LEAH GILLOCK (NEWTRA		
				ID#3070772) PICKED UP BY FIRM FEIWELL & HANNOY, P		
				COMMENT DATE:03/14/2007; FORECLOSURE - PAYOFF (NIE		
031407	NT	000000	T:99998	FC/DM01 TGT: 20070314 CLR: 20070314 BY: BRAIN COMM		
				CLOSEREASON: PROCESS COMPLETE (NEWTRAK)		
				COMMENT DATE:03/15/2007; USER HAS CLOSED THE FILE.		
031507	NT	000000	T:99998	FC/DM01 TGT: 20070315 CLR: 20070315 BY: BRAIN COMM		
031607	NT	000000	T:99998	POST-REFERRAL WORKOUT LETTER SENT		
031607	NT	000000	T:99998	CL/LT10 TGT: 20070316 CLR: 20070316 BY: 86		
				(NEWTRAK)		
				PERIOD ENDS WAS CHANGED FROM ------ TO 06/14/2007		
				NOTE TO ATTORNEY: EVENT ID: 22 PRE-SALE REDEMPTION		
031607	NT	000000	T:99998	FC/DM01 TGT: 20070316 CLR: 20070316 BY: BRAIN COMM		
				CHANGED FROM ------ TO 03/16/2007 (NEWTRAK)		
				NOTE TO ATTORNEY: EVENT ID: 2 COMPLAINT FILED WAS		
031607	NT	000000	T:99998	FC/DM01 TGT: 20070316 CLR: 20070316 BY: BRAIN COMM		
031607	NT	000000	T:99998	BY USER LYNDSAY PERRINE. (NEWTRAK)		
				COMMENT DATE:03/16/2007; PROCESS OPENED 3/16/2007		
031607	NT	000000	T:99998	FC/DM01 TGT: 20070316 CLR: 20070316 BY: BRAIN COMM		
				07 (NEWTRAK)		
				JUDGMENT FIGURES NEEDED GOOD THROUGH?: : 03/23/20		
				1_JFIGDUEDATE DATA FORM WITH THE FOLLOWINGENTRIES:		
				COMMENT DATE:03/16/2007; USER HAS COMPLETED THE F9		
031607	NT	000000	T:99998	FC/DM01 TGT: 20070316 CLR: 20070316 BY: BRAIN COMM		
				EWTRAK)		
031907	NT	000000	T:99998	P.C. AT 3/19/2007 9:49:55 AM BY SHERRELL BUTLER (N		
				GURES (NIE ID# 3107528) SENT TO FEIWELL & HANNOY,		
				COMMENT DATE:03/19/2007; FORECLOSURE - JUDGMENT FI		
031907	NT	000000	T:99998	FC/DM01 TGT: 20070319 CLR: 20070319 BY: BRAIN COMM		
				CLOSEREASON: PROCESS COMPLETE (NEWTRAK)		
				COMMENT DATE:03/19/2007; USER HAS CLOSED THE FILE.		
031907	NT	000000	T:99998	FC/DM01 TGT: 20070319 CLR: 20070319 BY: BRAIN COMM		
				PROPERTY INSPECTION REQUESTED		
032007	DM	000000	T:99998	04:00:00		
				PI/PROP TGT: 20070320 CLR: 20070320 BY: DMPRI001R		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
032107	NT	000000	T:99998	CHANGED FROM ------ TO 03/16/2007 (NEWTRAK)		
				NOTE TO ATTORNEY: EVENT ID: 28 TITLE RECEIVED WAS		
032107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM		
				#200400009903. THANKS. STATUS: ACTIVE (NEWTRAK)		
				TED 05/24/2004, RECORDED ON 06/17/2004, INSTRUMENT		
				OR TO JPMORGAN CHASE BANK N.A., THE MORTGAGE IS DA		
				HE BANK OF NEW YORK TRUST COMPANY, N.A. AS SUCCESS		
				NOMINEE FOR DECISION ONEMORTGAGE COMPANY, LLC TO T		
				MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS		
032107	NT	000000	T:99998	ISSUE COMMENTS: PLEASE PROVIDE AN ASSIGNMENT FROM		
				SUE FOR THISLOAN.ISSUE TYPE: ORIGINAL ASSIGNMENT.		
				LLOWING EVENT: USER HAS CREATED A PROCESS-LEVEL IS		
				COMMENT DATE:03/21/2007; SYSTEM UPDATED FOR THE FO		
032107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM		
				. (NEWTRAK)		
				TYPE: ORIGINALASSIGNMENT. STATUS: ACTIVE, APPROVED		
				LLOWING EVENT: USER HAS APPROVED THE ISSUE. ISSUE		
				COMMENT DATE:03/21/2007; SYSTEM UPDATED FOR THE FO		
032107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM		
				TRUST COMPANY, N.A. AS SUCCESSOR TO JPMORGAN CHASE		
				ONEMORTGAGE COMPANY, LLC TO THE BANK OF NEW YORK		
				REGISTRATION SYSTEMS, INC. AS NOMINEE FOR DECISION		
				SE PROVIDE AN ASSIGNMENT FROM MORTGAGE ELECTRONIC		
				INSTRUMENT #200400009903. THANKS. CHANGED TO: PLEA		
				GAGE IS DATED 05/24/2004, RECORDED ON 06/17/2004,		
				AS SUCCESSOR TO JPMORGAN CHASE BANK N.A., THE MORT		
				Y, LLC TO THE BANK OF NEW YORKTRUST COMPANY, N.A.		
032107	NT	000000	T:99998	S, INC. AS NOMINEE FORDECISION ONE MORTGAGE COMPAN		
				NMENT FROM MORTGAGE ELECTRONIC REGISTRATION SYSTEM		
				O 03/28/2007ISSUE COMMENT: PLEASE PROVIDE AN ASSIG		
032107	NT	000000	T:99998	STATUS: ACTIVEPROJECTED END: 12:00:00 AM CHANGED T		
				/R 3-21 ADVISED ATTY TO DRAFT, NEXT F/U 3-28 KD**		
				06/17/2004, INSTRUMENT #200400009903. THANKS. **F		
				.A., THE MORTGAGE IS DATED 05/24/2004, RECORDED ON		
				OMPANY, N.A. AS SUCCESSOR TO JPMORGAN CHASE BANK N		
				TGAGE COMPANY, LLC TO THE BANK OF NEW YORK TRUST C		

ALL BKR 8034

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
032107	NT	000000	T:99998	TION SYSTEMS, INC. AS NOMINEE FOR DECISION ONE MOR		
				DE AN ASSIGNMENT FROM MORTGAGE ELECTRONIC REGISTRA		
				ERS ASSIGNMENTNEEDED. ISSUE COMMENTS: PLEASE PROVI		
				SUE FOR THISLOAN. ISSUE UPDATED TO: ISSUE TYPE: M		
				LLOWING EVENT: USER HAS UPDATED A PROCESS-LEVEL IS		
				COMMENT DATE:03/21/2007; SYSTEM UPDATED FOR THE FO		
032107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM		
				RAK)		
				D VIA THE SIGNATURE REQUIRED PROCESS. THANKS (NEWT		
032107	NT	000000	T:99998	LEASE DRAFT THE ASSIGNMENT PRIOR TO 3-28 AND UPLOA		
				PE: GENERAL UPDATE / SUBJECT: MERS AOM/ MESSAGE: P		
				LITY /TO: WENDY PHELPS (AT-FEIW) / CC:/ MESSAGE TY		
				3/21/2007 6:16:30 PM / FROM: KARON DEDOLCHOW, FIDE		
				COMMENT DATE:03/21/2007; INTERCOM MESSAGE:/ SENT:		
032107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
032207	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070322 CLR: 20070322 BY: PDS		
032307	DM	000000	T:99998	04:00:00		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
032307	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070323 CLR: 20070323 BY: PDS		
				R ADVISEMENT. THANKS, WENDY (NEWTRAK)		
				AGE: THE AOM HAS BEEN DRAFTED AND UPLOADED FOR YOU		
				TYPE: GENERAL UPDATE / SUBJECT: RE: MERS AOM/ MESS		
				W / TO: KARON DEDOLCHOW (FIDELITY) / CC:/ MESSAGE		
				3/23/2007 11:06:22 AM / FROM: WENDY PHELPS, AT-FEI		
032307	NT	000000	T:99998	COMMENT DATE:03/23/2007; INTERCOM MESSAGE:/ SENT:		
032307	NT	000000	T:99998	FC/DM01 TGT: 20070323 CLR: 20070323 BY: BRAIN COMM		
				. COMMENTS: UPLAODED TO NIE. (NEWTRAK)		
				WITH THIS LOAN.ISSUE TYPE: MERS ASSIGNMENT NEEDED		
				LLOWING EVENT: USER HAS ENDED THE ISSUE ASSOCIATED		
				COMMENT DATE:03/23/2007; SYSTEM UPDATED FOR THE FO		
032307	NT	000000	T:99998	FC/DM01 TGT: 20070323 CLR: 20070323 BY: BRAIN COMM		
				PROPERTY INSPECTION RESULTS RECEIVED		
032707	DM	000000	T:99998	04:00:00		
				PI/RSLT TGT: 20070327 CLR: 20070327 BY: **		

ALL BKR 8034

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
032807	NT	000000	T:99998	278112 337123		
				FORECLOSURE FEESCK: 006419832AMT: 750.00 03/28/07		
				$0000750.00	$0000000.00	
032807	NT	000000	T:99998	CA/CAZF TGT: 20070328 CLR: 00000000 BY: **		
				07278112 337123		
				FORECLOSURE COSTS CK: 006419832AMT: 149.25 03/28/		
				$0000149.25	$0000000.00	
032807	NT	000000	T:99998	CA/CAZG TGT: 20070328 CLR: 00000000 BY: **		
				8/07278112 337123		
032807	NT	000000	T:99998	FORECLSR TITLE COSTSCK: 006419832AMT: 275.00 03/2		
				$0000275.00	$0000000.00	
032807	NT	000000	T:99998	CA/CAZJ TGT: 20070328 CLR: 00000000 BY: **		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
032807	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070328 CLR: 20070328 BY: PDS		
				ASCHANGED FROM ------ TO 03/29/2007 (NEWTRAK)		
				NOTE TO ATTORNEY: EVENT ID: 27 SERVICE COMPLETED W		
040307	NT	000000	T:99998	FC/DM01 TGT: 20070403 CLR: 20070403 BY: BRAIN COMM		
041207	NT	000000	T:99998	07 4/9/2007		
				BROKER PRICE OPINIONCK: 006440101AMT:95.00 04/12/		
				$0000095.00	$0000000.00	
041207	NT	000000	T:99998	CA/CAZO TGT: 20070412 CLR: 00000000 BY: **		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
041207	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070412 CLR: 20070412 BY: PDS		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
041807	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20070418 CLR: 20070418 BY: PAR3		
042407	DM	000000	T:99998	04:00:00		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
042407	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20070424 CLR: 20070424 BY: PAR3		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
042507	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20070425 CLR: 20070425 BY: PAR3		
042607	LMT	000000		F PROCESS THAT WOULD TAKE PLACE.		
042607	LMT	000000		MOD CANDIDATE, BUT HAS NOTHING TO PUT DOWN. ADV O		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID	
042607	LMT	000000					LLOW US TO PROCEED. TOOK FINANCIALS. B1 MIGHT BE A
042607	LMT	000000					F JUDGMENT BEING ENTERED AND THAT THIS WOULD NOT A
042607	LMT	000000					Y TO HELP NOW. ADV OF INDIANA AND THE POSSIBILTY O
042607	LMT	000000					DO HAVE NEW OPTIONS AVAILABLE AND THAT I COULD TR
042607	LMT	000000					ACCOUNT FOR PERSONS IN THE PAST, BUT NOTED THAT WE
042607	LMT	000000					, BUT DID NOT GET ANYWHERE - ADV THAT I COULD NOT
042607	LMT	000000					TED THAT SHE HAS TRIED TO WORK WITH US IN THE PAST
042607	LMT	000000					LOSS MITIGATION ACTIVELY WORKINGPAR3 CALL - B1 STA
042607	LMT	000000	T:99998				CL/LMAW TGT: 20070517 CLR: 00000000 BY: MTOMKO
042607	DM	000000	T:99998				04:00:00
							ESTIONS: POSSIBLE MOD
							FINANCIALS TAKENINCOME:1750.00EXPENSES:2144.83SUGG
042607	DM	000000	T:99998				04:00:00
							CL/FINA TGT: 20070426 CLR: 00000000 BY: MTOMKO
							AL TO MOD TEAM INBOX.
							REFERRED TO MODIFICATION PROACTIVELYSENDING REFERR
042607	NT	000000	T:99998				CL/MODP TGT: 20070426 CLR: 20070426 BY: MTOMKO
042607	DM	000000	T:99998				04:00:00
							IONS AND HOSPITAL BILLS. ARM FLUCTATION UP.
							ITUATIONS HAVE COST MONEY IN CO-PAYS FOR PRESCRIPT
							REASON FOR DELINQUENCYTHE RFD IS: RECENT MEDICAL S
042607	DM	000000	T:99998				04:00:00
							CL/DM05 TGT: 20070426 CLR: 20070426 BY: MTOMKO
							ADVSISED REP TO RE REFER ONCED CCRC COMPLETE.
							EBT THAT KEEPS HER FROM QUALIFYING FOR A LOAN MOD.
							G BWR IN TO CCRC BECUASE IT IS UNSECURED MONTHLY D
042607	NT	000000	T:99998				UNSUITABLE MODIFICATION REFERRALTT REP ABOUT PUTIN
042607	NT	000000	T:99998				CL/UMRF TGT: 20070426 CLR: 00000000 BY: LHUCK
							LE
							TELEPHONED HOME LEFT MESSAGELEFT MESSAGE WITH FEMA
042607	DM	000000	T:99998				04:00:00
							CL/THLM TGT: 20070426 CLR: 20070426 BY: MTOMKO
							LIVE ANSWER PDS
042607	DM	000000	T:99998				04:00:00
							CL/LVAN TGT: 20070426 CLR: 20070426 BY: PAR3

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
043007	NT	000000	T:99998	----- CONVERTED HISTORY ENDS 04/30/07 ------		
050307	DM	000000	T:00000	50:00:00		
				AUTOMATED INTEREST ACCRUAL HOLD ACTIVE		
050407	FOR	000000		Thanks Karon		
050407	FOR	000000	T:01122	05/03/07 - 15:25 - 32919		
050407	FOR	000000		the orignal note per atty's request.		
050407	FOR	000000		(ResCap) / Message: Please provide		
050407	FOR	000000		Fidelity - To: Sherri Seidel		
050407	FOR	000000		Intercom From: Karon Dedolchow,		
050407	FOR	000000	T:01122	05/03/07 - 15:25 - 32919		
050407	FOR	000000		from Client, completed on 5/3/2007		
050407	FOR	000000		following event: Document requested		
050407	FOR	000000		User has updated the system for the		
050407	FOR	000000	T:01122	05/03/07 - 15:25 - 32919		
050407	FOR	000000		Requested, completed on 5/3/2007		
050407	FOR	000000		following event: Original Note		
050407	FOR	000000		User has updated the system for the		
050407	FOR	000000	T:01122	05/03/07 - 14:39 - 21968		
050407	FOR	000000		Deadlines:: :		
050407	FOR	000000		Kosciosko County. Approaching		
050407	FOR	000000		1 note to file the judgment in		
050407	FOR	000000	T:01122	05/03/07 - 14:39 - 21968		
050407	FOR	000000		Requirements:: : We need the origina		
050407	FOR	000000		following entries: Special		
050407	FOR	000000		OrigNoteReq_Dtl data form with the		
050407	FOR	000000		User has completed the		
050407	FOR	000000	T:01122	05/03/07 - 14:39 - 21968		
050407	FOR	000000		Wendy Phelps.		
050407	FOR	000000		Process opened 5/3/2007 by user		
050407	FOR	000000	T:01122	05/03/07 - 14:39 - 21968		
050407	ET	110106	T:00000	ARM CHANGE NOTICE SCHEDULED FOR 05/07/07		
050407	FSV	110106	T:00000	INSP TYPE D ORDERED; REQ CD =AUTO DELQ		
050807	D19	110106		ARM CHANGE NOTICE CREATED - LETTER TXT 8.04		
050907	DM	000000	T:21135	15:19:00		
				ACTION/RESULT CD CHANGED FROM TO BRNA		
				MTOMKO		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID	
050907	DM	000000	T:21135	15:19:00			
				TO WORK WITH BWR ASAP. WILL TRY AGAIN TOMORROW.			
				JUDGMENT DATE MAY DISABLE PMT OPTIONS IF NOT ABLE			
				NOT BEEN ABLE TO MAKE CNTCT. INDIANA ACCT -			
050907	DM	000000	T:21135	15:19:00			
				CALLED TO TRY AND F/U W/BWR REGARDING CCRC. HAVE			
051007	FOR	000000		798171516371			
051007	FOR	000000		title to Murray Feiwell Fed Ex #			
051007	FOR	000000		recorded mortgage, and original			
051007	FOR	000000		Sent original note, copy of			
051007	FOR	000000	T:01122	05/10/07 - 08:40 - 31847			
051507	FOR	000000		Tomko			
051507	FOR	000000		completed for this loan by Matthew			
051507	FOR	000000		A fees and costs request has been			
051507	FOR	000000	T:01122	05/15/07 - 16:25 - 39681			
051507	FOR	000000		Tracking Number:: : 798171516371			
051507	FOR	000000		:: : Overnight Carrier:: : FedEx			
051507	FOR	000000	T:01122	05/15/07 - 13:22 - 32919			
051507	FOR	000000		Document Available?: : Yes Comments			
051507	FOR	000000		the following entries: Is Original			
051507	FOR	000000		OrigNoteCarrier_Dtl data form with			
051507	FOR	000000		User has completed the			
051507	FOR	000000	T:01122	05/15/07 - 13:22 - 32919			
051507	FOR	000000		to Attorney, completed on 5/10/2007			
051507	FOR	000000		following event: Original Note Sent			
051507	FOR	000000		User has updated the system for the			
051507	FOR	000000	T:01122	05/15/07 - 13:22 - 32919			
052107	D28	000000		BILLING STATEMENT FROM REPORT R628 STD FORM			
052207	M90	110106	-186.66	PAYEE = 0043.00000	.00	-186.66	
				currently not available.			
				second parcel 01371801016. 2006 taxes are			
				$186.66 GTD 05/31/07 No delinquent taxes on the			
				into escrow. 2005 2nd Base $169.69 P&I $16.97 TAD			
				redemption statement # 35772831 Loan converted			
				Property Address: 3823 S State Road 25 Per			
052207	NT	000000	T:20998	Payee: Kosciusko County Parcel: 01371801015			

ALL BKR 8034

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
052207	FSV	000000	T:00000	INSP TP F RESULTS RCVD; ORD DT=05/04/07		
052207	FB	110106		11.25 11 PROP INSPECTION FEE		
052407	NT	000000	T:20715	Blanket Campaign: WKOUT sent to bwr dvanzan/6917		
052407	NT	000000	T:20144	charge off denied; working for solution;		
052507	CBR	110106	T:00000	DELINQUENT: 150 DAYS		
052507	CBR	110106	T:00000	PURCHASED LOAN: SERVICING DATE =07/14/04		
052507	CBR	110106	T:00000	FORECLOSURE STARTED		
052907	FOR	000000		awaiting approval.		
052907	FOR	000000		said. thanks. . Status: Active,		
052907	FOR	000000		original note. Please provide		
052907	FOR	000000		ile the judgment without the		
052907	FOR	000000	T:01122	05/29/07 - 16:22 - 21968		
052907	FOR	000000		Reason: Other. Comments: We cannot f		
052907	FOR	000000		step Judgment Entered to 6/1/2007.		
052907	FOR	000000		event: User has reprojected the		
052907	FOR	000000		System updated for the following		
052907	FOR	000000	T:01122	05/29/07 - 16:22 - 21968		
052907	FOR	000000		Wendy Phelps.		
052907	FOR	000000		Process opened 5/29/2007 by user		
052907	FOR	000000	T:01122	05/29/07 - 15:35 - 21968		
052907	FOR	000000		:		
052907	FOR	000000		judgment. Approaching Deadlines::		
052907	FOR	000000		l note in order to file the		
052907	FOR	000000	T:01122	05/29/07 - 15:35 - 21968		
052907	FOR	000000		Requirements:: : We need the origina		
052907	FOR	000000		following entries: Special		
052907	FOR	000000		OrigNoteReq_Dtl data form with the		
052907	FOR	000000		User has completed the		
052907	FOR	000000	T:01122	05/29/07 - 15:35 - 21968		
052907	FOR	000000		Requested, completed on 5/29/2007		
052907	FOR	000000		following event: Original Note		
052907	FOR	000000		User has updated the system for the		
052907	FOR	000000	T:01122	05/29/07 - 15:36 - 21968		
053007	FOR	000000		e, Approved.		
053007	FOR	000000	T:01122	05/30/07 - 08:41 - 38470		

ALL BKR 8034

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
053007	FOR	000000		step Judgment Entered. Status: Activ		
053007	FOR	000000		Reprojection Type Other for the		
053007	FOR	000000		event: User has approved the		
053007	FOR	000000		System updated for the following		
053007	FOR	000000	T:01122	05/30/07 - 08:41 - 38470		
053107	FOR	000000		Please confirm receipt. Karon		
053107	FOR	000000		Feiwell Fed Ex # 79817151637.		
053107	FOR	000000		and original title to Murray		
053107	FOR	000000		al note, copy of recorded mortgage,		
053107	FOR	000000	T:01122	05/31/07 - 07:55 - 32919		
053107	FOR	000000		newtrak indicate on 5-10 Sent origin		
053107	FOR	000000		(at-feiw) / Message: Notes in		
053107	FOR	000000		Fidelity - To: Wendy Phelps		
053107	FOR	000000		Intercom From: Karon Dedolchow,		
053107	FOR	000000	T:01122	05/31/07 - 07:55 - 32919		
060107	FOR	000000		awaiting approval.		
060107	FOR	000000		thanks. . Status: Active,		
060107	FOR	000000		original note. Please provide said.		
060107	FOR	000000		ile the judgment without the		
060107	FOR	000000	T:01122	06/01/07 - 14:05 - 21968		
060107	FOR	000000		Reason: Other. Comments: We cannot f		
060107	FOR	000000		step Judgment Entered to 6/8/2007.		
060107	FOR	000000		event: User has reprojected the		
060107	FOR	000000		System updated for the following		
060107	FOR	000000	T:01122	06/01/07 - 14:05 - 21968		
060407	FOR	000000		e, Approved.		
060407	FOR	000000	T:01122	06/04/07 - 07:26 - 38470		
060407	FOR	000000		step Judgment Entered. Status: Activ		
060407	FOR	000000		Reprojection Type Other for the		
060407	FOR	000000		event: User has approved the		
060407	FOR	000000		System updated for the following		
060407	FOR	000000	T:01122	06/04/07 - 07:26 - 38470		
060407	DM	000000	T:00000	50:00:00		
				EARLY IND: SCORE 106 MODEL EI90S		
060407	FSV	110106	T:00000	INSP TYPE F ORDERED; REQ CD =AUTO DELQ		
060807	FOR	000000		Status: Active, awaiting approval.		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
060807	FOR	000000		judgment to be filed by 6/12. .		
060807	FOR	000000		6/5. We anticipate sending the		
060807	FOR	000000		t was given to the secretary on		
060807	FOR	000000	T:01122	06/08/07 - 12:08 - 21968		
060807	FOR	000000		Reason: Other. Comments: The judgmen		
060807	FOR	000000		step Judgment Entered to 6/12/2007.		
060807	FOR	000000		event: User has reprojected the		
060807	FOR	000000		System updated for the following		
060807	FOR	000000	T:01122	06/08/07 - 12:08 - 21968		
060807	FOR	000000		e, Approved.		
060807	FOR	000000	T:01122	06/08/07 - 14:15 - 38470		
060807	FOR	000000		step Judgment Entered. Status: Activ		
060807	FOR	000000		Reprojection Type Other for the		
060807	FOR	000000		event: User has approved the		
060807	FOR	000000		System updated for the following		
060807	FOR	000000	T:01122	06/08/07 - 14:15 - 38470		
061107	DMD	000000	T:22222	50:00:00		
				06/09/07 10:45:27 4		
061107	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
061107	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
061207	NT	000000	T:20144	charge off denied due to value; dvanzan/6917		
				ordered f/c gtd 7/12/07, glee1@2863		
				medical issues, imaged as wout, sent to Dvanzandt,		
061207	NT	000000	T:19961	recd comp wout, (-1419), inc. 1120 exp. 2539 rfd.		
				7/12/07, per newtrak, glee1@2863		
061207	NT	000000	T:19961	fees: 150.00 cost: 47.00 total: 197.00 gtd		
061207	FOR	000000		06/29/2007. Hold type: Court Delay		
061207	FOR	000000		the hold. Hold End Date:		
061207	FOR	000000		the following event: User has ended		
061207	FOR	000000	T:01122	06/12/07 - 13:29 - 38470		
061207	FOR	000000		Request/Message: System updated for		
061207	FOR	000000		(at-feiw) / Subject: Hold		
061207	FOR	000000		Fidelity - To: Wendy Phelps		
061207	FOR	000000		Intercom From: Bejza Mahmutovic,		

ALL BKR 8034

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
061207	FOR	000000	T:01122	06/12/07 - 13:29 - 38470		
061207	FOR	000000		not required.		
061207	FOR	000000		nded . Status: Active, approval		
061207	FOR	000000	T:01122	06/12/07 - 13:29 - 00007		
061207	FOR	000000		Reason: Hold Ended. Comments: Hold E		
061207	FOR	000000		step Judgment Entered to 6/29/2007.		
061207	FOR	000000		event: User has reprojected the		
061207	FOR	000000		System updated for the following		
061207	FOR	000000	T:01122	06/12/07 - 13:29 - 00007		
061207	FOR	000000		not required.		
061207	FOR	000000		nded . Status: Active, approval		
061207	FOR	000000	T:01122	06/12/07 - 13:29 - 00007		
061207	FOR	000000		Reason: Hold Ended. Comments: Hold E		
061207	FOR	000000		step Praecipe Filed to 6/29/2007.		
061207	FOR	000000		event: User has reprojected the		
061207	FOR	000000		System updated for the following		
061207	FOR	000000	T:01122	06/12/07 - 13:29 - 00007		
061207	FOR	000000		Lee, good through 7/12/2007		
061207	FOR	000000		entered for this loan by Gevona		
061207	FOR	000000		A fees and costs request has been		
061207	FOR	000000	T:01122	06/12/07 - 15:40 - 40185		
061207	FOR	000000		Costs: 47.00 Comment:		
061207	FOR	000000		Through:7/12/2007 Fees: 150.00		
061207	FOR	000000		Fees and costs response: Good		
061207	FOR	000000	T:01122	06/12/07 - 16:12 - 42044		
061207	FOR	000000		Lee		
061207	FOR	000000		completed for this loan by Gevona		
061207	FOR	000000		A fees and costs request has been		
061207	FOR	000000	T:01122	06/12/07 - 16:24 - 40185		
061307	FSV	000000	T:00000	INSP TP F RESULTS RCVD; ORD DT=06/04/07		
061307	FB	110106		11.25 11 PROP INSPECTION FEE		
061507	DMD	000000	T:22222	50:00:00		
				06/15/07 11:08:08 BUSY		
061507	DMD	000000	T:22222	50:00:00		
				06/15/07 11:08:43 4		
061507	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
061807	DMD	000000	T:22222	50:00:00		
				06/16/07 10:36:57 NO ANS		
061807	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
061807	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
061907	D28	000000		BILLING STATEMENT FROM REPORT R628 STD FORM		
062007	FOR	000000	T:01122	JUDGMENT DATE (602) COMPLETED 06/13/07		
062007	FOR	000000		completed on 6/13/2007		
062007	FOR	000000		following event: Judgment Entered,		
062007	FOR	000000		User has updated the system for the		
062007	FOR	000000	T:01122	06/20/07 - 11:11 - 21968		
062007	DMD	000000	T:22222	50:00:00		
				06/20/07 10:37:27 NO ANS		
062007	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
062007	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
062107	DMD	000000	T:22222	50:00:00		
				06/21/07 11:00:47 MSG ANS MACH		
062107	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
062107	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
062207	CBR	110106	T:00000	DELINQUENT: 180+ DAYS		
062207	CBR	110106	T:00000	FORECLOSURE STARTED		
062607	NT	000000	T:20715	Blanket WOUT pkg sent to bwr		
063007	FOR	000000		completed on 6/29/2007		
063007	FOR	000000		following event: Praecipe Filed,		
063007	FOR	000000		User has updated the system for the		
063007	FOR	000000	T:01122	06/29/07 - 15:29 - 21968		
070307	DM	000000	T:00000	50:00:00		
				EARLY IND: SCORE 106 MODEL EI90S		
070407	FSV	110106	T:00000	INSP TYPE F ORDERED; REQ CD =AUTO DELQ		
071107	FSV	000000	T:00000	INSP TP F RESULTS RCVD; ORD DT=07/04/07		
071107	FB	110106		11.25 11 PROP INSPECTION FEE		

ALL BKR 8034

--------- MAIL --------- PROPERTY ---------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
071307	CBR	110106	T:00000	DELINQUENT: 180+ DAYS		
071307	CBR	110106	T:00000	FORECLOSURE STARTED		
071907	D28	000000		BILLING STATEMENT FROM REPORT R628 STD FORM		
080207	DM	000000	T:00000	50:00:00		
				EARLY IND: SCORE 107 MODEL EI90S		
080607	FSV	110106	T:00000	INSP TYPE F ORDERED; REQ CD =AUTO DELQ		
080807	FOR	000000		proval.		
080807	FOR	000000	T:01122	08/08/07 - 08:05 - 41010		
080807	FOR	000000		you. . Status: Active, awaiting ap		
080807	FOR	000000		have an update by 8/24/2007. Thank		
080807	FOR	000000		You should expect our office to		
080807	FOR	000000		llow up for a confirmed sale date.		
080807	FOR	000000	T:01122	08/08/07 - 08:05 - 41010		
080807	FOR	000000		at this time. We will continue to fo		
080807	FOR	000000		The Sheriff sale has not been set		
080807	FOR	000000		Sheriff s Department on 7/25/2007.		
080807	FOR	000000		We contacted the KOSCIUSKO County		
080807	FOR	000000	T:01122	08/08/07 - 08:05 - 41010		
080807	FOR	000000		8/24/2007. Reason: Other. Comments:		
080807	FOR	000000		step Sale Scheduled For to		
080807	FOR	000000		event: User has reprojected the		
080807	FOR	000000		System updated for the following		
080807	FOR	000000	T:01122	08/08/07 - 08:05 - 41010		
080807	FOR	000000		ive, Approved.		
080807	FOR	000000	T:01122	08/08/07 - 14:11 - 32677		
080807	FOR	000000		step Sale Scheduled For. Status: Act		
080807	FOR	000000		Reprojection Type Other for the		
080807	FOR	000000		event: User has approved the		
080807	FOR	000000		System updated for the following		
080807	FOR	000000	T:01122	08/08/07 - 14:11 - 32677		
081007	FOR	000000	T:01122	SALE SCHEDULED (604) COMPLETED 08/10/07		
081007	FOR	000000	T:01122	TASK:0605-FCL-CHANGD FUPDT 09/25/07		
081007	FOR	000000		situations where cancellation reques		
081007	FOR	000000		sale cancellations. In those		
081007	FOR	000000		quire written authorization for all		
081007	FOR	000000	T:01122	08/10/07 - 07:18 - 40993		

ALL BKR 8034

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID	
081007	FOR	000000		CLEAR. SALES CANCELLATIONS: We re			
081007	FOR	000000		OUR KNOWLEDGE THE TITLE IS FREE AND			
081007	FOR	000000		sheriff's sale. TO THE BEST OF			
081007	FOR	000000		ructions at least 10 days prior to			
081007	FOR	000000	T:01122	08/10/07 - 07:18 - 40993			
081007	FOR	000000		provide our office with bidding inst			
081007	FOR	000000		problems with the sale, please			
081007	FOR	000000		date. To ensure there are no			
081007	FOR	000000		ys prior to the scheduled sale			
081007	FOR	000000	T:01122	08/10/07 - 07:18 - 40993			
081007	FOR	000000		any delinquent tax information 30 da			
081007	FOR	000000		office will send notification of			
081007	FOR	000000		09/25/2007. Please be advised our			
081007	FOR	000000		Sheriff's sale is set for			
081007	FOR	000000	T:01122	08/10/07 - 07:18 - 40993			
081007	FOR	000000		attorney (no voice messages).			
081007	FOR	000000		of our Sales Department or an			
081007	FOR	000000	T:01122	08/10/07 - 07:18 - 40993			
081007	FOR	000000		speak directly with a representative			
081007	FOR	000000		it is necessary that you call, and			
081007	FOR	000000		within 72 hours of the sale date,			
081007	FOR	000000		Jessica Snow - (Cont) - ts fall			
081007	FOR	000000	T:01122	08/10/07 - 07:18 - 40993			
081007	FOR	000000		For, completed on 9/25/2007			
081007	FOR	000000		following event: Sale Scheduled			
081007	FOR	000000		User has updated the system for the			
081007	FOR	000000	T:01122	08/10/07 - 07:18 - 40993			
081007	FOR	000000		Jessica Snow.			
081007	FOR	000000		Process opened 8/10/2007 by user			
081007	FOR	000000	T:01122	08/10/07 - 07:18 - 40993			
081007	CBR	110106	T:00000	DELINQUENT: 180+ DAYS			
081007	CBR	110106	T:00000	FORECLOSURE STARTED			
081307	FSV	000000	T:00000	INSP TP F RESULTS RCVD; ORD DT=08/06/07			
081307	FB	110106		11.25 11 PROP INSPECTION FEE			
081407	LMT	000000	T:20707	APPROVED FOR LMT 07/27/07			
082107	D28	000000		FORCED BILLING STATEMENT FROM REPORT R628 STD FORM			

ALL BKR 8034

--------- MAIL --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
082907	NT	000000	T:20144	sent spo solic letter; dvanzan.6917		
083007	FSV	110106	T:21396	INSP TYPE R ORDERED; REQ CD =1150		
				with any questions.		
				charge off and contact Rebecca Colgan		
				will service transfer - please do not		
				note sale which has closed - loans		
083107	NT	000000	T:20707	loans included in active foreclosure		
090407	FSV	110106	T:21393	INSP TP R RESULTS RCVD; ORD DT=08/30/07		
090407	LMT	000000	T:20917	CLOSING DOCS & FUNDS (4509) COMPLETED 09/04/07		
090407	DM	000000	T:00000	50:00:00		
				EARLY IND: SCORE 107 MODEL EI90S		
090607	LMT	000000	T:21994	LMT BPO/APPRAISAL REC ADDED		
090607	FOR	000000		GMAC folder....		
090607	FOR	000000		Bid is pending audit and upload to		
090607	FOR	000000	T:01122	09/06/07 - 11:11 - 45210		
090607	FOR	000000		Completed, completed on 9/6/2007		
090607	FOR	000000		following event: Bid Calculation		
090607	FOR	000000		User has updated the system for the		
090607	FOR	000000	T:01122	09/06/07 - 11:11 - 45210		
090607	FOR	000000		completed on 9/6/2007		
090607	FOR	000000		following event: Bid Approved,		
090607	FOR	000000		User has updated the system for the		
090607	FOR	000000	T:01122	09/06/07 - 11:11 - 45210		
090607	FOR	000000		for upload		
090607	FOR	000000		instructions sent to GMAC folder		
090607	FOR	000000		Bid audited and specified bidding		
090607	FOR	000000	T:01122	09/06/07 - 14:11 - 32900		
090607	FOR	000000		on 9/6/2007		
090607	FOR	000000		Instructions To Attorney, completed		
090607	FOR	000000		following event: Bidding		
090607	FOR	000000		User has updated the system for the		
090607	FOR	000000	T:01122	09/06/07 - 16:21 - 27070		
090607	FOR	000000		by Angie Smith		
090607	FOR	000000		Hannoy, P.C. at 9/6/2007 4:22:11 PM		
090607	FOR	000000		(NIE Id# 4277968) sent to Feiwell &		
090607	FOR	000000		Foreclosure - Bidding Instructions		

ALL BKR 8034

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
090607	FOR	000000	T:01122	09/06/07 - 16:30 - 00007		
090707	FOR	000000	T:01122	BIDDING INSTRUCTIONS (609)	COMPLETED 09/06/07	
090707	FOR	000000		completed on 9/7/2007		
090707	FOR	000000		Instructions Received By Attorney,		
090707	FOR	000000		following event: Bidding		
090707	FOR	000000		User has updated the system for the		
090707	FOR	000000	T:01122	09/07/07 - 07:23 - 22093		
090707	FOR	000000		7:23:02 AM by Brian Jones		
090707	FOR	000000		Feiwell & Hannoy, P.C. at 9/7/2007		
090707	FOR	000000		(NIE Id# 4277968) picked up by firm		
090707	FOR	000000		Foreclosure - Bidding Instructions		
090707	FOR	000000	T:01122	09/07/07 - 07:31 - 00007		
090707	FOR	000000		Fidelity AutoProc.		
090707	FOR	000000		Process opened 9/7/2007 by user		
090707	FOR	000000	T:01122	09/07/07 - 13:12 - 00007		
090707	FOR	000000		s 877-656-2434.		
090707	FOR	000000	T:01122	09/07/07 - 13:16 - 00007		
090707	FOR	000000		TX 75356. The contact phone number i		
090707	FOR	000000		SEAN NEWSOME, PO BOX 560724 DALLAS		
090707	FOR	000000		ASSISTANCE CORP and the contact is		
090707	FOR	000000		07. The new vendor is MORTGAGE		
090707	FOR	000000	T:01122	09/07/07 - 13:16 - 00007		
090707	FOR	000000		billing Good Through Date is 9/26/20		
090707	FOR	000000		cut off date is 9/19/2007 and		
090707	FOR	000000		scheduled for 9/26/2007. Billing		
090707	FOR	000000		Service transfer from ResCap		
090707	FOR	000000	T:01122	09/07/07 - 13:16 - 00007		
091007	FB	110106		95.00 164 CORP ADV 3 DRM		
091007	FOR	000000		completed on 9/10/2007		
091007	FOR	000000		Notification Received By Attorney,		
091007	FOR	000000		following event: Service Release		
091007	FOR	000000		User has updated the system for the		
091007	FOR	000000	T:01122	09/10/07 - 15:57 - 32137		
				Pending		
091107	CIT	000000	T:20707	001 Open CIT#871 Bulk Note Sale/ SVC Transfer		
091107	FOR	000000		9/26/2007		

ALL BKR 8034

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
091107	FOR	000000		Effective Date, completed on		
091107	FOR	000000		following event: Service Release		
091107	FOR	000000		User has updated the system for the		
091107	FOR	000000	T:01122	09/11/07 - 12:52 - 21237		
091207	D19	110106		6020 - S&A - GOODBYE LETTER		TXT 8.06
091307	FOR	000000		9/12/2007		
091307	FOR	000000		Invoice Submitted, completed on		
091307	FOR	000000		following event: Service Release FC		
091307	FOR	000000		User has updated the system for the		
091307	FOR	000000	T:01122	09/13/07 - 09:31 - 44180		
091407	FB	110106		125.00	40 EXPENSE ADVANCES	
091407	FB	110106		185.00	40 EXPENSE ADVANCES	
091407	FB	110106		125.00	40 EXPENSE ADVANCES	
091407	FB	110106		12.00	40 EXPENSE ADVANCES	
091407	CBR	110106	T:00000	DELINQUENT: 180+ DAYS		
091407	CBR	110106	T:00000	FORECLOSURE STARTED		
				TSK TYP 871-LOSS MIT WORKOU		
091707	CIT	000000	T:04485	001 DONE 09/17/07 BY TLR 04485		
091707	CIT	000000	T:04485	Pending		
091707	CIT	000000	T:04485	002 Open CIT#871 Bulk Note Sale/ SVC Transfer		

END OF HISTORY

ALL BKR 8034

JESSICA BULLERMAN

Previous **Current** Next

DELINQUENT/LOAN/CONTACT INFO - PAGE 16819/25/20079:30:27 AM ETPFSP325 3 4 5 6

ACCT NUM 7437984271 M/P/A/S P Warn 5 Lock 0 Stop - 1 0 - 2 0 - 3 0 Cert Fnd 0

P SHERRY D SPARKMAN View 1 Lg . (W) V 5742699272 (H) V 5744914039

S Lg . (W) . 0 (H) . 0

3823 SOUTH STATE ROAD 25 Inv 90790 RFC SUBPRIME A/A

Loan Type 1 CONVENTION Subtype 8

MENTONE IN 46539 * Contract 7279 6/6,9020,FBD,1%

----- Due Payments ------ --------- Balances ---------

Due 12/01/06 9662.14 View Uncollected(Y/N) N Principal Bal 73423.89

Next Pay 692.66 Tot Uncoll -1883.25 Escrow Bal -186.66

Next L. C. 34.63 BUYDOWN .00

Coll Action Code: Unap C/Bal 0.00

Coll Result Code: Dsi Int 0.00 Borrower Pmt 0.00

Contact Dt 00/00/00 Promise:Dt 00/00/00 Amt 0.00 Plan N Bill Meth BILL

Recall:Dt 00/00/00 Tm 0 : 0 Ltr? N Lst Pmt Dt 11/16/06 RecNLTV % 100 RTE 20

Attm Dt 06/21/07 Dlq Msg- New? L Pck Lst? N ---- - - Time To Call E Occupy 4

EARLY IND: SCORE 107 MODEL EI90S

Delq Couns FCL

Credit Grd LMT

Pp Score 66666

C Factr 66666 .

-J-F-M-A-M-J-J-A-S-O-N-D-

9 9 9 9 8 7 6 5 4 0 0 0

0 0 0 0 0 0 0 0 0 0 0 9

09/04/07 50:00:00 Talked To 0 Attitu 0 Reason 02

Message: ACCT PENDING SERV RLS TO 144-009260 OK INQUIRY ONLY BOTTOM

Command: Submit Reset P

ACC001806
FILE #7920

Homecomings Financial, LLC
P.O. Box 205

Waterloo IA 50704

DATE 09/25/07

HISTORY FOR ACCOUNT 7437984271

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

------ DATES ------		---- CURRENT BALANCES -----		------- UNCOLLECTED -------	
PAID TO	11/01/06	PRINCIPAL	73423.89	LATE CHARGES	0.00
NEXT DUE	12/01/06	ESCROW	-186.66	OPTIONAL INS	0.00
LAST PMT	11/16/06	UNAPPLIED FUND	0.00	INTEREST	0.00
AUDIT DT	06/29/04	UNAPPLIED CODES		FEES	-1883.25
		BUYDOWN FUND	0.00	------ YEAR TO DATE -------	
LAST ACTIVITY		BUYDOWN CODE		INTEREST	0.00
09/14/07				TAXES	186.66

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
)50505	DM	000000	T:99998	04:00:00		
				CL/PPQ6 TGT: 20050531 CLR: 00000000 BY: KF		
				PROMISE TO PAY 6 QUICK COLLECTEI SCORE TEST CAMPAI		
				GN. PLEASE DO NOT CLEAR THIS AUTOQ. PLEASE ADD NE		
				W COMMENT BASED ON YOUR CONTACT WITH BORROWER.		
)51605	DM	000000	T:99998	04:00:00		
				CL/CNPO TGT: 20050518 CLR: 00000000 BY: RCOMBS		
				CONTACT NO PROMISE TO PAY - OUTBOUNDP/R TT B1 NO P		
				TPRFD;SINGLE MOM NOT GETTING CHILD SUPPORT FROM EX		
)51605	DM	000000	T:99998	04:00:00		
				VERF INFO ADVSD OF TAD		
)52005	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050525 CLR: 00000000 BY: ICHO		
				B&R ENVELOPE CONFIRMED		
)60705	DM	000000	T:99998	04:00:00		
				CL/PPQ6 TGT: 20050630 CLR: 00000000 BY: JSTEWAR1		
				PROMISE TO PAY 6 QUICK COLLECTTHIS IS A TEST AUTOQ		
				FOR ADHOC CAMPAIGNS, PLEASE ADD NEWCODE BASED ON		
)60705	DM	000000	T:99998	04:00:00		
				YOUR CONTACT		
)61605	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050621 CLR: 00000000 BY: ICHO		
				B&R ENVELOPE CONFIRMED		
)70505	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050710 CLR: 00000000 BY: ICHO		
)70705	DM	000000	T:99998	04:00:00		
				CL/PPQ6 TGT: 20050731 CLR: 00000000 BY: JSTEWAR1		

MES COL 1601

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SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
070705	DM	000000	T:99998	04:00:00		
				PROMISE TO PAY 6 QUICK COLLECTTHIS IS A TEST AUTOQ FOR OUTBOUND CALL CAMPAIGNS, PLEASEDO NOT CLEAR, PLEASE ADD ANOTHER AUTOQ BASED ON YOUR CONTACT		
081005	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20050831 CLR: 00000000 BY: JSTEWAR1		
				AD-HOC CAMPAIGN NO DOWNLOAD O THIS IS A TEST AUTOQ FOR AD HOC CAMPAIGNS.PLEASE ADD YO UR OWN COMMENT CODE BASED ON YOUR CONTACT WITH THE BORROWER.		
081205	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050817 CLR: 00000000 BY: ICHO		
				B&R ENVELOPE CONFIRMED		
090705	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20050930 CLR: 00000000 BY: JSTEWAR1		
				AD-HOC CAMPAIGN NO DOWNLOAD Y THIS IS A TEST AUTOQ FOR OUTBOUND CAMPAIGNS, PLEASE ADD Y OUR OWN COMM ENT CODE BASED ON YOUR CONTACT WITH THE BORROWER		
091205	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20050917 CLR: 00000000 BY: ICHO		
091205	DM	000000	T:99998	04:00:00		
				B&R ENVELOPE CONFIRMED		
100705	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20051031 CLR: 00000000 BY: KF		
				AD-HOC CAMPAIGN NO DOWNLOAD		
101005	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20051015 CLR: 00000000 BY: ICHO		
				B&R ENVELOPE CONFIRMED		
110805	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20051113 CLR: 00000000 BY: ICHO		
110805	DM	000000	T:99998	04:00:00		
				B&R ENVELOPE CONFIRMED		
110805	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20051130 CLR: 00000000 BY: KF		
				AD-HOC CAMPAIGN NO DOWNLOAD		
120805	DM	000000	T:99998	04:00:00		
				CL/AHCN TGT: 20051231 CLR: 00000000 BY: KF		
				AD-HOC CAMPAIGN NO DOWNLOAD		
121305	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20051218 CLR: 00000000 BY: ICHO		

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
011606	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20060116 CLR: 20060116 BY: PAR3		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
011706	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20060121 CLR: 00000000 BY: ICHO		
				B&R ENVELOPE CONFIRMED		
020706	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20060211 CLR: 00000000 BY: ICHO		
				B&R ENVELOPE CONFIRMED		
030106	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20060305 CLR: 00000000 BY: ICHO		
				B&R ENVELOPE CONFIRMED		
040606	NT	000000	T:99998	YG/BSRV TGT: 20060406 CLR: 00000000 BY: FADCARRO		
				FIRST AMERICAN B SERVICE TAX COLLECTION FARETS MAI		
				LED RG1 DLQ LETTER 4/6/06. AC H/O RESPONDED.SENT C		
				HECK OR RECEIPT FOR PROOF OF PAYMENT 5/13/06 .AC		
041206	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20060417 CLR: 00000000 BY: CLUHN		
041206	DM	000000	T:99998	04:00:00		
				B&R ENVELOPE CONFIRMED		
051906	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20060524 CLR: 00000000 BY: CRAD		
				B&R ENVELOPE CONFIRMED		
052406	NT	000000	T:99998	PQ/PPPX TGT: 20060524 CLR: 20060524 BY: 86		
				THE PPP HAS EXPIRED ACCORDING TO THE TERMS OF THE		
				NOTE/RIDER		
053006	DM	000000	T:99998	04:00:00		
				CL/CONT TGT: 20060530 CLR: 00000000 BY: RCONNOR2		
053006	DM	000000	T:99998	04:00:00		
				CALL RESULTING IN CONTACT W/BOR ON A CUR ACCT TKLD		
				TO B1, VFD INFO, NEEDED TO KNOW HOW MUCH PMT WOUL		
				D BE FOR JULY, ADVSD OF AMOUNT, WANTED PAYOFF, ADV		
				SD NO VBL PAYOFFS, ADVSD WOULD GIVE UPB, BUT SHE S		
				D THT SHE WOULD LOOK AT STATEMENT		
053006	NT	000000	T:99998	NL/COMM TGT: 20060530 CLR: 00000000 BY: PF		
053006	NT	000000	T:99998	NL/COMM TGT: 20060530 CLR: 00000000 BY: PF		
				GENERAL COMMENT C PLEASE NOTE: THE ARM DATA ON THI		

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SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
053006	NT	000000	T:99998	S LOAN WAS INITIALLY MISC ALCULATED HOWEVER THAT I NFO IS CORRECT AS OF 05.30.06!		
060606	DM	000000	T:99998	04:00:00 CL/CNPI TGT: 20060615 CLR: 00000000 BY: MLAYTON CONTACT NO PROMISE TO PAY - INBOUND TTB1; V/I; H/O WANTED TO KNOW WHAT NEW PAYMENT WOULD BE; ADVISED THAT NEW PAYMENT WOULD BE692.66; H/O STATED SHE W OULD NOT BE ABLE TO MAKE THAT PAYMENT; ADVISED OF REFI; H/O STATED THAT SHE ALREADY SPOKE TO REFI ST		
060606	DM	000000	T:99998	04:00:00 ATED THEY COULD NOT HELP HER; ADVISED OF ADVISED O F L/C & POSSIBLE C/D AND TAD		
062506	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20060627 CLR: 20060627 BY: PAR3 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
062606	DM	000000	T:99998	04:00:00 CL/LVAN TGT: 20060626 CLR: 20060626 BY: PAR3 LIVE ANSWER PDS		
062706	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20060629 CLR: 20060629 BY: PAR3 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
062906	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20060629 CLR: 20060629 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
063006	DM	000000	T:99998	04:00:00 CL/MCON TGT: 20060704 CLR: 00000000 BY: ICHO B&R ENVELOPE CONFIRMED		
070206	DM	000000	T:99998	04:00:00 CL/EXPR TGT: 20060702 CLR: 20060702 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
070306	DM	000000	T:99998	04:00:00 CL/EXPR TGT: 20060703 CLR: 20060703 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
070406	DM	000000	T:99998	04:00:00 CL/EXPR TGT: 20060704 CLR: 20060704 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		

MES COL 1601

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
071706	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060719 CLR: 20060719 BY: PAR3		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
071806	DM	000000	T:99998	04:00:00		
				CL/LAUS TGT: 20060718 CLR: 20060718 BY: PAR3		
				CONNECTED; CUSTOMER ANSWERED BUT HUNG UP PDS		
072006	DM	000000	T:99998	04:00:00		
				CL/CNPI TGT: 20060722 CLR: 00000000 BY: CLEE7		
				CONTACT NO PROMISE TO PAY - INBOUND TT B1... B1 WA		
072006	DM	000000	T:99998	04:00:00		
				SN'T ABLE TO SET UP S/D PMT. B1 WNTED TO HAVE HARD		
				SHIP LTTR SNT. ADVS ACCT NOT YET 30 DAYS AND DOSN'		
				T WAREENT HARDSHIP LTTR TO BE SENT. GVE CCRC... SE		
072006	NT	000000	T:99998	CS/MRLM TGT: 20060720 CLR: 20060720 BY: CLEE7		
				WORKOUT PACKAGE LETTER MAILED		
072406	DM	000000	T:99998	04:00:00		
				CL/EXPR TGT: 20060724 CLR: 20060724 BY: PAR3		
				EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
072506	DM	000000	T:99998	04:00:00		
				CL/CNPI TGT: 20060727 CLR: 00000000 BY: CLEE7		
				CONTACT NO PROMISE TO PAY - INBOUND CLL TRANSFERED		
				TO MY EXTN.. TT B1 WNTED HARDSHIP LETTER SNT OUT		
				ADVS THAT ON THE 35 DAY OF DELINQ LETTER WILL BE S		
				NT OUT THAT SHE CAN SHOW HER JOB TO RET HER 401K.		
				VERFY DEMO'S .		
072506	DM	000000	T:99998	04:00:00		
				CL/LAUS TGT: 20060725 CLR: 20060725 BY: PAR3		
072506	DM	000000	T:99998	04:00:00		
				CONNECTED; CUSTOMER ANSWERED BUT HUNG UP PDS		
072806	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060728 CLR: 20060728 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
073106	DM	000000	T:99998	04:00:00		
				CL/NOAN TGT: 20060731 CLR: 20060731 BY: PDS		
				NO ANSWER PDS		
080306	DM	000000	T:99998	04:00:00		
				RE/BNOR TGT: 20060902 CLR: 20060829 BY: DMNORR		

MES COL 1601

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
080306	DM	000000	T:99998	04:00:00		
				NOTICE OF RIGHTS LETTER SENT TAD= 1,385.32		
081406	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060814 CLR: 20060814 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
081506	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060815 CLR: 20060815 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
081606	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060816 CLR: 20060816 BY: PDS		
081606	DM	000000	T:99998	04:00:00		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
081606	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060816 CLR: 20060816 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
081706	DM	000000	T:99998	04:00:00		
				CL/TENM TGT: 20060817 CLR: 20060817 BY: RCONNOR2		
				TELEPHONE EMPLOYMENT NO MESSAGE LEFT		
081806	DM	000000	T:99998	04:00:00		
				CL/LT09 TGT: 20060818 CLR: 20060818 BY: 86		
081806	DM	000000	T:99998	04:00:00		
				POST-BREACH WORKOUT LETTER SENT		
081906	DM	000000	T:99998	04:00:00		
				CL/TRHU TGT: 20060819 CLR: 20060819 BY: JHILL6		
				TELEPHONED RESIDENCE - ANSWERING PARTY HUNG UP		
081906	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060819 CLR: 20060819 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
082006	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060820 CLR: 20060820 BY: PDS		
082006	DM	000000	T:99998	04:00:00		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
082106	DM	000000	T:99998	04:00:00		
				PI/PROP TGT: 20060821 CLR: 20060821 BY: DMPRI001R		
				PROPERTY INSPECTION REQUESTED		
082106	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20060821 CLR: 20060821 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
082306	DM	000000	T:99998	04:00:00		
				CL/TRHU TGT: 20060823 CLR: 20060823 BY: TWASHIN		

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
082306	DM	000000	T:99998	04:00:00		
				TELEPHONED RESIDENCE - ANSWERING PARTY HUNG UPLR		
082406	DM	000000	T:99998	04:00:00		
				CL/PTPO TGT: 20060830 CLR: 20060828 BY: ANYAGA		
				$0000000.00	$0001385.32	
				PROMISE TO PAY OUTBOUND TT B1;SAID SHE MAILED AUG		
				AND JULY PAYT 2 DAYS AGO;ADV OF CONSEQ OF DLNQCY;N		
				O RFD GIVEN--WHEN ASKED SHE SAID SHE'S BUSY AT WOR		
				K;		
082906	DM	000000	T:99998	04:00:00		
				PI/PICN TGT: 20060829 CLR: 20060829 BY: **		
				PROPERTY INSPECTION CANCELLATION WAS REQUESTED		
082906	NT	000000	T:99998	CL/DV20 TGT: 20060829 CLR: 20060829 BY: DMNORR		
				REINSTATEMENT		
083006	DM	000000	T:99998	04:00:00		
				PI/RSLT TGT: 20060830 CLR: 20060830 BY: **		
				PROPERTY INSPECTION RESULTS RECEIVED		
090506	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20060910 CLR: 00000000 BY: CRAD		
090506	DM	000000	T:99998	04:00:00		
				B&R ENVELOPE CONFIRMED		
111506	DM	000000	T:99998	04:00:00		
				CL/MCON TGT: 20061120 CLR: 00000000 BY: JALTIER		
				B&R ENVELOPE CONFIRMED		
112806	DM	000000	T:99998	04:00:00		
				CL/CONT TGT: 20061128 CLR: 00000000 BY: BMORAN1		
				CALL RESULTING IN CONTACT W/BOR ON A CUR ACCT B1 C		
				/OINQ ABOUT INTEREST RATE, ADV OF CEILING, INQ THA		
112806	DM	000000	T:99998	04:00:00		
				T RATE WILL NOT GO HIGHER THAN THE CURRENT RATE OF		
				10.725, ADV NO, V/I		
121706	DM	000000	T:99998	04:00:00		
				CL/LAUS TGT: 20061217 CLR: 20061217 BY: PAR3		
				CONNECTED; CUSTOMER ANSWERED BUT HUNG UP PDS		
121806	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20061220 CLR: 20061220 BY: PAR3		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		

ACC001813
FILE #7920

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID	
.22106	DM	000000	T:99998				04:00:00 CL/EXPR TGT: 20061221 CLR: 20061221 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS
.22206	DM	000000	T:99998				04:00:00 CL/EXPR TGT: 20061222 CLR: 20061222 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS
.22506	DM	000000	T:99998				04:00:00 CL/EXPR TGT: 20061225 CLR: 20061225 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS
122706	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20061229 CLR: 20061229 BY: PAR3 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
)10307	DM	000000	T:99998				04:00:00 RE/BNOR TGT: 20070202 CLR: 20070228 BY: DMNORR NOTICE OF RIGHTS LETTER SENT TAD= 1,474.54
)10307	DM	000000	T:99998				04:00:00 CL/EXPR TGT: 20070103 CLR: 20070103 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS
)10407	DM	000000	T:99998				04:00:00 CL/TPCT TGT: 20070104 CLR: 20070104 BY: COWENS2 THIRD PARTY CONTACT TP DEB FROM TITLE EXPRESS CALL ED IN TO ORDER P/O, WANTED FAX # TO FAX OVER REQUE ST.
)10907	DM	000000	T:99998				04:00:00 CL/TENM TGT: 20070109 CLR: 20070109 BY: TGOREE TELEPHONE EMPLOYMENT NO MESSAGE LEFT
)10907	DM	000000	T:99998				04:00:00 CL/TRNA TGT: 20070109 CLR: 20070109 BY: RKYSER
)10907	DM	000000	T:99998				04:00:00 TELEPHONED RESIDENCE - NO ANSWER
)10907	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20070109 CLR: 20070109 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
)10907	DM	000000	T:99998				04:00:00 CL/ANSM TGT: 20070109 CLR: 20070109 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS
)11107	DM	000000	T:99998				04:00:00 CL/NOAN TGT: 20070111 CLR: 20070111 BY: PAR3

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
011107	DM	000000	T:99998	04:00:00		
				NO ANSWER PDS		
011607	DM	000000	T:99998	04:00:00		
				CL/TENM TGT: 20070116 CLR: 20070116 BY: BCOOK2		
				TELEPHONE EMPLOYMENT NO MESSAGE LEFT		
011607	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070116 CLR: 20070116 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
011607	DM	000000	T:99998	04:00:00		
				CL/NOAN TGT: 20070116 CLR: 20070116 BY: PDS		
011607	DM	000000	T:99998	04:00:00		
				NO ANSWER PDS		
011707	DM	000000	T:99998	04:00:00		
				CL/TRHU TGT: 20070117 CLR: 20070117 BY: ANYAGA		
				TELEPHONED RESIDENCE - ANSWERING PARTY HUNG UP		
011807	DM	000000	T:99998	04:00:00		
				CL/ANSM TGT: 20070118 CLR: 20070118 BY: PDS		
				ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
011807	DM	000000	T:99998	04:00:00		
				CL/BUSY TGT: 20070118 CLR: 20070118 BY: PDS		
011807	DM	000000	T:99998	04:00:00		
				BUSY SIGNAL PDS		
011907	DM	000000	T:99998	04:00:00		
				CL/LT09 TGT: 20070119 CLR: 20070119 BY: 86		
				POST-BREACH WORKOUT LETTER SENT		
011907	DM	000000	T:99998	04:00:00		
				PI/PROP TGT: 20070119 CLR: 20070119 BY: DMPRI001R		
				PROPERTY INSPECTION REQUESTED		
012107	DM	000000	T:99998	04:00:00		
				CL/THLM TGT: 20070121 CLR: 20070121 BY: ANYAGA		
012107	DM	000000	T:99998	04:00:00		
				TELEPHONED HOME LEFT MESSAGELEFT MESSAGE WITH FEMA		
				LE		
012307	DM	000000	T:99998	04:00:00		
				CL/NOAN TGT: 20070123 CLR: 20070123 BY: PDS		
				NO ANSWER PDS		
012807	DM	000000	T:99998	04:00:00		
				CL/NOAN TGT: 20070128 CLR: 20070128 BY: PDS		

MES COL 1601

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
012807	DM	000000	T:99998	04:00:00 NO ANSWER PDS		
012907	DM	000000	T:99998	04:00:00 CL/NOAN TGT: 20070129 CLR: 20070129 BY: PDS NO ANSWER PDS		
013007	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070130 CLR: 20070130 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
013107	DM	000000	T:99998	04:00:00 PI/RSLT TGT: 20070131 CLR: 20070131 BY: **		
013107	DM	000000	T:99998	04:00:00 PROPERTY INSPECTION RESULTS RECEIVED		
013107	NT	000000	T:99998	FB/FB06 TGT: 20070131 CLR: 00000000 BY: ** $0000027.00 $0000000.00 06 PROP INSPECTION FEE		
013107	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070131 CLR: 20070131 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
020107	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070201 CLR: 20070201 BY: PDS		
020107	DM	000000	T:99998	04:00:00 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
020707	DM	000000	T:99998	04:00:00 CL/THLM TGT: 20070207 CLR: 20070207 BY: ESELE TELEPHONED HOME LEFT MESSAGELM W/ TP CHILD		
020807	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070208 CLR: 20070208 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
021207	DM	000000	T:99998	04:00:00 CL/NOAN TGT: 20070212 CLR: 20070212 BY: PDS		
021207	DM	000000	T:99998	04:00:00 NO ANSWER PDS		
021507	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070215 CLR: 20070215 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
021907	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070219 CLR: 20070219 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
022007	NT	000000	T:99998	YG/BSRV TGT: 20070220 CLR: 00000000 BY: FADCARRO		

MES COL 1601

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
022007	NT	000000	T:99998	FIRST AMERICAN B SERVICE TAX COLLECTION FARETS MAI LED RG1 DLQ LETTER 2/20/07. AC		
022007	DM	000000	T:99998	04:00:00 PI/PROP TGT: 20070220 CLR: 20070220 BY: DMPRI001R PROPERTY INSPECTION REQUESTED		
022707	NT	000000	T:99998	CL/PFFC TGT: 20070228 CLR: 00000000 BY: CMOORE PRE FORECLOSURE FINAL CONTACT ATTEMPT		
022707	DM	000000	T:99998	04:00:00 CL/THLM TGT: 20070227 CLR: 20070227 BY: CMOORE		
022707	DM	000000	T:99998	04:00:00 TELEPHONED HOME LEFT MESSAGE		
022807	DM	000000	T:99998	04:00:00 PI/RSLT TGT: 20070228 CLR: 20070228 BY: ** PROPERTY INSPECTION RESULTS RECEIVED		
030607	NT	000000	T:99998	FC/DM01 TGT: 20070306 CLR: 20070306 BY: BRAIN COMM NOTE TO ATTORNEY: EVENT ID: 5 REFERRAL RECEIVED BY ATTORNEY WAS CHANGED FROM ------ TO 03/06/2007 (N EWTRAK)		
030607	NT	000000	T:99998	FC/DM01 TGT: 20070306 CLR: 20070306 BY: BRAIN COMM COMMENT DATE:03/06/2007; FORECLOSURE (NIE ID# 3032 225) SENT TO FEIWELL & HANNOY, P.C. AT 3/6/2007 11 :51:44 AM BYAUTOMATED TASKS (NEWTRAK)		
030607	NT	000000	T:99998	FC/DM01 TGT: 20070306 CLR: 20070306 BY: BRAIN COMM COMMENT DATE:03/06/2007; FORECLOSURE (NIE ID# 3032 225)PICKED UP BY FIRM FEIWELL & HANNOY, P.C. AT 3/ 6/200711:56:01 AM BY JENNIFER CROOK (NEWTRAK)		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM		
030707	NT	000000	T:99998	COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO LLOWING EVENT: USER HAS CREATED A PROCESS-LEVEL IS SUE FOR THISLOAN.ISSUE TYPE: ACTION IN THE NAME OF . ISSUE COMMENTS: PLEASE PROVIDE THE NAME YOU WISH OUR OFFICE TO FORECLOSE IN THE NAME OF A.S.A.P.TH ANK YOU STATUS: ACTIVE (NEWTRAK)		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM		

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
030707	NT	000000	T:99998	COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO LLOWING EVENT: USER HAS APPROVED THE ISSUE. ISSUE TYPE: ACTION IN THE NAME OF. STATUS: ACTIVE, APPRO VED. (NEWTRAK)		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO LLOWING EVENT: USER HAS ENDED THE ISSUE ASSOCIATED WITH THIS LOAN.ISSUE TYPE: ACTION IN THE NAME OF. COMMENTS: PLEASE ACTIONIN THE NAME OF THE BANK OF		
030707	NT	000000	T:99998	NEW YORK TRUST COMPANY, N.A. ASSUCCESSOR TO JP MO RGAN CHASE BANK N.A. AS TRUSTEE THANKS. (NEWTRAK)		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO LLOWING EVENT: USER HAS APPROVED THE ISSUE. ISSUE TYPE: PAYOFFREQUEST. STATUS: ACTIVE, APPROVED. (NE WTRAK)		
030707	NT	000000	T:99998	FC/DM01 TGT: 20070307 CLR: 20070307 BY: BRAIN COMM COMMENT DATE:03/07/2007; SYSTEM UPDATED FOR THE FO		
030707	NT	000000	T:99998	LLOWING EVENT: USER HAS UPDATED A PROCESS-LEVEL IS SUE FOR THISLOAN. ISSUE UPDATED TO: ISSUE TYPE: P AYOFF REQUEST. ISSUECOMMENTS: THE REFERRAL DID NOT INCLUDE A PAYOFF QUOTE THATIS NECESSARY TO COMPLE TE THE VALIDATION LETTER AS ISREQUIRED UNDER THE F DCPA. PLEASE FURNISH US WITH THE SAME,ALONG WITH A N ITEMIZATION OF ANY LUMP SUM FIGURE SUCH AS"CORPO RATE ADVANCES" OR "OTHER FEES" GOOD THROUGH 14 DAY S,THIS SHOULD EXCLUDE OUR FEES & COSTS. PLEASE BE		
030707	NT	000000	T:99998	ADVISED THIS IS AN INTERNAL REQUEST.THANK YOU. STA		
030907	NT	000000	T:99998	FC/DM01 TGT: 20070309 CLR: 20070309 BY: BRAIN COMM COMMENT DATE:03/09/2007; SYSTEM UPDATED FOR THE FO LLOWING EVENT: USER HAS UPDATED A PROCESS-LEVEL IS SUE FOR THISLOAN. ISSUE UPDATED TO: ISSUE TYPE: P AYOFF REQUEST. ISSUECOMMENTS: THE REFERRAL DID NOT INCLUDE A PAYOFF QUOTE THATIS NECESSARY TO COMPLE TE THE VALIDATION LETTER AS ISREQUIRED UNDER THE F DCPA. PLEASE FURNISH US WITH THE SAME,ALONG WITH A		

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID	
031207	NT	000000	T:99998	FC/DM01 TGT: 20070312 CLR: 20070312 BY: BRAIN COMM COMMENT DATE:03/12/2007; SYSTEM UPDATED FOR THE FO LLOWING EVENT: USER HAS UPDATED A PROCESS-LEVEL IS SUE FOR THISLOAN. ISSUE UPDATED TO: ISSUE TYPE: P AYOFF REQUEST. ISSUECOMMENTS: THE REFERRAL DID NOT INCLUDE A PAYOFF QUOTE THATIS NECESSARY TO COMPLE TE THE VALIDATION LETTER AS ISREQUIRED UNDER THE F DCPA. PLEASE FURNISH US WITH THE SAME,ALONG WITH A N ITEMIZATION OF ANY LUMP SUM FIGURE SUCH AS"CORPO				
031207	NT	000000	T:99998	RATE ADVANCES" OR "OTHER FEES" GOOD THROUGH 14 DAY S,THIS SHOULD EXCLUDE OUR FEES & COSTS. PLEASE BE ADVISED THIS IS AN INTERNAL REQUEST.THANK YOU. STA			
031307	NT	000000	T:99998	FC/DM01 TGT: 20070313 CLR: 20070313 BY: BRAIN COMM COMMENT DATE:03/13/2007; PROCESS OPENED 3/13/2007 BY USER SHANNA BLACKLEY. (NEWTRAK)			
031307	NT	000000	T:99998	FC/DM01 TGT: 20070313 CLR: 20070313 BY: BRAIN COMM COMMENT DATE:03/13/2007; USER HAS COMPLETED THE F1 02_PAYOFF DATA FORM WITH THE FOLLOWING ENTRIES: SP			
031307	NT	000000	T:99998	ECIAL INSTRUCTIONS: : GOOD THROUGH DATE: : 3/27/0 7 ATTORNEY FEES & COSTS: : 0.00 (NEWTRAK)			
031307	NT	000000	T:99998	FC/DM01 TGT: 20070313 CLR: 20070313 BY: BRAIN COMM COMMENT DATE:03/13/2007; SYSTEM UPDATED FOR THE FO LLOWING EVENT: USER HAS ENDED THE ISSUE ASSOCIATED WITH THIS LOAN.ISSUE TYPE: PAYOFF REQUEST. COMMEN TS: UPLOADED PAYOFF SCREEN PRINT FOR INTERNAL USE ONLY,. (NEWTRAK)			
031307	NT	000000	T:99998	FC/DM01 TGT: 20070313 CLR: 20070313 BY: BRAIN COMM			
031307	NT	000000	T:99998	COMMENT DATE:03/13/2007; FORECLOSURE - PAYOFF (NIE ID#3070772) SENT TO FEIWELL & HANNOY, P.C. AT 3/1			
031407	NT	000000	T:99998	FC/DM01 TGT: 20070314 CLR: 20070314 BY: BRAIN COMM COMMENT DATE:03/14/2007; FORECLOSURE - PAYOFF (NIE ID#3070772) PICKED UP BY FIRM FEIWELL & HANNOY, P .C. AT3/14/2007 8:26:24 AM BY LEAH GILLOCK (NEWTRA K)			
031507	NT	000000	T:99998	FC/DM01 TGT: 20070315 CLR: 20070315 BY: BRAIN COMM COMMENT DATE:03/15/2007; USER HAS CLOSED THE FILE.			

--------- MAIL --------- PROPERTY ---------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID	
031507	NT	000000	T:99998	CLOSEREASON: PROCESS COMPLETE (NEWTRAK)			
031607	NT	000000	T:99998	CL/LT10 TGT: 20070316 CLR: 20070316 BY: 86 POST-REFERRAL WORKOUT LETTER SENT			
031607	NT	000000	T:99998	FC/DM01 TGT: 20070316 CLR: 20070316 BY: BRAIN COMM NOTE TO ATTORNEY: EVENT ID: 22 PRE-SALE REDEMPTION PERIOD ENDS WAS CHANGED FROM ------ TO 06/14/2007 (NEWTRAK)			
031607	NT	000000	T:99998	FC/DM01 TGT: 20070316 CLR: 20070316 BY: BRAIN COMM NOTE TO ATTORNEY: EVENT ID: 2 COMPLAINT FILED WAS CHANGED FROM ------ TO 03/16/2007 (NEWTRAK)			
031607	NT	000000	T:99998	FC/DM01 TGT: 20070316 CLR: 20070316 BY: BRAIN COMM COMMENT DATE:03/16/2007; PROCESS OPENED 3/16/2007 BY USER LYNDSAY PERRINE. (NEWTRAK)			
031607	NT	000000	T:99998	FC/DM01 TGT: 20070316 CLR: 20070316 BY: BRAIN COMM COMMENT DATE:03/16/2007; USER HAS COMPLETED THE F91_JFIGDUEDATE DATA FORM WITH THE FOLLOWINGENTRIES: JUDGMENT FIGURES NEEDED GOOD THROUGH?: : 03/23/2007 (NEWTRAK)			
031907	NT	000000	T:99998	FC/DM01 TGT: 20070319 CLR: 20070319 BY: BRAIN COMM COMMENT DATE:03/19/2007; FORECLOSURE - JUDGMENT FIGURES (NIE ID# 3107528) SENT TO FEIWELL & HANNOY, P.C. AT 3/19/2007 9:49:55 AM BY SHERRELL BUTLER (NEWTRAK)			
031907	NT	000000	T:99998	FC/DM01 TGT: 20070319 CLR: 20070319 BY: BRAIN COMM			
032007	DM	000000	T:99998	04:00:00 PI/PROP TGT: 20070320 CLR: 20070320 BY: DMPRI001R PROPERTY INSPECTION REQUESTED			
032107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM NOTE TO ATTORNEY: EVENT ID: 28 TITLE RECEIVED WAS CHANGED FROM ------ TO 03/16/2007 (NEWTRAK)			
032107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM COMMENT DATE:03/21/2007; SYSTEM UPDATED FOR THE FOLLOWING EVENT: USER HAS CREATED A PROCESS-LEVEL ISSUE FOR THISLOAN.ISSUE TYPE: ORIGINAL ASSIGNMENT. ISSUE COMMENTS: PLEASE PROVIDE AN ASSIGNMENT FROM MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS			

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SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
)32107	NT	000000	T:99998	NOMINEE FOR DECISION ONEMORTGAGE COMPANY, LLC TO THE BANK OF NEW YORK TRUST COMPANY, N.A. AS SUCCESSOR TO JPMORGAN CHASE BANK N.A., THE MORTGAGE IS DATED 05/24/2004, RECORDED ON 06/17/2004, INSTRUMENT #200400009903. THANKS. STATUS: ACTIVE (NEWTRAK)		
)32107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM COMMENT DATE:03/21/2007; SYSTEM UPDATED FOR THE FOLLOWING EVENT: USER HAS APPROVED THE ISSUE. ISSUE TYPE: ORIGINALASSIGNMENT. STATUS: ACTIVE, APPROVED		
)32107	NT	000000	T:99998	. (NEWTRAK)		
)32107	NT	000000	T:99998	STATUS: ACTIVEPROJECTED END: 12:00:00 AM CHANGED TO 03/28/2007ISSUE COMMENT: PLEASE PROVIDE AN ASSIGNMENT FROM MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FORDECISION ONE MORTGAGE COMPANY, LLC TO THE BANK OF NEW YORKTRUST COMPANY, N.A. AS SUCCESSOR TO JPMORGAN CHASE BANK N.A., THE MORTGAGE IS DATED 05/24/2004, RECORDED ON 06/17/2004, INSTRUMENT #200400009903. THANKS. CHANGED TO: PLEA		
)32107	NT	000000	T:99998	SE PROVIDE AN ASSIGNMENT FROM MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR DECISION ONEMORTGAGE COMPANY, LLC TO THE BANK OF NEW YORK TRUST COMPANY, N.A. AS SUCCESSOR TO JPMORGAN CHASE		
)32107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM COMMENT DATE:03/21/2007; SYSTEM UPDATED FOR THE FOLLOWING EVENT: USER HAS UPDATED A PROCESS-LEVEL ISSUE FOR THISLOAN. ISSUE UPDATED TO: ISSUE TYPE: MERS ASSIGNMENTNEEDED. ISSUE COMMENTS: PLEASE PROVI		
)32107	NT	000000	T:99998	DE AN ASSIGNMENT FROM MORTGAGE ELECTRONIC REGISTRATION SYSTEMS, INC. AS NOMINEE FOR DECISION ONE MORTGAGE COMPANY, LLC TO THE BANK OF NEW YORK TRUST COMPANY, N.A. AS SUCCESSOR TO JPMORGAN CHASE BANK N.A., THE MORTGAGE IS DATED 05/24/2004, RECORDED ON 06/17/2004, INSTRUMENT #200400009903. THANKS. **F		
)32107	NT	000000	T:99998	FC/DM01 TGT: 20070321 CLR: 20070321 BY: BRAIN COMM COMMENT DATE:03/21/2007; INTERCOM MESSAGE:/ SENT: 3/21/2007 6:16:30 PM / FROM: KARON DEDOLCHOW, FIDE		

MES COL 1601

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
032107	NT	000000	T:99998	LITY /TO: WENDY PHELPS (AT-FEIW) / CC:/ MESSAGE TY PE: GENERAL UPDATE / SUBJECT: MERS AOM/ MESSAGE: P LEASE DRAFT THE ASSIGNMENT PRIOR TO 3-28 AND UPLOA D VIA THE SIGNATURE REQUIRED PROCESS. THANKS (NEWT RAK)		
032207	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070322 CLR: 20070322 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
032307	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070323 CLR: 20070323 BY: PDS		
032307	DM	000000	T:99998	04:00:00 ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
032307	NT	000000	T:99998	FC/DM01 TGT: 20070323 CLR: 20070323 BY: BRAIN COMM COMMENT DATE:03/23/2007; INTERCOM MESSAGE:/ SENT: 3/23/2007 11:06:22 AM / FROM: WENDY PHELPS, AT-FEI W / TO: KARON DEDOLCHOW (FIDELITY) / CC:/ MESSAGE TYPE: GENERAL UPDATE / SUBJECT: RE: MERS AOM/ MESS AGE: THE AOM HAS BEEN DRAFTED AND UPLOADED FOR YOU R ADVISEMENT. THANKS, WENDY (NEWTRAK)		
032307	NT	000000	T:99998	FC/DM01 TGT: 20070323 CLR: 20070323 BY: BRAIN COMM COMMENT DATE:03/23/2007; SYSTEM UPDATED FOR THE FO LLOWING EVENT: USER HAS ENDED THE ISSUE ASSOCIATED WITH THIS LOAN.ISSUE TYPE: MERS ASSIGNMENT NEEDED . COMMENTS: UPLAODED TO NIE. (NEWTRAK)		
032707	DM	000000	T:99998	04:00:00 PI/RSLT TGT: 20070327 CLR: 20070327 BY: ** PROPERTY INSPECTION RESULTS RECEIVED		
032807	NT	000000	T:99998	CA/CAZF TGT: 20070328 CLR: 00000000 BY: **		
032807	NT	000000	T:99998		$0000750.00	$0000000.00
				FORECLOSURE FEESCK: 006419832AMT: 750.00 03/28/07 278112 337123		
032807	NT	000000	T:99998	CA/CAZG TGT: 20070328 CLR: 00000000 BY: **		
					$0000149.25	$0000000.00
				FORECLOSURE COSTS CK: 006419832AMT: 149.25 03/28/ 07278112 337123		
032807	NT	000000	T:99998	CA/CAZJ TGT: 20070328 CLR: 00000000 BY: **		
					$0000275.00	$0000000.00

MES COL 1601

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
032807	NT	000000	T:99998	FORECLSR TITLE COSTSCK: 006419832AMT: 275.00 03/2 8/07278112 337123		
032807	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070328 CLR: 20070328 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
040307	NT	000000	T:99998	FC/DM01 TGT: 20070403 CLR: 20070403 BY: BRAIN COMM NOTE TO ATTORNEY: EVENT ID: 27 SERVICE COMPLETED W ASCHANGED FROM ------ TO 03/29/2007 (NEWTRAK)		
041207	NT	000000	T:99998	CA/CAZO TGT: 20070412 CLR: 00000000 BY: **		
041207	NT	000000	T:99998		$0000095.00	$0000000.00
				BROKER PRICE OPINIONCK: 006440101AMT:95.00 04/12/ 07 4/9/2007		
041207	DM	000000	T:99998	04:00:00 CL/ANSM TGT: 20070412 CLR: 20070412 BY: PDS ANSWERING MACHINE DETECTED - LEFT MESSAGE PDS		
041807	DM	000000	T:99998	04:00:00 CL/EXPR TGT: 20070418 CLR: 20070418 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
042407	DM	000000	T:99998	04:00:00 CL/EXPR TGT: 20070424 CLR: 20070424 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
042507	DM	000000	T:99998	04:00:00 CL/EXPR TGT: 20070425 CLR: 20070425 BY: PAR3 EXPIRED, CALLING WINDOW ENDED BEFORE RETRY PDS		
042607	DM	000000	T:99998	04:00:00 CL/FINA TGT: 20070426 CLR: 00000000 BY: MTOMKO FINANCIALS TAKENINCOME:1750.00EXPENSES:2144.83SUGG		
042607	DM	000000	T:99998	04:00:00 ESTIONS: POSSIBLE MOD		
042607	NT	000000	T:99998	CL/MODP TGT: 20070426 CLR: 20070426 BY: MTOMKO REFERRED TO MODIFICATION PROACTIVELYSENDING REFERR AL TO MOD TEAM INBOX.		
042607	DM	000000	T:99998	04:00:00 CL/DM05 TGT: 20070426 CLR: 20070426 BY: MTOMKO REASON FOR DELINQUENCYTHE RFD IS: RECENT MEDICAL S		

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID	
042607	DM	000000	T:99998	04:00:00			
				ITUATIONS HAVE COST MONEY IN CO-PAYS FOR PRESCRIPT			
				IONS AND HOSPITAL BILLS. ARM FLUCTATION UP.			
042607	NT	000000	T:99998	CL/UMRF TGT: 20070426 CLR: 00000000 BY: LHUCK			
				UNSUITABLE MODIFICATION REFERRALTT REP ABOUT PUTIN			
				G BWR IN TO CCRC BECUASE IT IS UNSECURED MONTHLY D			
				EBT THAT KEEPS HER FROM QUALIFYING FOR A LOAN MOD.			
				ADVSISED REP TO RE REFER ONCED CCRC COMPLETE.			
042607	DM	000000	T:99998	04:00:00			
				CL/THLM TGT: 20070426 CLR: 20070426 BY: MTOMKO			
042607	DM	000000	T:99998	04:00:00			
				TELEPHONED HOME LEFT MESSAGELEFT MESSAGE WITH FEMA			
				LE			
042607	DM	000000	T:99998	04:00:00			
				CL/LVAN TGT: 20070426 CLR: 20070426 BY: PAR3			
				LIVE ANSWER PDS			
043007	NT	000000	T:99998	----- CONVERTED HISTORY ENDS 04/30/07 ------			
050307	DM	000000	T:00000	50:00:00			
				AUTOMATED INTEREST ACCRUAL HOLD ACTIVE			
050907	DM	000000	T:21135	15:19:00			
				ACTION/RESULT CD CHANGED FROM TO BRNA			
050907	DM	000000	T:21135	15:19:00			
				CALLED TO TRY AND F/U W/BWR REGARDING CCRC. HAVE			
				NOT BEEN ABLE TO MAKE CNTCT. INDIANA ACCT -			
				JUDGMENT DATE MAY DISABLE PMT OPTIONS IF NOT ABLE			
				TO WORK WITH BWR ASAP. WILL TRY AGAIN TOMORROW.			
				MTOMKO			
052207	NT	000000	T:20998	Payee: Kosciusko County Parcel: 01371801015			
052207	NT	000000	T:20998	Property Address: 3823 S State Road 25 Per			
				redemption statement # 35772831 Loan converted			
				into escrow. 2005 2nd Base $169.69 P&I $16.97 TAD			
				$186.66 GTD 05/31/07 No delinquent taxes on the			
				second parcel 01371801016. 2006 taxes are			
				currently not available.			
052407	NT	000000	T:20715	Blanket Campaign: WKOUT sent to bwr			
052407	NT	000000	T:20144	charge off denied; working for solution;			
				dvanzan/6917			

MES COL 1601

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
)60407	DM	000000	T:00000	50:00:00		
				EARLY IND: SCORE 106 MODEL EI90S		
)61107	DMD	000000	T:22222	50:00:00		
				06/09/07 10:45:27 4		
)61107	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
061107	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
061207	NT	000000	T:20144	charge off denied due to value; dvanzan/6917		
061207	NT	000000	T:19961	recd comp wout, (-1419), inc. 1120 exp. 2539 rfd. medical issues, imaged as wout, sent to Dvanzandt, ordered f/c gtd 7/12/07, glee1@2863		
061207	NT	000000	T:19961	fees: 150.00 cost: 47.00 total: 197.00 gtd 7/12/07, per newtrak, glee1@2863		
061507	DMD	000000	T:22222	50:00:00		
				06/15/07 11:08:08 BUSY		
061507	DMD	000000	T:22222	50:00:00		
				06/15/07 11:08:43 4		
061507	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
061807	DMD	000000	T:22222	50:00:00		
				06/16/07 10:36:57 NO ANS		
061807	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
061807	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
062007	DMD	000000	T:22222	50:00:00		
				06/20/07 10:37:27 NO ANS		
062007	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
062007	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
062107	DMD	000000	T:22222	50:00:00		
				06/21/07 11:00:47 MSG ANS MACH		
062107	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		
062107	DMD	000000	T:22222	50:00:00		
				00/00/00 00:00:00		

MES COL 1601

--------- MAIL ---------- --------- PROPERTY ----------

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
062607	NT	000000	T:20715	Blanket WOUT pkg sent to bwr		
070307	DM	000000	T:00000	50:00:00 EARLY IND: SCORE 106 MODEL EI90S		
080207	DM	000000	T:00000	50:00:00 EARLY IND: SCORE 107 MODEL EI90S		
082907	NT	000000	T:20144	sent spo solic letter; dvanzan.6917		
083107	NT	000000	T:20707	loans included in active foreclosure note sale which has closed - loans will service transfer - please do not		
083107	NT	000000	T:20707	charge off and contact Rebecca Colgan with any questions.		
090407	DM	000000	T:00000	50:00:00 EARLY IND: SCORE 107 MODEL EI90S		
091107	CIT	000000	T:20707	001 Open CIT#871 Bulk Note Sale/ SVC Transfer Pending		
091707	CIT	000000	T:04485	001 DONE 09/17/07 BY TLR 04485 TSK TYP 871-LOSS MIT WORKOU		
091707	CIT	000000	T:04485	002 Open CIT#871 Bulk Note Sale/ SVC Transfer		
091707	CIT	000000	T:04485	Pending		
091807	NT	000000	T:27090	'Recommendation: Charge Off - Active Recovery Saved. . Best Recov: 31,392.55 ; Prob Recov: 12,123.55'		
091807	NT	000000	T:27090	2007, the broker noted an as is value of $45k, and an as repaired value of $47k. The revised BPO value is 42k. The broker noted the property is in average condition with $2300 in estimated repairs. The interior was not viewed. The loan is in		
091807	NT	000000	T:27090	foreclosure with a sale date scheduled on 9/25. It would be best to go ahead and charge this loan off and save additional attorney fees and carrying costs. The loan does not have MI or special handling instructions. The best recovery would be 28,156.37 with a historical recovery of 8,887.37. . Best Recov: 28,156.37 ; Prob Recov: 8,887.37'		
091807	NT	000000	T:27090	'Recommendation: Charge Off - Active Recovery Submitted. I recommend we charge this account off.		

MES COL 1601

--------- MAIL --------- PROPERTY ---

SHERRY D SPARKMAN

3823 S STATE ROAD 25 3823 SOUTH STATE ROAD 25

MENTONE IN 46539-9319 MENTONE IN 46539

POST DATE	TRN CDE	DUE DATE	TRANSACTION AMOUNT	PRINCIPAL PAID	INTEREST PAID	ESCROW PAID
91807	NT	000000	T:27090	The last contact we had with the homeowner was in April of this year. At that point, we were trying to set up a mod on her account. She was overextended due to unsecured debt. We set her to to CCRC and have not heard back. Judgment has been entered and in the state of IN we no longer can set up a mod or repay. The last payment we received was in November of 2006. The property is occupied and not for sale. The original appraised		
91807	NT	000000	T:27090	value was $75k. In the BPO dated September 1,		
91807	NT	000000	T:27090	'Recommendation: Charge Off - Active Recovery Manager denied. Loan has been approved for Service Release--Charge off denied at this time. . Best Recov: 28,156.37 ; Prob Recov: 8,887.37'		
92007	CIT	000000	T:04485	002 DONE 09/20/07 BY TLR 04485		
92007	CIT	000000	T:04485	003 Open CIT#871 Bulk Note Sale/ SVC Transfer Pending		
92207	NT	000000	T:19588	loan on SR2 report - cancel inspection		
92207	NT	000000	T:19588	stop prop pres and activate stop all flag. Mike tx 3184		
92407	NT	000000	T:02165	TAX AMTS NOT AVAILABLE FOR 2006 PAY 2007.		

END OF HISTORY

MES COL 1601

($18,000) - Green River Cap
Grantor = Green River Capital
Grantee = Basheer June 11 08
July 1 08

iBer
47325 pg # 865

MLS = no records of Transaction or Sale.

Google -
County
- Register of Deeds
- property land search
- tax records.

ACC001843
FILE #7920

Welcome, PETULA

T-Mobile stick together

Your Profile
- Log out

Your phone number: ([redacted])
Lines on your account: 2

Search My T-Mobile SEARCH

- Manage
- Connect & Share
  - MobileLife℠
  - myFaves®
  - Album
  - Contacts
  - Send a text message
  - Configure e-mail
  - Configure alerts
- Shop
- Learn
- Support

Date [illegible]
From [illegible]
To Bob Mangold [illegible]
Subject [illegible]

Hi everyone;

I have finally been able to put together an e-mail list of investors in order to provide a group update. I have tried to speak to everyone individually but it does take a considerable amount of time on a daily basis speaking with everyone. If for some reason, I have not spoken to you lately, then I apologize.

So, I would like to give you an update on your real estate investment with OSMI and hopefully alleviate both your concerns and the need for me to call every week.

I have spent the past six months trying to go through the files and determine deeds, ownership, etc. It has been a long arduous task that has taken me far longer than I ever hoped and have not made anywhere near as much progress as I had hoped for. For those of you that have seen the enormous amount of files and paperwork I have, you realize the amount of time it has taken.

I had a conference call with the people from MAC who had been servicing our portfolio of properties. Recently, I found three properties that have been improperly deeded away from OSMI without my authorization. Whether accidental or fraudulent it has happened. However, that has turned out to be a very good thing. That incident triggered personal liability on behalf of the people handling these portfolios. This should allow me to take legal action against them personally. They cannot hide behind a corporate bankruptcy.

I have been trying for months to get them to assist me with this process to no avail. All of those people have moved on to other jobs and did not care. However, now that they have personal liability they have agreed to start making sense of this whole mess for us.

Starting this weekend they will begin to review every property and get it prepared for me to sign over to every investor in order to liquidate the properties and get as much of our cash returned as possible.

Because these properties have not been serviced for about 9 months I am looking into options to insure these properties are protected from liens, tax foreclosures, etc.

Based on these most recent events, this is the most optimistic I have felt about resolving this whole mess since it started last year.

I will keep you updated on the progress they make on this process.

Thanks,

Bob Mangold

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Manage
- Phone
- Billing & Payments
- Account use
- Plans & Services
- Your profile

Connect & Share
- MobileLife℠
- myFaves®
- Album
- Contacts
- Send a text message
- Configure e-mail
- Configure alerts

Shop
- Accessories

Learn
- Phones
- Plans
- Services
- Coverage
- Billing
- Family Wireless
- News & Deals

Support
- Support by topic
- Customer forums
- Order status
- Store locator
- Contact us

ACC001849
FILE #7920

- Glossary

Support
Contact Us
Store Locator
Return Policy
Coverage

About T-Mobile USA
Terms & Conditions
Terms of Use
Privacy Policy
Privacy Resources
©2002-2009 T-Mobile USA, Inc.

ACC001850
FILE #7920

one source
MORTGAGE & INVESTMENTS

October 26, 2007

Petula McLeod
[redacted]
[redacted] AZ [redacted]

Dear Petula,

Enclosed please find a new Schedule "A's" to replace sold properties. Please sign and return one copy in the enclosed self-addressed envelope and keep one copy for your records.

If you have any questions, please do not hesitate to contact us.

Best regards,

Bob Mangold
CEO
One Source Mortgage & Investments, Inc.

Enclosures

ACC001908
FILE #7920

11000 North Scottsdale Road • Suite 121 • Scottsdale, AZ 85254
Bus: (480) 222-5222 • Fax: (480) 368-8869

one source
MORTGAGE & INVESTMENTS

October 15, 2007

Petula McLeod
[redacted]
[redacted] AZ [redacted]

Dear Petula:

Thank you for returning the revised Exhibit "A". We have enclosed a copy for your records.

If you have any questions, please do not hesitate to contact us.

Best regards,

Bob Mangold
CEO
One Source Mortgage & Investments, Inc.

Enclosures

Fred Brown Dallas /TX Mortgage asst Corp
Fred.Brown@Mac/Tx.Com
OneSource
17470 N. PaceSetter Way
85255

ACC001909
FILE #7920

11000 North Scottsdale Road • Suite 121 • Scottsdale, AZ 85254
Bus: (480) 222-5222 • Fax: (480) 368-8869

SHORT FORM RESIDENTIAL

LOAN POLICY -- ONE-TO-FOUR FAMILY

Issued by
Clear Title Agency, Inc.

SCHEDULE A

Amount of Insurance: $ 113,000.00

Premium: $ 635.50

File Number: CLE-3972-ABDULRAZ
Loan Number: [redacted]4510

Mortgage Amount: $ 113,000.00
Mortgage Date: 10/22/03

Policy Number: F 90-0156651
Date of Policy: October 22, 2003 at 04:30 PM

Name of Insured: Decision One Mortgage, its successors and/or assigns

Name of Borrower(s): Arkon Abdulrazzak

Property Address: [redacted]
[redacted] MI [redacted]

County and State: Wayne
Michigan

The estate or interest in the land identified in this Schedule A and which is encumbered by the insured mortgage is fee simple and is at Date of Policy vested in the borrower(s) shown in the insured mortgage and named above.
The land referred to in this policy is described as set forth in the insured mortgage and is identified as the property address shown above.

This policy consists of page(s) unless an addendum is attached and indicated below:

[ ] Addendum attached [X] No Addendum attached

The ALTA endorsements indicated below are incorporated herein:

[ ] ENDORSEMENT 4 (Condominium) or
[ ] ENDORSEMENT 5 (Planned Housing Unit) or
[ ] ENDORSEMENT 6 (Variable Rate)
[ ] ENDORSEMENT 6.2 (Variable Rate--Negative Amortization)
[ ] ENDORSEMENT 7 (Manufactured Housing)
[ ] ENDORSEMENT 8.1 (Environmental Protection Lien referring to the following state statute(s):
M.C.L.A. 324.11101 et. seq. (Hazardous Waste Management)
M.C.L.A. 324.20101 et seq (Environmental Response)
M.C.L.A. 324.21301 et seq. (Leaking Underground Storage Tanks) being Parts 111,201 and 213 of the Natural Resources and Environmental Protection Act.
[ ] ENDORSEMENT 9 (Restrictions, Encroachments, Minerals)

[ ] ENDORSEMENT 4.1
[ ] ENDORSEMENT 5.1
[ ] ENDORSEMENT 6.1

CLEAR TITLE AGENCY, INC.

By: _____

SHAMIL E. HALABU, AGENT

COMPREHENSIVE ENDORSEMENT- M 100A

Issued by **Transnation Title Insurance Company**

LandAmerica Transnation

Transnation Title Insurance Company is a member of the LandAmerica family of title insurance underwriters.

To be annexed to and form a part of Policy No.: F 90-0156651 File No.: CLE-3972

The Company hereby insures against loss which said Insured shall sustain by reason of any of the following matters:

1. Any incorrectness in the assurance which the Company hereby gives:

   (a) That there are no covenants, conditions, or restrictions under which the lien of the mortgage referred to in Schedule A can be cut off, subordinated, or otherwise impaired;
   (b) That there are no present violations on said land of any enforceable covenants, conditions or restrictions;
   (c) That, except as shown in Schedule B, there are no encroachments of buildings, structures, or improvements located on said land onto adjoining lands, nor any encroachments onto said land of buildings, structures, or improvements located on adjoining lands.

2. Any future violations on said land of any covenants, conditions, or restrictions occurring prior to acquisition of title to said estate or interest by the Insured, provided such violations result in impairment or loss of the lien of the mortgage referred to in Schedule A, or result in impairment or loss of the title to said estate or interest if the Insured shall acquire such title in satisfaction of the indebtedness secured by such mortgage.

3. Damage to existing improvements, including lawns, shrubbery or trees which are located or encroach upon that portion of land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purpose for which the same was granted or reserved.

4. Any final court order or judgment requiring removal from any land adjoining said land of any encroachment shown in Schedule B.

Wherever in this endorsement any or all the words "covenants, conditions or restrictions" appear they shall not be deemed to refer to or include the terms, covenants and conditions contained in any lease referred to in Schedule A.

As used in paragraph 1(b), the words "covenants, conditions or restrictions" shall not be deemed to refer to or include any covenants, conditions or restrictions relating to environmental protection.

The total liability of the Company under said policy and any endorsement attached thereto shall not exceed, in the aggregate, the face amount of said policy and costs which the Company is obligated under the provisions of said policy to pay.

This endorsement is made a part of said policy and is subject to the exclusions, schedules, endorsements, conditions, stipulations and terms thereof, except as modified by the provisions hereof.

Nothing herein contained shall be construed as extending or changing the effective date of said policy, unless otherwise expressly stated.

IN WITNESS WHEREOF, TRANSNATION TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Endorsement to become valid when countersigned by an authorized officer or agent of the Company.

TRANSNATION TITLE INSURANCE COMPANY

Dated:

By: Janet A. Alpert
President

Countersigned:

TRANSNATION TITLE INSURANCE COMPANY INCORPORATED SEPT. 16, 1992 ARIZONA

Attest: Wm. Chadwick Perrine
Secretary

By: _____
Authorized ~~Officer or Agent~~

Endorsement - M 100A
Form 2408-1

ORIGINAL

ACC001916
FILE #7920

PFRES 03/13/07

ISSUED BY
TRANSNATION TITLE INSURANCE COMPANY

Transnation

ALTA ENDORSEMENT FORM 6 (6-1-87)

Attached To Policy No.
F90-0156651
CLE-3972

The Company insures the owner of the indebtedness secured by the insured mortgage against loss or damage sustained by reason of:

1. The invalidity or unenforceability of the lien of the insured mortgage resulting from the provisions therein which provide for changes in the rate of interest.
2. Loss of priority of the lien of the insured mortgage as security for the unpaid principal balance of the loan, together with interest as changed in accordance with the provisions of the insured mortgage, which loss of priority is caused by the changes in the rate of interest.

"Changes in the rate of interest", as used in this endorsement, shall mean only those changes in the rate of interest calculated pursuant to the formula provided in the insured mortgage at Date of Policy.

This endorsement does not insure against loss or damage based upon

(a) usury, or

(b) any consumer credit protection or truth in lending law.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto, except that the insurance afforded by this endorsement is not subject to Section 3(d) of the Exclusions From Coverage. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

TRANSNATION TITLE INSURANCE COMPANY

Dated:

Order No.

Countersigned:

By _____
AUTHORIZED SIGNATORY

TRANSNATION TITLE INSURANCE COMPANY INCORPORATED SEPT. 16, 1992 ARIZONA

By: _____ President

Attest: James J. Lynch Jr. Secretary

PFRES 03/13/07

ACC001917
FILE #7920

SHORT FORM RESIDENTIAL LOAN POLICY ONE-TO-FOUR FAMILY

Issued by **Transnation Title Insurance Company**

POLICY NUMBER
F90-0156651

LandAmerica Transnation

Transnation Title Insurance Company is a member of the LandAmerica family of title insurance underwriters.

SUBJECT TO THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B BELOW, AND ANY ADDENDUM ATTACHED HERETO, TRANSNATION TITLE INSURANCE COMPANY, AN ARIZONA CORPORATION, HEREIN CALLED THE "COMPANY", HEREBY INSURES THE INSURED IN ACCORDANCE WITH AND SUBJECT TO THE TERMS, EXCLUSIONS, CONDITIONS AND STIPULATIONS SET FORTH IN THE AMERICAN LAND TITLE ASSOCIATION LOAN POLICY (10/17/92), ALL OF WHICH ARE INCORPORATED HEREIN. ALL REFERENCES TO SCHEDULES A AND B SHALL REFER TO SCHEDULE A AND B OF THIS POLICY.

SCHEDULE B - EXCEPTIONS FROM COVERAGE AND AFFIRMATIVE ASSURANCES

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of the matters set forth below, except to the extent that the Company does insure in accordance with and subject to its terms against loss or damage which the insured shall sustain by reason of any inaccuracies in the affirmative assurances set forth below, except as limited in any addendum attached hereto:

1. Those taxes and special assessments which become due and payable subsequent to Date of Policy.
2. Covenants, conditions and restrictions, if any, appearing in the public records. This policy insures that the same have not been violated except that such affirmative assurance does not extend to covenants, conditions and restrictions relating to environmental protection unless a notice of a violation thereof has been recorded or filed in the public records and is not referenced in an addendum attached hereto. Further, this policy insures that future violation of any covenants, conditions and restrictions appearing in the public records, including any relating to environmental protection, will not result in a forfeiture or reversion of title and that there are no provisions therein under which the lien of the insured mortgage can be extinguished, subordinated or impaired.
3. Any easements or servitudes appearing in the public records. This policy insures that none of the improvements encroach upon the easements and that any use of the easements for the purposes granted or reserved will not interfere with or damage the improvements, including lawns, shrubbery and trees.
4. Any lease, grant, exception or reservation of minerals or mineral rights appearing in the public records. This policy insures that the use of the land for residential one-to-four family dwelling purposes is not, and will not be, affected or impaired by reason of any lease, grant, exception or reservation of minerals or mineral rights appearing in the public records and this policy insures against damage to existing improvements, including lawns, shrubbery and trees, resulting from the future exercise of any right to use the surface of the land for the extraction or development of the minerals or mineral rights so leased, granted, excepted or reserved. Nothing herein shall insure against loss or damage resulting from subsidence.
5. This policy insures against loss or damage by reason of any violation, variation, encroachment or adverse circumstances affecting the title that would have been disclosed by an accurate survey. The term "encroachment" includes encroachments of existing improvements located on the land onto adjoining land, and encroachments onto the land of existing improvements located on adjoining land.

All notices required to be given the Company and any statement in writing required to be furnished the Company shall include the number of this policy and shall be addressed to: Consumer Affairs Department, P.O. Box 27567, Richmond, Virginia 23261-7567.

IN WITNESS WHEREOF, TRANSNATION TITLE INSURANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its duly authorized officers, the Policy to become valid when countersigned by an authorized officer or agent of the Company.

TRANSNATION TITLE INSURANCE COMPANY

Attest: Wm. Chadwick Perrine Secretary

TRANSNATION TITLE INSURANCE COMPANY INCORPORATED SEPT. 16, 1992 ARIZONA

By: Janet A. Alpert President

PROMISSORY NOTE

Date: July 31, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Ray & Sharon Miranda

Place for Payment:

Principal Amount $60,000

Interest Rate: Twelve Percent (12%)

Maturity Date: July ____, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By:_____
Title: Robert Mangold, President/CEO

EXHIBIT
S-29
ADMITTED

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Miranda

OSMI PN - 31

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	Value
1	1725 N. BROOKFIELD STREET	SOUTH BEND	IN	46628	$ 78,878.01	$ 25,000.00
2	718 BELLOWS	COLUMBUS	OH	43222	$ 70,555.14	$ 25,000.00
3						
4						
5						
6						
7						
totals					**$149,433.15**	**$50,000.00**

Seller

Buyer

Date

Date

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Ray and Sharon Miranda

OSMI PN - 40

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	3021 Villa Avenue	Indianapolis	IN	46237	7/25/07	$70,000.00
Totals						**$70,000.00**

Seller

10-8-07

Date

Buyer

Buyer

M000586

PROMISSORY NOTE

Date: October 17, 2006

Borrower: One Source Mortgage & Investments

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Pensco Trust Company, Custodian FBO Robert E. Morey IRA [redacted]1FN

Place for Payment: P.O. Box 26903 San Francisco, CA 94126

Principal Amount $~~45~~,000 49,000

Interest Rate: Twelve Percent (12%)

Maturity Date: October 17, 2008

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

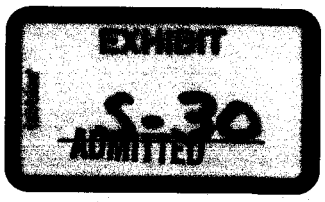
Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

One Source Mortgage & Investments, Inc.

By: Robert Mangold

Title: Robert Mangold, President/CEO



SECURITY AGREEMENT

Date: November 1, 2006

Debtor: One Source Mortgage & Investments, Inc.

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Pensco Trust Company, Custodian FBO Robert E. Morey IRA[redacted]1FN

Secured Party's Mailing Address: 7099 S Taylor Drive Tempe AZ 85283

Amount of Promissory Note: $49,000

RM 6 Nov 06

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

PROMISSORY NOTE

Date: November 1, 2006

Borrower: One Source Mortgage & Investments

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Pensco Trust Company, Custodian FBO Robert E. Morey IRA [redacted]1FN

Place for Payment: 7099 S Taylor Drive Tempe AZ 85283

RM 6 Nov 06

Principal Amount $49,000

Interest Rate: Twelve Percent (12%)

Maturity Date: November 1, 2008

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

One Source Mortgage & Investments, Inc.

By: Robert Mangold

Title: Robert Mangold, President/CEO

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments., ("Seller"), and Pensco Trust Company, Custodian FBO Robert E. Morey IRA [redacted]1FN ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 10 accounts with an aggregate principal balance of $49,000.

RM 6 Nov 06

Executed this _____ day of November, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: _____

Date: _____

Dan Barnett X:\Bobs Team\Team Docs\Notes\Morey IRA\Bill of Sale EXHIBIT B_Morey.doc

PROMISSORY NOTE

Date: November 11, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $49,000 (forty nine thousand dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: November 11, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

OSMI-PN-6 Bob Morey

SECURITY AGREEMENT

Date: November 11, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage Investments, Inc

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 852254

Amount of Promissory Note: $49,000.00

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Secured Party Obligations:

1. The original loan documents will be maintained in a secure location at the Secured Party's primary office until the Promissory Note is paid in full.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed:

Mortgage Assistance Corporation

Dan Barnett, Vice President Date

Dale Hensel, President Date

Lynn Hoosier Castlow
LeAnn Hoosier Castlow
, Witness

Diep Nguyen, Witness

State of Tx:

County of Dallas:

Before me, a Notary Public in and for the State of Texas this 13 day of Nov, 2006, appeared Dan Barnett & Dale Hensel, who is personally known to me and who acknowledged she/he signed the foregoing document.

MELISSA ANN GUTIERREZ
Notary Public, State of Texas
My Commission Expires
November 14, 2009

Notary Public
My Commission Expires: 11/14/09

one source
MORTGAGE & INVESTMENTS

Schedule "A" Pensco Trust Company, Custodian FBO Robert E. Morey IRA [redacted] FN

COUNT	Address	CITY	ST	LIEN POSITION	ORIGINAL BALANCE	Unpaid Principal Balance	Note Value
1	922 W. Davidson Avenue	Gastonia	NC	First Lien	$51,200.00	$51,019.13	$3,500.00
2	862 Elias Street	St Louis	MO	First Lien	$43,200.00	$42,448.32	$570.00
3	2204 14th Ave. North	Nashville	TN	First Lien	$49,950.00	$49,391.00	$11,000.00
4	2416 43rd Avenue	Meridian	MS	First Lien	$27,000.00	$26,821.09	$13,700.00
5	2019 Oklahome Street	Muskogee	OK	First Lien	$33,300.00	$33,234.19	$23,000.00
6							
7							
8							
9							
10							
11							
totals					$204,650.00	$202,913.73	$51,770.00

RM
16 Oct 06

Robert Morey
Seller

10-16-06
Date

✓ [signature], Am OR 10-20-06
Buyer Pensco Trust Comp

Date

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments., ("Seller"), and Pensco Trust Company, Custodian FBO Robert E. Morey IRA [redacted] FN ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 10 accounts with an aggregate principal balance of $48,000.

Executed this 16th day of October, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: [signature]

Date: 10-16-06

Dan BarnettX:\Bobs Team\Team Docs\Notes\Morey IRA\Bill of Sale EXHIBIT B_Morey.doc

SECURITY AGREEMENT

Date: October 16, 2006

Debtor: One Source Mortgage & Investments, Inc.

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Pensco Trust Company, Custodian FBO Robert E. Morey IRA [redacted] FN

Secured Party's Mailing Address: P.O. Box 26903 San Francisco, CA 94126

Amount of Promissory Note: $48,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the *Obligation* and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **One Source Mortgage & Investments, Inc.**

10-16-06

Robert Mangold, President/CEO Date

Approved: Robert E. Morey 16 Oct 06

Signed: **Lender**

AVP OPS 10-20-06

Pensco Trust Company, Custodian
FBO Robert E. Morey IRA [redacted] FN Date

, Witness

Vickie E. Stoddard
, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 18th day of October, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

Patricia Jones
Notary Public
My Commission Expires: 11/29/2009

PROMISSORY NOTE

Date: November 11, 2006

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $10,000 (ten thousand dollars)

Annualized Interest Rate: Twelve Percent (12%)

Maturity Date: November 11, 2008

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid monthly and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

OSMI-PN-11 David Neal

EXHIBIT
S-31
ADMITTED

SECURITY AGREEMENT

Date: November 11, 2006

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage Investments, Inc

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 852254

Amount of Promissory Note: $10,000.00

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Secured Party Obligations:

1. The original loan documents will be maintained in a secure location at the Secured Party's primary office until the Promissory Note is paid in full.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Promissory Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Mortgage Assistance Corporation**

Dan Barnett, Vice President Date

Dale Hensel, President Date 11/10/06

LeAnn Hoosier Castlow
LeAnn Hoosier Castlow
, Witness

Drew Nguyen
Drew Nguyen, Witness

State of Tx :

County of Dallas:

Before me, a Notary Public in and for the State of Texas this 13 day of Nov, 2006, appeared Dale Hensel & Dan Barnett, who is personally known to me and who acknowledged she/he signed the foregoing document.

MELISSA ANN GUTIERREZ
Notary Public, State of Texas
My Commission Expires
November 14, 2009

Notary Public
My Commission Expires: 11/14/09

Mortgage Assistance Corporation
P.O. Box 131618 • Dallas Tx 75313 • 214-670-0005 • fax 214-670-0001

Exhibit A
OSMI PN-11
David Neal

LAST NAME	FIRST NAME	COLLATERAL ADDRESS	CITY	ST	ZIP	COUNTY	PROP TYPE	UPB	ORIG LOAN AMT	BPO
Miller	Audrey & Harry	3124 Sacramento Ave	Pittsburgh	PA	15204	Allegheny	Row	$ 10,722.16	$ 17,941.16	$ 30,000.00
								$ 10,722.16	$ 17,941.16	$ 30,000.00

Dale Hensel
President of Mortgage Assistance Corporation

Dan Barnett
Vice President of Mortgage Assistance Corporation

10/19/2006

M000613

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 7th day of November, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

Patricia Jones
Notary Public
My Commission Expires: November 29, 2009

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between One Source Mortgage & Investments., ("Seller"), and Danielle Neal ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 2 accounts with an aggregate principal balance of **$10,000**.

Executed this __7th_____ day of November, 2006.

Seller, One Source Mortgage & Investments, Inc.

Signed: _____

Date: 11-7-2006

Dan BarnettX:\Bobs Team\Team Docs\Notes\Neal\Bill of Sale EXHIBIT B.doc

PROMISSORY NOTE

Date: November 7, 2006

Borrower: One Source Mortgage & Investments

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Danielle Neal

Place for Payment: [redacted] AZ [redacted]

Principal Amount $10,000

Interest Rate: Twelve Percent (12%)

Maturity Date: November 7, 2008

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

One Source Mortgage & Investments, Inc.

By: _____

Title: Robert Mangold, President/CEO

SECURITY AGREEMENT

Date: November 7, 2006

Debtor: One Source Mortgage & Investments, Inc.

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Danielle Neal

Secured Party's Mailing Address: [redacted]
AZ [redacted]

Amount of Promissory Note: $10,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **One Source Mortgage & Investments, Inc.**

Robert Mangold, President/CEO 11-7-06 Date

Signed: **Lender**

Danielle Neal 11-7-06 Date

, Witness

, Witness

one source
MORTGAGE & INVESTMENTS

Schedule "A" Neal

COUNT	ADDRESS	CITY	ST	LAST NAME	FIRST NAME	Unpaid Principal Balance	Note Value
1	3124 Sacramento Ave	Pittsburgh	PA	Miller	Audrey & Harry	$10,722.16	$17,941.16
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
totals						$10,722.16	$17,941.16

Seller

11-7-06

Date

Buyer

Date

M000622

one source
MORTGAGE & INVESTMENTS

Schedule "A" Neal

COUNT	ADDRESS	CITY	ST	LAST NAME	FIRST NAME	Unpaid Principal Balance	Note Value
1	3124 Sacramento Ave	Pittsburgh	PA	Miller	Audrey & Harry	$10,722.16	$17,941.16
2							
3							
4							
5							
6							
7							
8							
9							
10							
11							
totals						$10,722.16	$17,941.16

Seller

11-7-06
Date

Buyer

11/7/06
Date

PROMISSORY NOTE

Date: March 7th, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Danielle Neal PC

Place for Payment: [redacted], AZ [redacted]

Principal Amount $150,000

Interest Rate: Twelve Percent (12%)

Maturity Date: March 7th, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments, LLC ("Seller"), and Danielle Neal PC ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling **5** accounts with an aggregate principal balance of **$150,000**.

Executed this 7th day of March, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: 3-7-07

Dan BarnettX:\Bobs Team\Team Docs\Notes\Neal #2\Bill of Sale EXHIBIT B_Neal.doc

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Neal PC

OSMI-PN -

COUNT	ADDRESS	CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	330 First St.	Solvay	NY	13209	Loretta	Hayes	$35,151.36	$45,000.00
2	3019 North Garrison Avenue	Tulsa	OK	74106	Ulina	Jamison	$39,870.03	$40,000.00
3	512 W. Third St	Fort Wayne	IN	46808	Sterling	Hall	$47,686.44	$49,300.00
4	1746 South Ruby St	Philadelphia	PA	19143	Frances	Whitaker	$334.03	$7,500.00
5	3504 Lee Avenue	Monroe	LA	71202	Dorothy	Smith	$20,714.12	$21,000.00
6								
7								
totals							$143,755.98	$162,800.00

Seller

3-7-07

Date

Buyer

3/7/07

Date

M000626

SECURITY AGREEMENT

Date: February 28, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Danielle Neal PC

Secured Party's Mailing Address: [redacted], AZ [redacted]

Amount of Promissory Note: $150,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;

d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

3-7-07

Robert Mangold, President/CEO Date

Signed: **Lender**

3/7/07

Danielle Neal PC Date

Date

, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 12th day of March, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones
Notary Public
My Commission Expires: Nov. 29, 2009

PROMISSORY NOTE

Date: March 07, 2007

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: One Source Mortgage & Investments, Inc.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $150,000.00 (One Hundred and Fifty Thousand dollars)

Annualized Interest Rate: Twelve percent (12%)

Maturity Date: March 07, 2009

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____
Title: Dale Hensel, President

By: _____
Title: Dan Barnett, Vice President

OSMI-PN-23 Neal

SECURITY AGREEMENT

Date: March 07, 2007

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: One Source Mortgage & Investments, Inc.

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121,

Phoenix, AZ 85254

Amount of Promissory Note: $150,000.00 (One Hundred Fifty Thousand dollars)

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to

cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except tax and city liens.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence, liens in favor of Secured Party or for tax and city liens;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Mortgage Assistance Corporation**

8/7/07

Dan Barnett, Vice President Date

, Witness

, Witness

State of TX :

County of Denton

Before me, a Notary Public in and for the State of Texas this 7th day of March, 2007, appeared Dan Barnett, who is personally known to me and who acknowledged she/he signed the foregoing document.

Kimberley E. Perryman
Notary Public
My Commission Expires: 4-11-2007

KIMBERLEY E. PERRYMAN NOTARY PUBLIC STATE OF TEXAS EXPIRES

M000640

Mortgage Assistance Corporation
2614 Main Street · Dallas Tx 75226 · 214-670-0005 · fax 214-670-0001
www.mac-tx.com Trading Symbol: MTGC.OB

Neal

First Name	Last Name	Collateral Adddress	City	St	Zip	BPO	UPB	ORIG LOAN AMT	NOTE DATE
Loretta	Hayes	330 First St.	Solvay	NY	13209	$45,000.00	$35,151.36	$45,000.00	8/1/2002
Ulina	Jamison	3019 North Garrison Av	Tulsa	OK	74106	$2,400.00	$39,870.03	$40,000.00	7/1/2001
Sterling	Hall	512 W. Third St	Fort Wayne	IN	46808	$39,000.00	$47,686.44	$49,300.00	7/1/2003
Frances	Whitaker	1746 South Ruby St	Philadelphia	PA	19143	$45,000.00	$334.03	$7,500.00	8/1/2004
Dorothy	Smith	3504 Lee Avenue	Monroe	LA	71202	$19,000.00	$20,714.12	$21,000.00	9/28/2004
						$150,400.00	**$143,755.98**	**$162,800.00**	

Buyer

3-7-07

Date

~~Seller~~ Borrower

3-7-07

Date

PROFIT SHARING AGREEMENT

This Profit Sharing Agreement is made on 1st day of August, 2006 between ***One Source Mortgage and Investments*** *("OSMI"), an Arizona Corporation, and Russell ("Investor"). The parties agree to the following terms:*

Whereas, OSMI has a pool of notes listed in the attached Exhibit A available for partnering;
Whereas, Investor is willing to purchase these notes and is willing to profit share;
Whereas, OSMI is willing to service these notes for a share of the profits, and
Each party hereby agrees to the following Profit Sharing Agreement.

Profit Sharing:
The profit share percentages to be paid are 50% to OSMI and 50% to the Investor.

Profit is defined as all income minus all costs.

- Income is the net proceeds from all sales plus all receipts such as monthly loan payments or payment of late fees.
- Costs are defined as Acquisition Price (in the attached Exhibit A) plus Direct Costs (e.g., foreclosure, taxes, insurance, filing fees, commissions, servicing costs) or costs directly related to the assets costs.

Title and Legal:
The Investor agrees to the following items for the assets listed in Exhibit A:

- Investor will title the assets in the name of Russell Palmer (see Bill of Sale, Exhibit B).
- Investor grants a durable and irrevocable Power of Attorney to OSMI, and OSMI is authorized to sign on behalf of Investor with regards to all expenditures and transactions related to these assets. (Exhibit C)
- The Investor will not subordinate these assets or sell these assets to any party other than at OSMI's direction.

Consequently, OSMI agrees to the following:

- OSMI will not subordinate these assets to any other party.

Servicing:
OSMI's fee for servicing these notes is the profit sharing terms delineated herein and the standard $188 per asset per month fee. OSMI will service these assets until every asset is sold unless mutually agreed upon in writing by both parties.

Future Capital Requirements: Any additional capital or cash requirements to service any notes shall be funded by OSMI, not the Investor unless approved in writing by Investor. If major additional capital is required (e.g., taxes or large foreclosure costs), OSMI will first ask the Investor if they desire to "Loan" additional money at a competitive interest rate. If Investor declines, OSMI may secure funds from another Lender and deduct any interest charges from the profit.

Accounting and Payments: OSMI will provide Investor a monthly accounting of any payments due Investor or OSMI. When an asset is sold, a distribution will be made the following month without

waiting on all of the pool to be sold. (Note – a foreclosure to obtain title to the property is NOT treated as a sale.) The priority for "distribution of proceeds" is as follows:

1) Costs to 3rd parties or OSMI expenses and servicing fees (for all assets)
2) Investor or OSMI capital contributions (for the sold asset)
3) Profit sharing payment to both parties (for the sold asset)

There are neither limits nor guarantees on the amount of the profit to be shared. Furthermore, if there is no profit to distribute, no profit will be paid to OSMI nor will additional funds be paid by OSMI; however, all proceeds will follow the "distribution of proceeds" contained herein.

Termination of agreement: This agreement terminates when the last asset of the pool in Exhibit A is sold or is no longer marketable to sell as a note or real estate. If either party wishes to purchase the other's interest in the remainder of the pool, the "purchasing party" will offer a price to the other, and the other party will have the option to either sell it for that price or pay the same price to acquire the "purchasing party's" interest within 30 days.

Miscellaneous:
This agreement is in effect upon funding from Investor or acquisition of the pool, whichever is later.

This agreement may be amended only by an instrument in writing signed by both parties.

This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction.

Payments to the Investor, as well as all reporting, will be mailed to the following addresses:

Russell Palmer
[redacted]
[redacted], AZ [redacted]

AGREED:

One Source Mortgage & Investments, Inc.

Signature

PRESIDENT / CEO
Title

8-1-05
Date:

Investor: ROBERT MANGOLD

Signature

Title

8-10-06
Date:

----------[Space Above Reserved for Recording Purposes]----------

LIMITED IRREVOCABLE DURABLE POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS:

THAT, I (We), Russell Palmer, of the County of Yavapai, State of Arizona, reposing special trust and confidence in Bob Mangold or any other authorized officer of One Source Mortgage & Investments, Inc. (hereinafter "Agent"), of the County of Maricopa, State of Arizona have made, constituted and appointed, and by these presents do make, constitute and appoint said Agent to be my (our) true and lawful attorney-in-fact, to act for me (us) and in my (our) stead in regards to the assets described in the attached **"Exhibit A"**.

My (Our) agent is hereby authorized to sign, seal and deliver as my (our) act and deed any instruments necessary to manage, sell, convey, convert or effectuate in any way of the above-referenced assets

This is a durable power of attorney, which is not affected by my (our) subsequent disability or incapacity and will not lapse because of a passage of time and is irrevocable.

I bind myself (ourselves) and my (our) heirs and personal representatives to indemnify and hold Agent harmless from all claims, demands, losses, damages, actions, and expenses that Agent may sustain or incur in connection with carrying out the authority granted to Agent in this power of attorney.

Signature	Signature
ROBERT MANGOLD	Russell Palmer
Printed Name	Printed Name
	Mary Evans
Witness	Witness
	Mary Evans
Printed Name	Printed Name

M000643

ACKNOWLEDGEMENT

STATE OF ARIZONA

COUNTY OF YAVAPAI

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named RUSSELL PALMER and — sign, seal, and as — and deed, deliver the within Power of Attorney, and that (s)he with the other witness above witnessed the execution thereof.

SWORN to before me this 10th day of AUG, 2006.

Notary Signature: Catherine Gits
Notary Public, State of ARIZONA
Notary's Name Printed CATHERINE GITS
My commission expires: 12-13-09

OFFICIAL SEAL
CATHERINE GITS
NOTARY PUBLIC - State of Arizona
YAVAPAI COUNTY
My Comm. Expires Dec. 13, 2009

Schedule "A" Palmer

COUNT	COLLATERAL ADDRESS	CITY	ST	Unpaid Principal Balance	Sale price
1	14239 SOUTH WOOD	DIXMOOR	IL	17,534.85	2,100.00
2	638 NORTH PARKER AVENUE	INDIANAPOLIS	IN	51,372.94	6,300.00
3	2608 FISHER ST	SOUTH BEND	IN	33,622.66	11,025.00
4	2453 ALLEN STREET	LAKE STATION	IN	49,138.56	2,000.00
5	RT 1 BOX 605	LOAD	KY	39,880.89	7,555.74
6	13317 EDGEWOOD AVENUE	CLEVELAND	OH	58,992.79	5,800.00
7	1504 BEECH AVE.	CINCINNATI	OH	71,320.47	14,543.69
8	527 ECHO AVENUE	ZANESVILLE	OH	39,091.22	10,000.00
9	293 GRACE AVENUE	AKRON	OH	66,509.39	10,500.00
10	6410 NORTH ELWOOD	TULSA	OK	57,327.70	4,315.00
11	523 WEST ELM AVENUE	ENID	OK	49,862.81	3,081.38
12	306 NEWBERT ST	KITTANNING	PA	40,426.67	2,829.19
13	2732 N 21ST STREET	MILWAUKEE	WI	24,545.97	19,950.00
totals				**599,626.92**	**100,000.00**

Seller Russell Palmer

Date 10-17-06

Buyer

Date

PPL # 415688 480 344-5771

RECEIVED
APR 18 2008
ARIZONA CORP. COMMISSION
SECURITIES DIVISION

Pat Jones <pjones@osmi.net> wrote:

FREE WORKSHOP

BY ONE SOURCE MORTGAGE & INVESTMENTS!

"How The Affluent Manage Home Equity To Safely and Conservatively Build Wealth"

WHEN: Tuesday May 23, 2006 at 10:00 am and 7:00 pm
WHERE: Marriott Courtyard
17010 North Scottsdale Road
Scottsdale, AZ 85255
RSVP: REQUIRED; Call Pat Jones at (480) 222-5222

Thank you,

Pat Jones
Pat Jones, Office Manager
One Source Mortgage & Investments
11000 N. Scottsdale Rd.
Suite 121
Scottsdale AZ 85254
480-~~222-5222~~ FAX: 480-368-8869
889-7283

ED

EXHIBIT
S-32a
ADMITTED

Bob

From: Bob [bmangold@osmi.net]
Sent: Tuesday, October 31, 2006 8:43 AM
To: 'russ palmer'
Subject: RE: spread sheet

Russ;

I have not sent you an update on the new list of properties as we just made that change a couple of weeks ago. In your DHL package that I sent, I included copies of the e-mails that I had sent to verify that I have been sending you the information I promised. I will start to log any phone calls and print copies of e-mails. I take my commitments and integrity very seriously and clearly that is in question at this point. Going forward I will either fax or mail you the updates.

We have discussed the time frames for the investments and it still seems to be a concern. The time frame for a "normal" joint venture investment is 12 - 18 months. Generally, it takes 6 to 8 months to start liquidating the notes. This occurs for a variety of reasons such as; foreclosures, bankruptcies, the 6 month re-performing time frame and many others. It may take a while to start receiving money but when you do the rate of return is excellent.

The only investment program that we outline when we pay out interest is our 12% fixed rate investment plan. The trade off with a joint venture is a higher rate of return versus regular interest payments.

I believe it would be beneficial for you to attend our next presentation on December 12th in Scottsdale. This way you can see exactly what we do, get a detailed explanation on notes and how they work, and would eliminate questions and concerns on your part.

Thanks,

Bob Mangold
President/CEO
One Source Mortgage & Investments
(480) 222-5222
bmangold@osmi.net

Click the image to see my monthly newsletter!

From: russ palmer [mailto:rtmhrj@[redacted]]
Sent: Monday, October 30, 2006 8:14 AM
To: bmangold@osmi.net
Subject: spread sheet

ACC000010
FILE #7920

dear bob,

I have gotten two DHL letters from you to date: my original scehedule A and the substitute one you recommended to me. So far I have not seen anything that looks like a spread sheet. can this be forwarded to me as an attachment to a personal email from you? If that doesn't work, how about a fax? I've been sparated from my $100,000 for 4 months now with no return on investment as yet. I have spent $2764 in interst tho. What would you think if you were in my shoes?

10/31/2006

$10,365 - 11-20-07

LoanID	Address	City	State	Zip	Value Date	Current Value	Purchase Price	Contract Price	Target Price	TotalTax
6002001153	306 NEWBERT ST	KITTANNING	PA	16201	8/21/2006	$17,000.00	$2,829.19	$8,522.01	$8,500.00	
6002001152	523 WEST ELM AVENUE	ENID	OK	73701	8/18/2006	$50,000.00	$3,081.38	$20,480.00	$25,000.00	
6002001147	13317 EDGEWOOD AVENUE	CLEVELAND	OH	44105	7/19/2007	$15,000.00	$5,800.00		($3,607.71)	$11,107.71
6002001142	14239 SOUTH WOOD	DIXMOOR	IL	60426	7/19/2007	$25,000.00	$2,100.00		$12,418.15	$81.85
6002001148	1504 BEECH AVE.	CINCINNATI	OH	45205	7/27/2007	$72,000.00	$14,543.69		$33,602.93	$2,397.07
6002001145	2453 ALLEN STREET	LAKE STATION	IN	46405	7/19/2007	$45,000.00	$2,000.00		$22,500.00	
6002001144	2608 FISHER ST	SOUTH BEND	IN	46619	7/19/2007	$19,000.00	$11,025.00		$9,394.52	$105.48
6002001154	2732 N 21ST STREET	MILWAUKEE	WI	53206	6/25/2007	$27,000.00	$19,950.00		$6,327.54	$7,172.46
6002001150	293 GRACE AVENUE	AKRON	OH	44320	7/19/2007	$25,000.00	$10,500.00		$10,478.27	$2,021.73
6002001149	527 ECHO AVENUE	ZANESVILLE	OH	43701	7/19/2007	$30,000.00	$10,000.00		$13,097.62	$1,902.38
6002001143	638 NORTH PARKER AVENUE	INDIANAPOLIS	IN	46201	7/19/2007	$9,000.00	$6,300.00		$0.00	$4,331.65
6002001151	6410 NORTH ELWOOD	TULSA	OK	74126	7/19/2007	$14,900.00	$4,315.00		$4,811.86	$2,638.14
6002001146	RT 1 BOX 605	LOAD	KY	41144	7/19/2007	$30,000.00	$7,555.74		$13,797.03	$1,202.97
					Averages	$28,354.55	$7,692.31	$14,501.01	$11,165.47	$3,296.14
					Sub Total	$311,900.00	$100,000.00	$ 29,002.01	$122,820.21	$32,961.44

13

7060801

Under Contract or Sold Count	2
% of Pool Contract or Sold	100.0%
Gross Margin	0.0%
% Of Target	23.6%
% Total Pool Purchase Price	29.0%

Status Summary		
0.1 - Eviction Pending	0	0.0%
1.2 - To List	0	0.0%
2 - Active Realtor	0	0.0%

ACC000011
FILE #7920

Margin on Sales	Gross Profit	UPB	Note Return	Offer	Original List	List	Contract Date	Estimated Close	Actual Close	Saleable Group	Listing Status	Listing Status Change Date
$5,692.82	$ 5,692.82	$ 40,426.67								SOLD	9 - SOLD	
$17,398.62	$ 17,398.62	$ 49,862.81								SOLD	9 - SOLD	
($9,407.71)		$ 58,992.79								AFS		
$10,318.15		$ 17,534.85								AFS - FC		
$19,059.24		$ 71,320.47								AFS - FC		
$20,500.00		$ 49,138.56								AFS - FC		
($1,630.48)		$ 33,622.66								AFS		
($13,622.46)		$ 24,545.97								AFS - FC		
($21.73)		$ 66,509.99								AFS - FC		
$3,097.62		$ 39,091.22								AFS - FC		
($6,300.00)		$ 51,372.94								AFS		
$496.86		$ 57,327.70								AFS		
$6,241.29		$ 39,880.89								AFS - FC		
$2,611.89	$ -	$ 46,125.19		$ -	$ -	$ -						
$28,730.78	$ 23,091.44	$ 599,627.52		$ -	$ -	$ -						

Comments

SOLD AS NOTE
SOLD AS NOTE
Trying to sell as Note. Trying to locate borrower. COULD GO TO OCT. OR NOV. 2007 TAX SALE, ROR 1 YR.; last contact with b 11/01/06 since then no contact per PI prop vacant. DIL not possible b/c of taxes owed
Per FMC, Complaint filed' Awaiting file stamped copy from the court and completion of service; Awaiting completion of service;
Advised Mary to refer to FMC to start FC process by 11/16/07; COULD GO TO TAX SALE OCT OR NOV 2007, 1 YR ROR; Referred to FMC 11/15/07;
Per FMC, Awaiting receipt of file stamped complaint.
Notified FMC that we were notified that the house is up for demolition and the city is not willing to work with us on repairs so please close the file and bill us for your work so far
COULD GO TO TAX SALE IN APRIL 2008, 30 DAYS ROR.; FMC received referral 10/22/07;
Per FMC, Awaiting entry of judgment. if does go to tax sale ROR is one year.
Per FMC, Complaint filed 10/30/07 and out for service. PPTY COULD BE LOST AT TAX SALE IN 4 to 6 MONTHS.
Borrower sd that she has no intrest in prop and does not care what we do asked me to not call her and she is not intrested in DIL **TAX SALE OCT 16, 2007, 1 YR ROR.
no contact Ordered PI&P. Trying to sell as a Note.
Borrower disabled/fixed income; able to make $279.42 monthly 6 pmnts of $279.42-after that will need to make monthly pmnts of $379.42 starting 02/2008 must be in 8/10/07. If not pmt FC; broken PTP ordered PI. VA trying to help;Referred to FMC 11/8/07

6 - Offer	0	0.0%
7 - Counter	0	0.0%
6.5 - Accepted Offer	0	0.0%
8 - Pending, under contract	0	0.0%
9.3 - Redeemed	0	0.0%
9 - SOLD	2	100.0%
Total Inventory	2	100.0%

AFS	4	30.8%
AFS - Trade Desk	0	0.0%
AFS -Temp Off Market	0	0.0%
AFS - FC	7	53.8%
AFS - Performing	0	0.0%
AFS - POA	0	0.0%
Deficiency	0	0.0%
Note Return - PC	0	0.0%
Note Returned	0	0.0%
Paid Off - Prepaid	0	0.0%
REO - Investor	0	0.0%
SOLD	2	15.4%
Total Inventory	13	100.0%

AZ Corp. Commission

01859822

AZ CORPORATION COMMISSION
FILED

FEB 12 2007

FILE NO. L-1344289-4

DO NOT WRITE ABOVE THIS LINE, FOR ACC USE ONLY

ARTICLES OF ORGANIZATION

DO NOT PUBLISH THIS SECTION
NOTE: A professional limited liability company is an LLC organized for the purpose of rendering one or more categories of professional service. Professional service is defined as a service that may be lawfully rendered only by a person licensed in this state to render the service.

1. The LLC name must contain the words "limited liability company" or "limited company" or the abbreviations "L.L.C.", "L.C.", "LLC", or "LC". The Professional LLC name must contain the words "professional limited liability company" or the abbreviations "P.L.L.C.", "P.L.C.", "PLLC", or "PLC."

2. Must be an Arizona address. DO NOT LEAVE THIS SECTION BLANK

3. If the statutory agent has a PO BOX then they must also provide a physical address or description of the location.

The agent must sign the articles or provide written consent to acceptance of the appointment.

LLC004
Rev. 10/2006

Select one. This form may be used for:

☒ ARIZONA LIMITED LIABILITY COMPANY (A.R.S. §29-632)

☐ ARIZONA PROFESSIONAL LIMITED LIABILITY COMPANY (A.R.S. §29-641.01)

1. The name of the organization:

A. _____
LLC Name Reservation File Number (if one has been obtained). If not, leave this line blank

B. PRESTIGE MORTGAGE INVESTORS, LLC
Limited Liability Company Name

2. Known place of business in Arizona (If address is the same as the street address of the statutory agent, write "same as statutory agent". DO NOT LEAVE THIS SECTION BLANK)

Address 5365 W. FRIER DR.

City GLENDALE State AZ Zip 85301

3. The name and street address of the statutory agent in Arizona

Name GARY L. COX

Address 5365 W. FRIER DR.

City GLENDALE State AZ Zip 85301

Acceptance of Appointment by Statutory Agent:

I GARY L. COX, having been designated to act as
(Print Name of the Statutory Agent)
Statutory Agent, hereby consent to act in that capacity until removed or resignation is submitted in accordance with the Arizona Revised Statute.

Agent Signature: _____

If signing on behalf of a company, please print the company name here.

EXHIBIT
LS-33

L-1344289-4

DO NOT PUBLISH THIS SECTION
4. Only required for professional limited liability company. The purpose must state the professional service or services that the company is organized to perform. Professional service is defined as a service that may be lawfully rendered only by a person licensed in this state to render the service.

5. The latest date, if any, on which the Company must dissolve. If a dissolution date should include the month, day and year. Perpetual means continuing forever or indefinitely

6. Check which management structure will be applicable to your company. Provide name, title and address for each person.

6A. If reserved to the member(s), check the member's box and provide the name(s) and address(es) of each member. NOTE: If reserved to the member(s) you cannot list any manager.

6B. If vested in manager(s) check the manager's box and provide the name(s) and address(es) of each manager and each member who owns a twenty (20%) percent or greater interest in the capital or profits of the LLC/ PLLC.

The person (s) executing this document need not be a manager or member of the company.

Your phone and fax are optional.

LL:0004
Rev: 10/2006

4. **Purpose of this (Professional) Limited Liability Company is to provide the following (professional) service(s): (Only required for a Professional LLC Company)**

INVESTMENT IN MORTGAGE NOTES AND OTHER PROPERTIES

5. **Dissolution: The latest date of Dissolution**

☐ The latest date to dissolve ___/___/_____ (Please enter month, day and four digit year)

☒ The Limited Liability Company is Perpetual

6. **Management Structure:** (Check one box only) A.R.S. §29-832(5)

A. ☒ RESERVED TO THE MEMBER(S)
IF RESERVED TO THE MEMBER(S), YOU MAY SELECT ONLY THE MEMBER BOX FOR EACH MEMBER LISTED.

B. ☐ VESTED IN MANAGER(S)
IF VESTED IN THE MANAGER(S), AT LEAST ONE ENTRY BELOW MUST HAVE THE MANAGER BOX CHECKED.

Name GARY L. COX
☒ Member ☐ Manager (only if "B" is selected above)
Address: 5365 W. FRIER DR
City Glendale State AZ Zip: 85301

Name ALLEN A. McCRAY
☒ Member ☐ Manager (only if "B" is selected above)
Address: 5346 W. MORTEN AVE
City Glendale State AZ Zip: 85301

Name STEPHEN S. METRO
☒ Member ☐ Manager (only if "B" is selected above)
Address: 7626 N. 72nd AVE
City Glendale State AZ Zip: 85303

Name JOHN C. SHEPHERD
☒ Member ☐ Manager (only if "B" is selected above)
Address: 1409 MONTE VERDE AVE
City UPLAND State CA Zip: 91786

IF YOU NEED MORE SPACE FOR LISTING MEMBERS / MANAGERS PLEASE ATTACH THE ADDITIONAL PAGE TO THE ARTICLES OF ORGANIZATION.

Executed this 12TH day of FEBRUARY, 2007

Executed by [signature] Print Name GARY L. COX

PRESTIGE MORTGAGE INVESTORS, LLC
If signing on behalf of a company, please print the company name here.

Phone Number: 623-939-5045 Fax Number: _____

L-1344289-4

ARITCLES OF ORGANIZATION

LLC Name: Prestige Mortgage Investors, LLC

Additional Members

Joyce A. Cox
5365 W. Frier Dr.
Glendale, AZ. 85301

Sharon McCray
5340 W. Morten Ave.
Glendale, AZ. 85301

Julie D. Metro
7626 N. 72nd Ave
Glendale, AZ. 85303

Nelda Shepherd
1409 Monte Verde Ave.
Upland, CA. 91786

ARIZONA CORPORATION COMMISSION
CORPORATIONS DIVISION
SUBMISSION COVER SHEET

Important: USE A SEPARATE COVER sheet for each document.

Are you filing: [✓] New Entity [ ] Change to existing Entity [ ] Re submission/Correction

Please Select AND Complete all the Appropriate Sections 1 through 10:

Regarding (Name/Proposed name for Corp/LLC):

1. Type in Name: PRESTIGE MORTGAGE INVESTORS, LLC

2. Filing Type: (Select Only One)
   - [ ] Articles of Domestication $100.00
   - [ ] Articles of Incorporation (P) ..... $ 60.00
   - [ ] Articles of Incorporation (NP) ..... $ 40.00
   - [✓] Articles of Organization ..... $ 50.00
   - [ ] Application For Authority (Business) $175.00
   - [ ] Application to Conduct Affairs (NP) $175.00
   - [ ] Application for New Authority $175.00
   - [ ] Application for Registration $150.00
   - [ ] Articles of Amendment ..... $ 25.00
   - [ ] Articles of Amendment & Restatement ..... $ 25.00
   - [ ] Articles of Correction ..... $ 25.00
   - [ ] Articles of Merger/Share Exchange $100.00
   - [ ] Affidavit of Publication ..... No Fee
   - [ ] Other: _____

3. Extras:
   - [ ] Certified Copies ( ) (Qty @ $5 each for Corps)
   - [ ] Certified Copies ( ) (Qty @ $10 each for LLC's)
   - [ ] Good Standing Certificate ( ) (Qty @ $10 ea.)
   - [ ] Expedite Good Standing ($35.00 extra)
   - [ ] Expedite Certified Copies ($35.00 extra)

4. Processing Type (Select One)
   - [✓] Expedited ($35.00) (Priority service, Additional Fee Per Document) Completed as soon as possible. View current processing times at www.azcc.gov/corp
   - [ ] Regular View current processing times at www.azcc.gov/corp

5. Select Payment type:
   - [✓] Check Amt 85.00 Check # 2152
   - [ ] Cash Amt _____
   - [ ] MOD Amt _____ MOD # _____
   - [ ] No fee required
   - [ ] See attached distribution of funds instructions

6. Total Payment Type: $ 85.00

7. Other Special Instructions: _____

8. SELECT ONE RETURN DELIVERY OPTION:
   [X] Mail [ ] Pick Up [ ] Fax # _____

RECEIVED
FEB 12 2007
ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

9. The following individual should be called to pick up completed documents:

Pick-up by: _____ Date: _____
(FOR ACC USE ONLY. Do not fill in this box)

Name/Service Co. _____ Phone: 623-939-5045

10. Please respond promptly to phone messages. Documents will be mailed if they are not picked up in a timely manner - approximately two weeks. In that event, the documents should be mailed to the following address:

Firm Name: PRESTIGE MORTGAGE INVESTORS Attn: GARY COX
Address: 5365 W. FRIER DR
City, State, Zip: GLENDALE, AZ. 85301

DPCVLR
Rev 12/2006

M000646

EXHIBIT S-33a ADMITTED

Mortgage Assistance Corporation
2614 Main Street · Dallas Tx 75226 · 214-670-0005 · fax 214-670-0001
www.mac-tx.com Trading Symbol: MTGC.OB

OSMI PN-26

First Name	Last Name	Collateral Adddress	City	St	Zip	BPO	UPB	ORIG LOAN AMT	NOTE DATE
Frances	Whitaker	1746 South Ruby St	Philadelphia	PA	19143	$ 45,000.00	$ 334.03	$ 7,500.00	8/1/2004
Brian K.	Wheatley	Lot 8 Boxwood Estates	Semmes	AL	36575	$ 27,000.00	$ 64,477.78	$ 68,400.00	4/1/2003
Angelo	Keyes	605 Clinton Avenue	Albany	NY	12206	$ 48,000.00	$ 29,048.71	$ 30,000.00	11/1/2002
						$120,000.00	$93,860.52	$105,900.00	

Secured

5-1-07

Date

Debtor

4/30/07

Date

M000647

Mortgage Assistance Corporation

P.O. Box 860724 • Dallas Tx • 75356-0724 • 877-656-2454 • fax 800-684-1335

OSMI PN-26

Loan Number	Address	City	State	Zip	BPO Date	BPO	UPB
7002001677	1239 WEST ERIE AVE	LORAIN	OH	44052	7/25/2007	$89,000.00	
6002001309	619 North Avenue C	Crowley	LA	70528	7/29/2007	$50,000.00	
						$ 139,000.00	$0.00

Secured

Debtor

11-7-07

Date

Date

M000648

Mortgage Assistance Corporation

P.O. Box 860724 • Dallas Tx • 75356-0724 • 877-656-2434 • fax 800-684-1335

OSMI PN-26

Loan Number	Address	City	State	Zip	BPO Date	BPO	UPB
7002001677	1239 WEST ERIE AVE	LORAIN	OH	44052	7/25/2007	$89,000.00	
6002001309	619 North Avenue C	Crowley	LA	70528	7/29/2007	$50,000.00	
						$ 139,000.00	$0.00

Secured

Debtor

Date

Date

M000649

Mortgage Assistance Corporation

P.O. Box 560724 • Dallas Tx • 75356-0724 • 877-656-2434 • fax 800-684-1335

OSMI PN-26

Loan Number	Address	City	State	Zip	BPO Date	BPO	UPB
7002001677	1239 WEST ERIE AVE	LORAIN	OH	44052	7/25/2007	$89,000.00	
6002001322	4518 Queens Avenue	Dayton	OH	45406	7/27/2007	$20,000.00	$52,797.70
						$ 109,000.00	**$52,797.70**

Secured

Debtor

Date

Date

PROMISSORY NOTE

Date: May 1, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Prestige Mortgage Investors, LLC

Place for Payment: 5365 West Frier Drive, Glendale, AZ 85301

Principal Amount $100,000

Interest Rate: Twelve Percent (12%)

Maturity Date: May 1, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

EXHIBIT "B"

Bill of Sale

For value received and pursuant to the terms and conditions of the Loan Sale Agreement between Strategic Equity Investments,LLC ("Seller"), and Prestige Mortgage Investors, LLC ("Buyer"), Seller does hereby sell, assign and convey to Buyer, its successors and assigns, all right, title and interest of Seller in and to those certain accounts described in Exhibit A delivered and made a part hereof for all purposes, totaling 3 accounts with an aggregate principal balance of **$100,000**.

Executed this 1st day of May, 2007.

Seller, Strategic Equity Investments, LLC

Signed: _____

Date: 5-1-07

Dan BarnettX:\Bobs Team\Team Docs\Notes\Church Group\Bill of Sale EXHIBIT B_Church_Group.doc

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Prestige Mortgage Investors, LLC

OSMI PN - 26

COUNT	ADDRESS	CITY	ST	ZIP	LAST NAME	FIRST NAME	Unpaid Principal Balance	Value
1	1746 South Ruby Street	Philadelphia	PA	19143	Whitaker	Frances	$334.03	$45,000.00
2	Lot 8 Boxwood Estates	Semmes	AL	36575	Wheatley	Brian	$64,477.78	$27,000.00
3	605 Clinton Avenue	Albany	NY	12206	Keyes	Angelo	$29,048.71	$48,000.00
4								
5								
6								
7								
totals							$93,860.52	$120,000.00

Seller

5-1-07
Date

Buyer

5-1-07
Date

M000652

PRESTIGE
MORTGAGE INVESTORS, LLC

Authorization to Sign

Gary L. Cox, Statutory Agent of Prestige Mortgage Investors, LLC, does hereby convey to Allen A. McCray, Member of Prestige Mortgage Investors, LLC, full and complete signatory authorization to execute any and all documents on behalf of the Members of Prestige Mortgage Investors, LLC.

4-24-07

Gary L. Cox, Statutory Agent
Prestige Mortgage Investors, LLC
5365 W. Frier Dr.
Glendale, AZ 85301
623-696-8854

SECURITY AGREEMENT

Date: May 1, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Prestige Mortgage Investors, LLC

Secured Party's Mailing Address: 5365 West Frier Drive, Glendale, AZ 85301

Amount of Promissory Note: $100,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

5-1-07

Robert Mangold, President/CEO Date

Signed: **Lender**

5-1-07

Allen McCray – Member Date

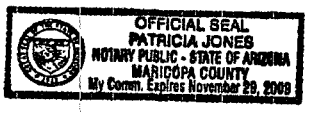
, Witness

, Witness

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 30th day of April, 2006, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.



Patricia Jones
Notary Public
My Commission Expires: November 29, 2009

PROMISSORY NOTE

Date: April 24, 2007

Borrower: Mortgage Assistance Corporation

Borrower's Mailing Address: 2614 Main St., Dallas, Dallas County, Texas 75226

Lender: Strategic Equity Investments LLC.

Place for Payment: 11000 N. Scottsdale Rd, Suite 121, Phoenix, AZ 85254

Principal Amount: $100,000.00 (One Hundred Thousand Dollars)

Annualized Interest Rate: Twelve percent (12%)

Maturity Date: April 24, 2009

Security for Payment: A security interest in Instruments as per Security Agreement, if any, of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower if later than the date above.

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Mortgage Assistance Corporation

By: _____

Title: Dale Hensel, President

By: _____

Title: Dan Barnett, Vice President

OSMI-PN-26

SECURITY AGREEMENT

Date: April 24, 2007

Debtor: Mortgage Assistance Corporation

Debtor's Address: P.O. Box 131618, Dallas County, Dallas, Texas 75313-1618

Secured Party: Strategic Equity Investments LLC.

Secured Party's Mailing Address: 11000 N. Scottsdale Rd, Suite 121,

Phoenix, AZ 85254

Amount of Promissory Note: $100,000.00 (One Hundred Thousand Dollars)

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s), and/or real estate assets belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to

cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Texas. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except tax and city liens.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence, liens in favor of Secured Party or for tax and city liens;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note or exercising the Substitution of Collateral provisions contained in this agreement.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.

b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
c. a receiver is appointed for Debtor or any Collateral;
d. any Collateral is assigned for the benefit of creditors by Debtor;
e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of

any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release, modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement it may be beneficial to sell or otherwise transfer one or more of the Note(s) and related First and Second Lien Document(s), or real estate assets, or for other reasons it is possible that one or more of the Note(s) and related First and Second Lien Document(s), or real estate assets, may need to be released as collateral under this agreement. In such event, Secured Party consents to the sale, transfer or release of such collateral as long as Debtor provides substitute collateral of reasonably similar quality and value within 45 days to secure its obligations under this Security Agreement.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Texas law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Dallas County, Texas, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed:

Mortgage Assistance Corporation

Dan Barnett, Vice President Date

_____, Witness

_____, Witness

State of Texas

County of Denton

Before me, a Notary Public in and for the State of Texas this 30th day of April, 2007, appeared Dan Barnett, who is personally known to me and who acknowledged she/he signed the foregoing document.

Kimberley E. Perryman
Notary Public
My Commission Expires: 4-11-2011

KIMBERLEY E. PERRYMAN
Notary Public, State of Texas
My Commission Expires
April 11, 2011

Mortgage Assistance Corporation
2614 Main Street · Dallas Tx 75226 · 214-670-0005 · fax 214-670-0001
www.mac-tx.com Trading Symbol: MTGC.OB

OSMI PN-26

First Name	Last Name	Collateral Adddress	City	St	Zip	BPO	UPB	ORIG LOAN AMT	NOTE DATE
Frances	Whitaker	1746 South Ruby St	Philadelphia	PA	19143	$ 45,000.00	$ 334.03	$ 7,500.00	8/1/2004
Brian K.	Wheatley	Lot 8 Boxwood Estates	Semmes	AL	36575	$ 27,000.00	$ 64,477.78	$ 68,400.00	4/1/2003
Angelo	Keyes	605 Clinton Avenue	Albany	NY	12206	$ 48,000.00	$ 29,048.71	$ 30,000.00	11/1/2002
						$120,000.00	**$93,860.52**	**$105,900.00**	

Secured

5-1-07
Date

Debtor

4/30/07
Date

M000667

SECURITY AGREEMENT

Date: July 25, 2007

Debtor: Strategic Equity Investments, LLC

Debtor's Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Secured Party: Tim and Kathy Priester

Secured Party's Mailing Address:

Amount of Promissory Note: $50,000

Classification of Collateral: Instruments

Collateral: A Security Interest in the Promissory Note(s) and/or related First and/or Second Lien Document(s) belonging to Debtor described on **Exhibit "A"** attached hereto and made a part hereof.

Secured Obligation: A Promissory Note for the above amount dated the same date as this Security Agreement, executed by the Debtor.

Scope and Intent of Agreement: Secured Party is making a loan to Debtor to finance the acquisition by Debtor of the Collateral which consists primarily of promissory note(s) and related first and/or second lien mortgage(s)/deed(s) of trust (Loan(s)). The Collateral Loan(s) may be in default. It is intended that Debtor will retain the rights to service the Collateral Loan(s) during the term on this Security Agreement, including the rights, without limitation, to collect payments, to modify, to extend, to compromise or to release the loan(s) to take deeds in lieu of foreclose, to foreclose, and sell real property so acquired as it deems appropriate. However, should Debtor default in his/her obligations to Secured Party as set forth herein, after giving notice of default and failure to cure default as set forth hereinafter, Secured Party may terminate the loan servicing rights of Debtor and exercise its rights to the Collateral.

Grant of Security Agreement: Debtor hereby grants to Secured Party a security interest in the Collateral to secure the Obligation and all renewals, modifications and extensions of the Obligation. Debtor authorizes Secured Party to file a financing statement describing the Collateral.

Payments on Collateral: All payments on the Collateral are to be made directly to Debtor until after the occurrence of an event of default, notice of Default and failure to cure, at which time Secured Party may notify the Collateral Note makers to make all future payments to Secured Party.

Debtor's Representations Concerning Debtor and Locations:

1. Debtor's state of organization is Arizona. Debtor's name, as shown as shown in its organizational documents, as amended, is exactly as set forth above.

EXHIBIT
S-33b
ADMITTED

ACC000345
FILE #7920

Debtor represents and warrants the following:

1. No financing statement covering the Collateral is filed in any public office.

2. Debtor owns the Collateral and has the authority to grant this security interest, free from any setoff, claim, restriction, security interest, or encumbrance except liens for taxes not yet due.

Debtor agrees to the following:

1. Take all reasonable steps to defend the Collateral against all claims adverse to Secured Party's interest; keep the Collateral free from superior liens, except liens already in existence and liens in favor of Secured Party or for taxes not yet due;

2. Pay all Secured Party's expenses, including reasonable attorney's fees, incurred to obtain, preserve, perfect, defend, and enforce this agreement or the Collateral and to collect or enforce the Secured Obligation. These expenses are part of the Secured Obligation and are secured by this agreement;

3. Sign and deliver to Secured Party any documents or instruments that Secured Party considers necessary to obtain, maintain, and perfect this security interest in the Collateral;

4. Use the Collateral primarily according to the stated classification;

5. Maintain accurate records of the Collateral at the address set forth above, furnish Secured Party any requested information related to the Collateral, and permit Secured Party to inspect and copy all records relating to the Collateral.

Debtor agrees not to do the following:

1. Sell, transfer, or encumber any of the Collateral without paying off the underlying Promissory Note within 30 days. If a portion of the Collateral is sold, transferred or encumbered, the prorated cost in Exhibit A will be the basis for paying off the Lender.

2. Change Debtor's name or state of residence without notifying Secured Party in advance and taking action to continue the perfected status of the security interest in the Collateral.

Default and Remedies:

1. A default exists if any of the following occurs:
    a. Debtor fails to timely pay or perform any obligation or covenant in any written agreement between Secured Party and Debtor.
    b. any warranty, covenant, or representation in this agreement or in any other written agreement between Secured Party and Debtor is materially false when made;
    c. a receiver is appointed for Debtor or any Collateral;
    d. any Collateral is assigned for the benefit of creditors by Debtor;

e. A bankruptcy or insolvency proceeding is commenced by Debtor, a partnership in which Debtor is a general partner.
f. a bankruptcy or insolvency proceeding is commenced against Debtor, a partnership in which Debtor is a general partner and the proceeding continues without dismissal for sixty days or the party against whom the proceeding is commenced admits the material allegations of the petition against it, or an order for relief is entered;
g. where Debtor or a partnership of which Debtor is a general partner is dissolved, begins to wind up its affairs, is authorized to dissolve or wind up its affairs by its governing body or persons, or any event occurs or condition exists that permits the dissolution or winding up of the affairs of the Debtor or a partnership of which Debtor is a general partner.

2. If a default exists, Secured Party may give Debtor a written notice of default, specifying the nature of the default, and allowing Debtor 30 days after mailing of said notice to cure the default.

3. After notice of default and the lapse of 30 days without cure of the default, Secured Party may:
   a. demand, collect, convert, redeem, settle, compromise, receipt for, realize on, sue for, and adjust the Collateral either in Secured Party's or Debtor's name, as Secured Party desires, or take control of any proceeds of the Collateral and apply the proceeds against the Obligation;
   b. take possession of any Collateral not already in Secured Party's possession, without demand or legal process;
   c. with or without taking possession, sell, lease, or otherwise dispose of the Collateral at any public or private sale in accordance with law; and
   d. exercise any rights and remedies granted by law or this agreement including the right to act as attorney in fact for Debtor to execute and record any assignments or other documents Secured Party may deem necessary to transfer the Collateral to Secured Party or its assignees.

4. Foreclosure of this security interest by suit does not limit Secured Party's remedies, including the right to sell the Collateral under the terms of this agreement. Secured Party may exercise all remedies at the same or different times, and no remedy is a defense to any other. Secured Party's rights and remedies include all those granted by law and those specified in this agreement.

5. The exercise any of its remedies or rights does not waive Secured Party's rights to subsequently exercise those remedies or rights. Secured Party's waiver of any default does not waive any other default by Debtor. Secured Party's waiver of any right in this agreement or of any default is binding only if it is in writing. Secured Party may remedy any default without waiving it.

6. Secured Party has no obligation to satisfy the Obligation by attempting to collect the Obligation from any other person liable for it. Secured Party may release,

modify, or waive any collateral provided by any other person to secure the Obligation. If Secured Party attempts to collect the Obligation from any other person liable for it or releases, modifies, or waives any collateral provided by any other person, that will not affect Secured Party's rights against Debtor. Debtor waives any right Debtor may have to require Secured Party to pursue any third person for any of the Obligation.

7. If Secured Party must comply with any applicable state or federal law requirements in connection with a disposition of the Collateral, such compliance will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

8. Secured Party may sell the Collateral without giving any warranties as to the Collateral. Secured Party may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of a sale of the Collateral.

9. If Secured Party sells any of the Collateral on credit, Debtor will be credited only with payments actually made by the purchaser and received by Secured Party for application to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Secured Party may resell the Collateral and Debtor will be credited with the proceeds of the sale.

10. If Secured Party purchases any of the Collateral being sold, Secured Party may pay for the Collateral by crediting the purchase price against the Obligation.

11. If the Collateral is sold after default, recitals in the bill of sale or transfer will be prima facie evidence of their truth and all prerequisites to the sale specified by this agreement and by law will be presumed satisfied.

Substitution of Collateral:

During the term of the loan secured by this Security Agreement, the Debtor is not allowed to substitute collateral without first obtaining written permission from Secured Party.

General:

1. Notice is reasonable if it is mailed, postage prepaid, to Debtor at Debtor's Mailing Address at least ten days before any public sale or ten days before the time when the Collateral may be otherwise disposed of without further notice to Debtor.

2. This security interest will neither affect nor be affected by any other security for any of the Obligation. Neither extensions of any of the Obligation nor releases of any of the Collateral will affect the priority or validity of this security interest.

3. This agreement binds, benefits, and may be enforced by the successors in interest of Secured Party and will bind all persons who become bound as debtors to this

agreement. Assignment of any part of the Obligation and Secured Party's delivery of any part of the Collateral will fully discharge Secured Party from responsibility for that part of the Collateral. If such an assignment is made, Debtor will render performance under this agreement to the assignee. Debtor waives and will not assert against any assignee any claims, defenses, or setoffs that Debtor could assert against Secured Party except defenses that cannot be waived. All representations, warranties, and obligations are joint and several as to each Debtor.

4. This agreement may be amended only by an instrument in writing signed by Secured Party and Debtor.

5. The unenforceability of any provision of this agreement will not affect the enforceability or validity of any other provision.

6. This agreement will be construed according to Arizona law, without regard to choice-of-law rules of any jurisdiction. This agreement is to be performed in, and has been signed by Debtor in, Maricopa County, Arizona, the county of Secured Party's Mailing Address.

7. When the context requires, singular nouns and pronouns include the plural.

Other Special Provisions:

None

Signed: **Strategic Equity Investments, LLC**

Robert Mangold, President/CEO Date

Signed: **Lender**

Tim Priester Date

Kathy Priester Date

, Witness

, Witness

ACC000349
FILE #7920

State of Arizona :

County of Maricopa:

Before me, a Notary Public in and for the State of Arizona this 1st day of August, 2007, appeared Robert Mangold, who is personally known to me and who acknowledged she/he signed the foregoing document on behalf of said Corporation.

OFFICIAL SEAL
PATRICIA JONES
NOTARY PUBLIC - STATE OF ARIZONA
MARICOPA COUNTY
My Comm. Expires November 29, 2009

Patricia Jones
Notary Public
My Commission Expires: 11/29/2009

PROMISSORY NOTE

Date: July 25th, 2007

Borrower: Strategic Equity Investments, LLC

Borrower's Mailing Address: 11000 North Scottsdale Road, Suite 121, Scottsdale, AZ 85254

Lender: Tim and Kathy Priester

Place for Payment:

Principal Amount $50,000

Interest Rate: Twelve Percent (12%)

Maturity Date: July 25th, 2009

Security for Payment: A security interest in Instruments as per Security Agreement of even dates herewith between the parties hereto as in Exhibit A.

Terms of Payment: Payment interest will be paid semi-annually and Principal balance will be made at maturity. Interest will be calculated based on the actual date the funds arrive at the bank account of the Borrower. 8/2/07

Borrower promises to pay to the order of Lender the Principal Amount and all interest due. This note is payable at the Place for Payment and according to the Terms of Payment. All unpaid amounts are due on or before the Maturity Date.

If Borrower defaults in the payment of this note, Lender may declare the unpaid principal balance, earned interest, and any other amounts owed on the note immediately due. Borrower and each surety, endorser, and guarantor waive all demand for payment, presentation for payment, notice of intention to accelerate maturity, notice of acceleration of maturity, protest, and notice of protest, to the extent permitted by law.

Borrower also promises to pay reasonable attorney's fees and court and other costs if this note is placed in the hands of an attorney to collect or enforce the note. These expenses will bear interest from the date of advance at the Annual Interest Rate on Matured, Unpaid Amounts. Borrower will pay Lender these expenses and interest on demand at the Place for Payment. These expenses and interest will become part of the debt evidenced by the note and will be secured by any security for payment.

The covenants, obligations and conditions herein contained shall be binding on and inure to the benefit of the heirs, legal representatives, and assigns of the parties hereto. When the context requires, singular nouns and pronouns include the plural.

Strategic Equity Investments, LLC

By: _____

Title: Robert Mangold, President/CEO

CHASE WIRING INSTRUCTIONS
FOR Strategic Equity Investments, LLC

CHASE ADDRESS:

15415 North 65th Place
Scottsdale, AZ 85254

ACCOUNT NUMBER:

721780997

ROUTING NUMBER:

122100024

WELLS FARGO

JANET

NEED TO GO TO BRANCH

WIRE TRANSFER FEE 15.00

WELL FARGO PREFERRED ACCT. 18 800.742.4932

STRATEGIC
EQUITY INVESTMENTS

Exhibit "A" Tim and Kathy Priester

OSMI PN - 44

COUNT	ADDRESS	CITY	ST	ZIP	BPO Date	Value
1	3322 Longlois Drive	Lafayette	IN	47904	7/25/07	$74,000.00
Totals						$74,000.00

Seller

10-8-07

Date

Buyer

Kathy Priester

Buyer

ACC000353
FILE #7920

STRATEGIC
EQUITY INVESTMENTS

ACC000354
FILE #7920

Exhibit "A" Tim and Kathy Priester

OSMI PN -

COUNT	ADDRESS	CITY	ST	ZIP	Unpaid Principal Balance	BPO Value
1	284 Goodell	River Rouge	MI	48218	$62,379.69	$50,000.00
2						
3						
4						
5						
6						
7						
totals					$62,379.69	$50,000.00

Seller

8/1/07

Date

Buyer

8.1.07

Date

October 8, 2007

Tim and Sara Priester
[redacted]
[redacted] AZ [redacted]

Dear Tim and Sara,

Enclosed please find a new Schedule "A" to replace sold properties. Please sign and return in the enclosed self-addressed envelope.

If you have any questions, please do not hesitate to contact us.

Best regards,

Bob Mangold
CEO
One Source Mortgage & Investments, Inc.

Enclosures

11000 North Scottsdale Road • Suite 121 • Scottsdale, AZ 85254
Bus: (480) 222-5222 • Fax: (480) 368-8869

October 15, 2007

Tim and Kathy Priester
[redacted]
[redacted] AZ [redacted]

Dear Tim and Kathy:

Thank you for returning the revised Exhibit "A". We have enclosed a signed copy for your records.

If you have any questions, please do not hesitate to contact us.

Best regards,

Bob Mangold
CEO
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