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8 and **RENITA Y. RUSSELL**

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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

MICHAEL L. RUSSELL and RENITA
Y. RUSSELL,

Plaintiffs,

vs.

SPECIALIZED LOAN SERVICING,
LLC; and DOES 1 through 10, inclusive,

Defendants.

CASE NO: **22AVCV00620**

FIRST AMENDED COMPLAINT FOR:

1. Breach of Contract
2. Negligence
3. Negligent Misrepresentation
4. Intentional Misrepresentation
5. Unfair Business Practices
6. Unfair Debt Collection
7. Violation of RESPA
8. Violation of *Penal Code* §496
9. Accounting

DEMAND FOR JURY TRIAL

Action Filed: August 23, 2022

Plaintiffs MICHAEL L. RUSSELL and RENITA Y. RUSSELL

INTRODUCTION

1. This lawsuit is brought against the servicer of Plaintiffs' residential mortgage loan. In 2004, Plaintiffs took out a fixed rate loan to purchase certain real property in Palmdale, California, in the total amount of \$516,200.00. In 2006, Plaintiffs refinanced their loan for a new loan amount of \$673,000.00. In 2014, Specialized Loan Servicing ("SLS") began to service the loan. After a loan modification in 2015, SLS claimed the unpaid principal balance of the loan was \$711,115.31. In October 2018, SLS

1 claimed Plaintiffs were in default in the amount of \$69,332.00, yet by February 2019,
2 SLS claimed the indebtedness had reached \$946,239.50. SLS denied all loss mitigation
3 options and instituted foreclosure proceedings. Because the claimed loan balance
4 exceeded the market value of the home, Plaintiff were forced to file a Chapter 13
5 bankruptcy proceeding. Plaintiffs made the Plan payments and the monthly mortgage
6 payments for two (2) years, then hired an attorney to seek an accounting from SLS. The
7 attorney sent several Qualified Written Requests to SLS, but SLS never explained or
8 corrected the loan balance. In order to prevent losing their home by foreclosure sale,
9 Plaintiffs agreed to a short sale and sold their home in April 2022. In June 2022,
10 Plaintiffs discovered that, in 2015, SLS had wrongly inflated the loan balance by
11 \$276,582.70, including various fees and administrative costs of \$239,500.89. Plaintiff
12 requested SLS do an accounting and correct the error. To date, SLS has failed to either
13 explain or correct. Plaintiffs now bring this action against SLS seeking damages for the
14 unnecessary loss of their home.

15 **PARTIES**

16
17 2. Plaintiffs MICHAEL L. RUSSELL and RENITA Y. RUSSELL were, at all
18 time herein mentioned, residents of the City of Palmdale, County of Los Angeles, State of
19 California, and were the owners in fee simple of that certain real property located at
20 40944 Knoll Drive, Palmdale, California 93551 (hereinafter the "Property").

21 3. Defendant SPECIALIZED LOAN SERVICING, LLC (hereinafter "SLS"),
22 is a limited liability company doing business in the City of Palmdale, County of Los
23 Angeles, State of California. At all times herein mentioned, SLS was acting on his own
24 behalf and on behalf of Deutsche Bank National Trust Company, as Trustee for IndyMac
25 INDX Mortgage Loan Trust 2006-AR33, Mortgage Pass-Through Certificates, Series
26 2006-AR33, the purported holder of Plaintiffs promissory note and deed of trust.

27 4. Plaintiffs are ignorant of the true names and capacities of the Defendants
28 sued herein as DOES 1 through 10, Inclusive, and therefore sues these Defendants by said

1 fictitious names. Plaintiffs will amend this Complaint to allege the true names when
2 same have been ascertained.

3 5. Plaintiffs are informed and believe, and based thereon allege, that each of
4 the Defendants sued herein was the agent and/or employee of each of the remaining
5 Defendants and was, at all times mentioned herein, acting within the purpose and scope of
6 said agency and employment. Plaintiffs are further informed and believe, and based
7 thereon allege, that each of the Defendants are negligently or otherwise legally
8 responsible for the events and happenings referred to in this Complaint.

9
10 **FACTS COMMON TO ALL CAUSES OF ACTION**

11 6. Plaintiffs purchased the Property in February of 2004 by taking out a fixed
12 rate loan with America's Wholesale Lenders on February 23, 2004, in the amount of
13 \$365,600.00. Also on February 23, 2004, Plaintiffs took out a second loan with
14 America's Wholesale Lenders in the amount of \$91,400.00 for a total of \$457,000.00.
15 Plaintiffs made their monthly mortgage payments on time.

16 7. On January 5, 2005, Plaintiffs refinanced their original loans with HSBC
17 Mortgage Corporation in the amount of \$457,200.00. Plaintiffs also took out a home
18 equity line of credit with HSBC in the amount of \$60,000.00. Plaintiffs made their
19 monthly mortgage payments on time.

20 8. On June 21, 2005, Plaintiffs refinanced their loans with Indymac Bank,
21 F.S.B., in the amount of \$600,000.00. Plaintiffs began making their monthly mortgage
22 payments to Indymac.

23 9. On or about October 25, 2006, Plaintiffs again refinanced their loan with
24 Indymac Bank in the amount of \$673,000.00 (the "Subject Loan"). Plaintiffs executed a
25 Note secured by a Deed of Trust with Indymac Bank, F.S.B., as the lender, United
26 General Title Insurance Company as the Trustee. The Deed of Trust was recorded with
27 the Los Angeles County Recorder as number 06-2436606. Plaintiffs continued to make
28 their monthly mortgage payments under the Subject Loan to Indymac. A true and correct

1 copy of Note is attached hereto, marked as **Exhibit A** and incorporated herein by
2 reference. A true and correct copy of said Deed of Trust is attached hereto, marked as
3 **Exhibit B** and incorporated herein by reference.

4 10. On May 17, 2011, Plaintiffs entered into a loan modification agreement
5 with Indymac Bank to modify the Subject Loan. The modification provided that there
6 would be a new principal balance in the amount of \$701,789.50. The modification
7 deferred \$276,582.70 of the new principal balance, leaving an interest bearing principal
8 balance of \$425,206.80. The new modified monthly mortgage payment started at
9 \$1,287.62 and would remain this amount for the next five (5) years. At maturity, in
10 November 2036, there would be a balloon payment due of \$236,951.67. Plaintiffs began
11 making the monthly modified mortgage payments to Indymac.

12 11. On June 27, 2013, Plaintiffs entered into another loan modification
13 agreement with Indymac to modify the Subject Loan. The modification provided that
14 there would be a new principal balance in the amount of \$720,231.21. The modification
15 deferred \$276,582.70 of the new principal balance (the same amount deferred in the 2011
16 Modification), leaving and interest bearing principal balance of \$443,648.51. The new
17 modified monthly mortgage payment started at \$1,391.82 and remaining this amount for
18 the next three (3) years. This modification provided that at maturity, in November 2036,
19 there would be a balloon payment due of \$256,123.55. Plaintiffs began making the new
20 modified monthly mortgage payments to Indymac.

21 12. Effective June 1, 2014, Indymac assigned the servicing right to the Subject
22 Loan to Defendant SLS, a servicer regulated by an agency of the federal government.
23 Thereafter, Plaintiffs began making their monthly modified mortgage payment to SLS.

24 13. On November 19, 2015, Plaintiffs entered into a loan modification
25 agreement with SLS to again modify the Subject Loan (the "2015 Loan Modification
26 Agreement"). The modification provided that there would be a new principal balance of
27 \$711,115.31. The modification deferred \$123,434.69, leaving an interest bearing
28 principal balance \$587,680.62. The new modified monthly mortgage payment started at

1 \$1,779.64, and would remain at that amount for the next five (5) years. This modification
2 provided that at maturity, in November 2036, there would be a balloon payment in an
3 unknown amount. Plaintiffs thereafter made the new monthly modified mortgage
4 payments to SLS.

5 14. In or about 2018, Plaintiffs financial circumstances took a major hit and
6 they again sought a loan modification from SLS. This time, they were denied.

7 15. On or about October 29, 2018, Defendant SLS caused a Notice of Default
8 to be recorded against the Property stating that Plaintiffs were in default in the amount of
9 \$69,332.00.

10 16. On or about February 2, 2019, Defendant SLS caused a Notice of Trustee
11 Sale to be recorded stating that the total amount of the indebtedness was \$946,239.50 and
12 setting an auction for March 28, 2019.

13 17. Borrowers were flabbergasted at the purported amount owed. They could
14 not understand how their loan balance of \$711,115.31 in November 2015, with arrears of
15 \$69,332.00 by October 2018, totaled \$946,239.60 in February 2019.

16 18. Plaintiffs requested a repayment agreement from SLS to pay down the
17 arrearages, but SLS denied the request.

18 19. Plaintiffs had no choice but to file a Chapter 13 bankruptcy petition to
19 arrange to pay down the arrearages to save their home.

20 20. On March 18, 2019, Plaintiffs filed a Chapter 13 bankruptcy petition and
21 entered into a Chapter 13 repayment plan.

22 21. From April 2019 until June 2021, Plaintiffs paid the Chapter 13 monthly
23 payments on the arrearages in an amount between \$1,911 and \$2,027 per month.

24 22. In addition to the Chapter 13 payments for arrearages, Plaintiffs continued
25 to pay the monthly mortgage payment to SLS in the amount of \$2,603.10.

26 23. In March 2021, after making monthly payments totaling over \$4,500 for
27 two years, Plaintiffs requested a payoff demand from SLS. Plaintiffs were advised that
28 the loan balance exceeded \$915,000. After paying over \$65,000 to SLS from May 2019

1 to June 2021, the total amount due decreased only about \$34,000.00.

2 24. At that point, Plaintiffs decided to sell the Property. They placed the
3 Property on the market for \$950,000, hoping they could at least break even.
4 Unfortunately, they did not receive any offers. They discovered that the market value of
5 the Property in 2021 was only about \$825,000.

6 25. Borrowers realized they were not going to be able to save their home and
7 sought a Deed in Lieu from SLS. SLS denied the request. Borrowers then stopped
8 making the monthly mortgage payments and hired counsel.

9 26. On or about November 17, 2021, Plaintiffs' counsel sent a Qualified
10 Written Request ("QWR"), pursuant to Section 6 of the Real Estate Settlement
11 Procedures Act ("RESPA"), 12 U.S.C. § 2605(e), to Defendant SLS at their designated
12 address seeking documents relating to the Subject Loan showing how the loan balance
13 increased to over \$940,000.00. The QWR contained sufficient information to identify the
14 Subject Loan, as well as the reasons for Plaintiffs' belief that there was an error.

15 27. On or about December 6, 2021, SLS responded to the QWR with 72 pages
16 of documents. A review of the 72 pages reveals that the response was incomplete and
17 inadequate, and in violation of RESPA in that SLS provided no information to account
18 for the significant increase in the loan balance. (*See Miranda v. Ocwen Loan Servicing*
19 (2015) 148 F.Supp.3d 1349.)

20 28. On or about December 15, 2021, SLS caused to be recorded a new Notice
21 of Trustee Sale stating the total amount due as \$905,646.88 and setting an auction date of
22 January 27, 2022.

23 29. On December 20, 2021, Plaintiffs' counsel sent a follow up QWR to SLS
24 seeking the documents omitted from the previous production, and an accounting of how
25 the balance increased to \$940,000.00. The letter also requested a postponement of the
26 trustee sale until the correct amount of the loan balance is determined.

27 30. On or about January 6, 2022, Plaintiffs sent a letter directly to the Loss
28 Mitigation Department of SLS requesting a postponement of the sale. On January 27,

2022, the sale was postponed until March 24, 2022.

31. On or about January 18, 2022, Plaintiffs requested a loan modification from SLS. On or about January 20, 2022, SLS denied the request stating that the balance of the Subject Loan was too high.

32. On or about January 20, 2022, Defendants responded to the December 21, 2022 QWR with a series of documents, but did not explain why the Loan had increased to \$940,000, and did not correct the error.

33. In or about February 2022, Plaintiffs requested a payoff demand. On or about March 2, 2022, SLS sent to Plaintiffs two different pay off statements, one showing the total amount due as \$915,201.72; the other showed a total amount due of \$915,220.00.

34. In or about March 2022, Plaintiffs applied for a Short Sale. On or about April 8, 2022, SLS approved Plaintiffs for a short sale. The sale was consummated on or about May 20, 2022, with SLS receiving \$793,918.78 from the sale that was applied to the debt obligation. Plaintiffs were forced to give up title and possession of their home.

35. Plaintiffs were later informed and believe, and thereon allege, that the actual debt obligation at the time of the short sale was about \$600,000. SLS received over \$793,000 from the short sale and kept the surplus of up to \$193,000. SLS failed to return any of the surplus funds to Plaintiffs.

36. Plaintiffs had to pay, and continue to pay, housing expenses far in excess of the monthly mortgage payment of the Subject Loan, incurred moving and storage expenses, attorney fees, litigation costs, and are suffering severe mental and emotional distress at the loss of their home.

37. On or about March 18, 2022, Plaintiffs sent a follow-up QWR to SLS seeking clarification of the documents SLS produced on or about January 20, 2022, further showing SLS why Plaintiffs believe there is an error in the calculation of the unpaid principal balance, and seeking an explanation and/or a correction.

38. On or about March 29, 2022, SLS sent an acknowledgment letter to

1 Plaintiffs advising that their request was under review and that SLS would respond
2 timely.

3 39. When no response was timely received, on May 26, 2022, Plaintiffs sent
4 another follow-up QWR to SLS advising that SLS was in violation of RESPA and
5 seeking a response within ten (10) days. SLS did not provide a response within ten (10)
6 days.

7 40. Finally, on June 27, 2022, SLS responded to Plaintiffs' December 20, 2021,
8 March 18, 2022, and May 26, 2022 QWRs with several documents and an accounting
9 showing:

10 \$435,747.46 pre-modified unpaid balance
11 +293,500.89 arrears capitalized
12 - 19,133.04 write-off amount
13 \$587,680.62 interest bearing unpaid balance
+123,434.69 deferred unpaid principal balance
\$711,115.31 modified unpaid principal balance

14 41. SLS's response outrageously stated that the \$239,500.89 in arrears that
15 were capitalized are broken down as follows:

16 \$10,779.81 for delinquent interest
17 \$4,775.88 for escrow advance
18 \$94,635.85 for expense advances paid
\$90,018.00 for expense advances not yet paid
\$93,291.35 for administrative fees.

19 42. The response from SLS did not explain how the unpaid principal balance
20 increased to \$940,000 in 2019 and did not make a correction.

21 43. A review of the second set of documents provided by SLS reveal that in the
22 November 15, 2015 loan modification agreement, SLS erroneously added \$276,582.70 as
23 "prior deferred principal" which increased the loan balance to \$987,698.01. The "prior
24 deferred principal" should not have been added since that sum was already included in the
25 modified unpaid principal balance of \$711,115.31.

26 44. On or about July 13, 2022, Plaintiffs' counsel sent a follow-up QWR to
27 SLS explaining this discrepancy and requesting a correction and a response by July 27,
28 2022, or Plaintiffs will have to seek legal intervention. To date, SLS has not responded

1 with any explanation or correction.

2 45. Due to SLS' conduct, Plaintiffs lost their home, and about \$300,000 in
3 equity, incurred moving and storage costs, incurred housing expenses at a substantially
4 greater monthly cost, were forced to sell much of their furniture, incurred medical
5 expenses, suffered severe emotional distress causing the break up of their over 20-year
6 marriage, suffered significant damage to their credit, were forced into bankruptcy, and
7 lost the quiet enjoyment, title and possession

8 46. Plaintiffs also incurred attorney fees and costs which are recoverable to a
9 prevailing party pursuant to paragraph 22 of the subject Deed of Trust.

10
11 **FIRST CAUSE OF ACTION**
For Breach of Contract

12 47. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46,
13 inclusive, as if fully set forth hereat.

14 48. Plaintiffs performed all duties required of them under the Deed of Trust and
15 the 2015 Loan Modification Agreement, or were excused from performance pursuant to
16 the various loan modification agreements.

17 49. Defendants breached the Deed of Trust and the 2015 Loan Modification
18 Agreement by:

- 19 (a) grossly inflating the unpaid principal balance of the Subject Loan by
20 \$276,582.70;
- 21 (b) grossly inflating the unpaid principal balance of the Subject Loan
22 with exorbitant fees and costs to the Subject Loan in excess of
23 \$200,000;
- 24 (c) failing to offer loss mitigation options to prevent bankruptcy and/or
25 foreclosure;
- 26 (d) recording false documents with the Los Angeles County Recorder
27 reflecting the grossly inflated loan balance;
- 28 (e) failing to properly apply payments;

- 1 (f) demanding and collecting monies that were not due; and
2 (g) withholding from Plaintiffs the surplus funds from the short sale and
3 secreting those funds to Defendants.

4 50. As a direct and proximate result of the Defendants' breach, Plaintiffs were
5 forced into a Chapter 13 bankruptcy in an attempt to save their home causing significant
6 damage to their credit in an amount according to proof.

7 51. As a further direct and proximate result of Defendants' breach, Plaintiff
8 were ultimately forced to dispose of the Property at a short sale to prevent the loss by a
9 trustee sale, suffering the loss of substantial equity in an amount according to proof.

10 52. As a further direct and proximate result of Defendants' breach, Plaintiff
11 were wrongfully deprived of title to the Property and of its beneficial use and enjoyment
12 in an amount according to proof.

13 53. As a further direct and proximate result of Defendants' breach, Plaintiff
14 were caused to incur other incidental expenses including, but not limited to expenses
15 incurred in relocation and moving expenses, excess housing expenses, storage fees, etc.,
16 in an amount according to proof.

17 54. Plaintiffs are also entitled to restitution for all amounts paid in excess of the
18 true indebtedness.

19
20 **SECOND CAUSE OF ACTION**
(Negligence)

21 55. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46,
22 inclusive, as if fully set forth hereat.

23 56. As alleged above, Defendants breached their duty of care and skill to
24 Plaintiffs in the servicing of the Subject Loan by, among other things:

- 25 (a) grossly inflating the unpaid principal balance of the Subject Loan by
26 \$276,582.70;
27 (b) grossly inflating the unpaid principal balance of the Subject Loan
28 with exorbitant fees and costs to the Subject Loan in excess of

1 \$200,000;

2 (c) failing to offer loss mitigation options to prevent bankruptcy and/or
3 foreclosure;

4 (d) failing to properly apply payments;

5 (e) demanding and collecting monies that were not due;

6 (f) recording false documents with the Los Angeles County Recorder
7 reflecting the grossly inflated loan balance; and

8 (g) withholding from Plaintiffs the surplus funds from the short sale and
9 secreting those funds to Defendants.

10 57. As a direct and proximate result of the Defendants' negligence, Plaintiffs
11 were forced into a Chapter 13 bankruptcy to attempt to save their home causing
12 significant damage to their credit in an amount according to proof.

13 58. As a further direct and proximate result of Defendants' negligence, Plaintiff
14 were ultimately forced to dispose of the Property at a short sale to prevent the loss by a
15 trustee sale, suffering the loss of substantial equity in an amount according to proof.

16 59. As a further direct and proximate result of Defendants' negligence, Plaintiff
17 were wrongfully deprived of title to the Property and of its beneficial use and enjoyment
18 in an amount according to proof.

19 60. As a further direct and proximate result of Defendants' negligence, Plaintiff
20 were caused to incur other incidental expenses including, but not limited to expenses
21 incurred in relocation and moving expenses, excess housing expenses, storage fees, etc.,
22 in an amount according to proof.

23 61. As a further direct and proximate result of Defendants' negligence,
24 Plaintiffs were forced to endure great emotional distress, mental anguish, humiliation,
25 shock, feelings of helplessness and desperation all to their damage in an amount
26 according to proof.

27 62. Plaintiffs are also entitled to restitution for all amounts paid in excess of the
28 true indebtedness.

**THIRD CAUSE OF ACTION
(For Negligent Misrepresentation)**

63. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46, as though fully set forth hereat.

64. As described above, Defendants made the following misrepresentations orally and in writing:

(a) that Plaintiffs were indebted under the Deed of Trust in an amount in that includes an additional \$276,582.70;

(b) that Plaintiffs incurred fees and costs in excess of \$200,000; and

(c) that Plaintiffs did not quality for loss mitigation options.

65. Defendants made these representations without reasonable grounds for believing them to be true and with the intent to induce Plaintiffs to rely on said misrepresentations.

66. Plaintiffs relied on Defendants' representations to their detriment in that said representations caused Plaintiffs to file Chapter 13 bankruptcy proceeding in order to save the Property, and to eventually dispose of the Property by way of a short sale suffering the loss of substantial equity.

67. Said reliance was justified because Defendants were in charge of servicing the Loan and continued to insist that the indebtedness had increased beyond \$900,000 and repeatedly put that sum in writing in recorded notices and pay off demands on threat of foreclosure.

68. As a direct and proximate result of the Defendants' negligence, Plaintiffs were forced into a Chapter 13 bankruptcy to attempt to save their home causing significant damage to their credit in an amount according to proof.

69. As a further direct and proximate result of Defendants' negligence, Plaintiff were ultimately forced to dispose of the Property at a short sale to prevent the loss by a trustee sale, suffering the loss of substantial equity in an amount according to proof.

70. As a further direct and proximate result of Defendants' negligence, Plaintiff

1 were wrongfully deprived of title to the Property and of its beneficial use and enjoyment
2 in an amount according to proof.

3 71. As a further direct and proximate result of Defendants' negligence, Plaintiff
4 were caused to incur other incidental expenses including, but not limited to expenses
5 incurred in relocation and moving expenses, excess housing expenses, storage fees, etc.,
6 in an amount according to proof.

7 72. As a further direct and proximate result of Defendants' negligence,
8 Plaintiffs were forced to endure great emotional distress, mental anguish, humiliation,
9 shock, feelings of helplessness and desperation all to their damage in an amount
10 according to proof.

11 73. Plaintiffs are also entitled to restitution for all amounts paid in excess of the
12 true indebtedness.

13
14 **FOURTH CAUSE OF ACTION**
(For Intentional Misrepresentation)

15 74. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46,
16 inclusive, as if fully set forth hereat.

17 75. Defendants made the following representations with no legal grounds for
18 believing them to be true:

19 (a) that Plaintiffs were indebted under the Deed of Trust in an amount in
20 that includes an additional \$276,582.70;

21 (b) that Plaintiffs incurred fees and costs in excess of \$200,000; and

22 (c) that Plaintiffs did not quality for loss mitigation options.

23 76. At the time Defendants made said representations, they knew the falsity of
24 said representations, and made them with the intent to induce Plaintiffs to pay them more
25 money than was due under the Deed of Trust and 2015 Loan Modification Agreement.

26 77. Plaintiffs relied on Defendants' representations to their detriment in that
27 said representations caused Plaintiffs to file Chapter 13 bankruptcy proceeding in order to
28 save the Property, and eventually dispose of the Property by way of a short sale suffering

1 the loss of substantial equity.

2 78. Said reliance was justified because Defendants were in charge of servicing
3 the Loan and continued to insist that the indebtedness had increased beyond \$900,000 and
4 repeatedly put that sum in writing in recorded notices and pay off demands on threat of
5 foreclosure.

6 79. As a direct and proximate result of the Defendants' intentional
7 misrepresentations, Plaintiffs were forced into a Chapter 13 bankruptcy to attempt to save
8 their home causing significant damage to their credit in an amount according to proof.

9 80. As a further direct and proximate result of Defendants' intentional
10 misrepresentations, Plaintiff were ultimately forced to dispose of the Property at a short
11 sale to prevent the loss by a trustee sale, suffering the loss of substantial equity in an
12 amount according to proof.

13 81. As a further direct and proximate result of Defendants' intentional
14 misrepresentations, Plaintiff were wrongfully deprived of title to the Property and of its
15 beneficial use and enjoyment in an amount according to proof.

16 82. As a further direct and proximate result of Defendants' intentional
17 misrepresentations, Plaintiff were caused to incur other incidental expenses including, but
18 not limited to expenses incurred in relocation and moving expenses, excess housing
19 expenses, storage fees, etc., in an amount according to proof.

20 83. As a further direct and proximate result of Defendants' intentional
21 misrepresentations, Plaintiffs were forced to endure great emotional distress, mental
22 anguish, humiliation, shock, feelings of helplessness and desperation all to their damage
23 in an amount according to proof.

24 84. Plaintiffs are also entitled to restitution for all amounts paid in excess of the
25 true indebtedness.

26 85. As a further direct and proximate result of Defendants' intentional and
27 willful misconduct, Plaintiffs are entitled to punitive and exemplary damages.
28

**FIFTH CAUSE OF ACTION
(Unfair Business Practices)**

86. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46, inclusive, as if fully set forth hereat.

87. *Business and Professions Code* § 17200 states, in pertinent part:

As used in this chapter, unfair competition shall mean and include any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising and any act prohibited by Chapter 1 (commencing with Section 17500) of Part 3 of Division 7 of the Business and Professions Code.

88. At all times mentioned herein, Defendants engaged in “unfair” business practices because its conduct was immoral, unethical, oppressive, unscrupulous and substantially damaging to Plaintiffs. Specifically, and without limitation, the particular offensive conduct includes:

- (a) grossly inflating the unpaid principal balance of the Subject Loan by \$276,582.70;
- (b) grossly inflating the unpaid principal balance of the Subject Loan with exorbitant fees and costs to the Subject Loan in excess of \$200,000;
- (c) failing to properly apply mortgage payments;
- (d) wrongly employing delay tactics to increase the wrongly inflated Subject Loan;
- (e) failing to offer loss mitigation options to prevent bankruptcy and/or foreclosure;
- (f) recording false documents with the Los Angeles County Recorder reflecting the grossly inflated loan balance;
- (g) demanding and collecting monies that were not due;
- (h) failing to properly train employees on how to conduct dispute investigations; and
- (i) withholding from Plaintiffs the surplus funds from the short sale and

secreting those funds to Defendants.

89. The above acts and omissions were and are the regular business practices of the Defendants, and each of them.

90. As a direct and proximate result of the Defendants' unfair business practices, Plaintiffs were forced into a Chapter 13 bankruptcy to attempt to save their home causing significant damage to their credit in an amount according to proof.

91. As a further direct and proximate result of Defendants' unfair business practices, Plaintiff were ultimately forced to dispose of the Property at a short sale to prevent the loss by a trustee sale, suffering the loss of substantial equity in an amount according to proof.

92. As a further direct and proximate result of Defendants' unfair business practices, Plaintiff were wrongfully deprived of title to the Property and of its beneficial use and enjoyment in an amount according to proof.

93. As a further direct and proximate result of Defendants' unfair business practices, Plaintiffs incurred attorney fees and costs in an amount according to proof.

94. As a further direct and proximate result of Defendants' unfair business practices, Plaintiff were caused to incur other incidental expenses including, but not limited to expenses incurred in relocation and moving expenses, excess housing expenses, storage fees, etc., in an amount according to proof.

95. As a further direct and proximate result of Defendants' unfair business practices, Plaintiffs were forced to endure great emotional distress, mental anguish, humiliation, shock, feelings of helplessness and desperation all to their damage in an amount according to proof.

96. Plaintiffs therefore seeks restitution of any and all monies paid to Defendants in excess of the actual amount owed.

SIXTH CAUSE OF ACTION (Unfair Debt Collection)

97. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46,

1 inclusive, as if fully set forth hereat.

2 98. Defendants, and each of them, at all times herein mentioned were and are
3 debt collectors who, in the ordinary course of business, regularly, on behalf of Defendants
4 or others, engage in consumer debt collection.

5 99. As stated above, Plaintiffs entered into mortgage contract, which is a
6 consumer credit transaction with Indymac Bank primarily for personal, family, or
7 household purposes as described in *Civil Code* §1788.2(f).

8 100. At some time unknown to Plaintiffs, Defendants were assigned the rights to
9 the mortgage debt for the purpose of collection.

10 101. During the period from November 2015 to April 2022, Defendants willfully
11 and knowingly violated the Rosenthal Fair Debt Collection Practices Act, *Civil Code* §§
12 1788 to 1788.33, by:

- 13 (a) grossly inflating the unpaid principal balance of the Subject Loan by
14 \$276,582.70;
- 15 (b) grossly inflating the unpaid principal balance of the Subject Loan
16 with exorbitant fees and costs to the Subject Loan in excess of
17 \$200,000;
- 18 (c) failing to properly apply mortgage payments;
- 19 (d) wrongly employing delay tactics to increase the arrearages;
- 20 (e) failing to offer loss mitigation options to prevent bankruptcy and/or
21 foreclosure;
- 22 (f) recording false documents with the Los Angeles County Recorder
23 reflecting the grossly inflated loan balance;
- 24 (g) demanding and collecting monies that were not due; and
- 25 (h) withholding from Plaintiffs the surplus funds from the short sale and
26 secreting those funds to Defendants.

27 102. As a direct and proximate result of the Defendants' unfair debt collection
28 practices, Plaintiffs were forced into a Chapter 13 bankruptcy to attempt to save their

1 home causing significant damage to their credit in an amount according to proof.

2 103. As a further direct and proximate result of Defendants' unfair business
3 practices, Plaintiff were ultimately forced to dispose of the Property at a short sale to
4 prevent the loss by a trustee sale, suffering the loss of substantial equity in an amount
5 according to proof.

6 104. As a further direct and proximate result of Defendants' unfair debt
7 collection practices, Plaintiff were wrongfully deprived of title to the Property and of its
8 beneficial use and enjoyment in an amount according to proof.

9 105. As a further direct and proximate result of Defendants' unfair debt
10 collection practices, Plaintiffs incurred attorney fees and costs in an amount according to
11 proof.

12 106. As a further direct and proximate result of Defendants' unfair debt
13 collection practices, Plaintiff were caused to incur other incidental expenses including,
14 but not limited to expenses incurred in relocation and moving expenses, excess housing
15 expenses, storage fees, etc., in an amount according to proof.

16 107. As a further direct and proximate result of Defendants' unfair debt
17 collection practices, Plaintiffs were forced to endure great emotional distress, mental
18 anguish, humiliation, shock, feelings of helplessness and desperation all to their damage
19 in an amount according to proof.

20 108. Plaintiffs therefore seeks restitution of any and all monies paid to
21 Defendants in excess of the actual amount owed.

22 109. As a further proximate result of Defendants' unfair debt collection
23 practices, and because Defendants' violation was willful and knowing, Plaintiffs are
24 entitled to recover a statutory penalty pursuant to *Civil Code* § 1788.30.

25
26 **SEVENTH CAUSE OF ACTION**
(Violation of RESPA)

27 110. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46,
28 inclusive, as if fully set forth hereat.

1 111. As alleged above, Plaintiffs sent their initial QWR pursuant to Section 6 of
2 the Real Estate Settlement Procedures Act (“RESPA”), 12 U.S.C. § 2605(e), and 12
3 C.F.R. §1024.5, et seq., to SLS on November 17, 2021, and their last follow-up QWR on
4 March 18, 2022.

5 112. Defendants violated RESPA by, including, but not limited to:

- 6 (a) failing to respond to Plaintiffs’ QWRs within the statutory time;
- 7 (b) failing to conduct a reasonable investigation;
- 8 (c) failing to correct the error in the unpaid principal balance;
- 9 (d) grossly inflating costs and fees; and
- 10 (e) failing to properly train employees on how to conduct investigations.

11 113. As a direct and proximate result of the Defendants’ violation of RESPA,
12 Plaintiff were ultimately forced to dispose of the Property at a short sale to prevent the
13 loss by a trustee sale, suffering the loss of substantial equity in an amount according to
14 proof.

15 114. As a further direct and proximate result of the Defendants’ violation of
16 RESPA, Plaintiffs suffered significant damage to their credit in an amount according to
17 proof.

18 115. As a further direct and proximate result of Defendants’ violation of RESPA,
19 Plaintiff were wrongfully deprived of title to the Property and of its beneficial use and
20 enjoyment in an amount according to proof.

21 116. As a further direct and proximate result of Defendants’ violation of RESPA,
22 Plaintiff were caused to incur attorneys fees and costs in preparing the QWRs and seeking
23 clarification and correction of the errors in an amount according to proof.

24 117. As a further direct and proximate result of Defendants’ violation of RESPA,
25 Plaintiff were caused to incur other incidental expenses including, but not limited to
26 expenses incurred in relocation and moving expenses, excess housing expenses, storage
27 fees, etc., in an amount according to proof.

28 118. As a further direct and proximate result of Defendants’ violation of RESPA,

1 Plaintiffs were forced to endure great emotional distress, mental anguish, humiliation,
2 shock, feelings of helplessness and desperation all to their damage in an amount
3 according to proof.

4
5 **EIGHTH CAUSE OF ACTION**
(For Violation of *Penal Code* §496(a))

6 119. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46,
7 inclusive, as if fully set forth hereat.

8 120. As alleged hereinabove, Defendants, and each of them, fraudulently and
9 intentionally misrepresented the amount of the indebtedness, despite Plaintiffs' repeated
10 disputes of same, forcing Plaintiffs into a short sale in order to prevent a foreclosure.

11 121. One year later, Defendants admitted that the amount of the indebtedness
12 had been wrongly inflated by over \$276,000, which, if known, would not have required a
13 short sale, and Plaintiffs could have sold the property, paid off the loan in full, and
14 retained about \$300,000 in equity.

15 122. Instead, Defendants, and each of them, concealed the overpayment from the
16 short sale from Plaintiffs, failed to notify Plaintiffs of the surplus funds, and failed to
17 return any of said funds, in effect, stealing the surplus funds from the short sale in an
18 amount up to \$193,000.

19 123. Defendants, and each of them, knew or should have known that the surplus
20 funds did not belong to them and were, in fact, stolen from Plaintiffs.

21 124. To this date, Defendants, and each of them, maintain possession of the
22 stolen surplus funds.

23 125. As a direct and proximate result of the theft by Defendants, and each of
24 them, Plaintiffs suffered significant damages in an amount according to proof.

25 126. As a further direct and proximate result of theft by Defendants, and each of
26 them, Plaintiffs are entitled to their attorney fees and costs pursuant *Penal Code* §496.

27 127. As a further direct and proximate result of the theft by Defendants, and each
28 of them, Plaintiffs are entitled to treble damages.

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**NINTH CAUSE OF ACTION
(For An Accounting)**

128. Plaintiffs reallege and incorporate by reference paragraphs 1 through 46, inclusive, as if fully set forth hereat.

129. Plaintiffs are unable to ascertain the exact amount due on the Subject Loan serviced by Defendants, and the amount that was unjustly received by Defendants. An unknown balance is due to Plaintiffs that cannot be ascertained without an accounting, the means by which are within the knowledge of Defendants.

130. Accordingly, Plaintiffs seek an Order by the Court directing an equitable accounting of all funds loaned to Plaintiffs, all fees and costs added to the loan, and all payments made by Plaintiffs to determine the amount of funds received in excess of the indebtedness that should be returned to Plaintiffs.

DEMAND FOR JURY TRIAL

Plaintiffs hereby demand a jury trial.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs requests judgment against Defendants, and each of them, as follows:

1. For general, compensatory and statutory damages;
2. For loss of equity;
3. For damage to credit rating;
4. For restitution of amounts overpaid to Defendants;
5. For an award of reasonable attorney's fees and costs;
6. For other incidental expenses;
7. For punitive and exemplary damages;
8. Treble damages and attorney fees pursuant to Penal Code §496 and Civil Code §1695.7;

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9. For such other and further relief as the Court may deem must and proper.

Dated: January 2, 2024

LORDEN & REED


By: 
Zshonette Reed
Attorney for Plaintiffs **MICHAEL L. RUSSELL**
and **RENITA Y. RUSSELL**

EXHIBIT “A”

**FIXED/ADJUSTABLE RATE NOTE
INTEREST ONLY PERIOD**

(1-Year LIBOR Index - Rate Caps)

(Assumable after Initial Period)

(10 Year Interest Only Period)

Loan # 124708963

MIN: 100055401247089636

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

October 25, 2006
[Date]

Simi Valley
[City]

California
[State]

40944 Knoll Drive, Palmdale, CA 93551

[Property Address]

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. \$ 673,000.00 (this amount is called "Principal"), plus interest, to the order of the Lender. The Lender is IndyMac Bank, F.S.B., a federally chartered savings bank.

I will make all payments under this Note in the form of cash, check or money order.

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

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 5.000 %. The interest rate I will pay will change in accordance with Section 4 of this Note.

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

3. PAYMENTS

(A) Time and Place of Payments

I will make a payment every month on the first day of the month beginning on December 1, 2006.

I will make these payments every month until I have paid all of the principal and interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as of its scheduled due date and if the payment consists of both principal and interest, it will be applied to interest before Principal. If, on November 1, 2036, I still owe amounts under this Note, I will pay those amounts in full on that date, which is called the "Maturity Date."

I will make my monthly payments at IndyMac Bank, F.S.B., P.O. Box 78826, Phoenix, AZ 85062-8826

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

(B) Amount of My Initial Monthly Payments

Before the first fully amortizing principal and interest payment due date stated in subsection (C) below (the "First P&I Payment Due Date"), my monthly payments will be only for the interest due on the unpaid principal of this Note.

Each of my initial monthly payments will be in the amount of U.S. \$ 2,804.17. This amount may change in accordance with subsection (C) below.

IndyMac Bank

Fixed/Adjustable Rate Note - 1 Yr. LIBOR Index - Interest Only Period - Wholestate

Initials: MLR RJR

Page 1 of 8

Form 5600

8480830 00000

VMP Mortgage Solutions, Inc. (B001521-728)

8/05



(C) Monthly Payment Changes

The First P&I Payment Due Date is December 1, 2016

Prior to the First P&I Payment Due Date, my monthly payment may change to reflect changes in the interest rate I must pay in accordance with Section 4 of this Note or to reflect changes in the unpaid principal of my loan in accordance with Section 5 of this Note. Notwithstanding the provisions of Section 4(C) of this Note to the contrary, prior to the First P&I Payment Due Date the Note Holder will not include in the monthly payment any amount to repay the unpaid principal. Before the effective date of any change in my monthly payment, the Note Holder will deliver or mail to me a notice of the change in accordance with Section 8 of this Note. The notice will include the title and telephone number of a person who will answer any question I may have regarding the notice.

Beginning with the First P&I Payment Due Date, my monthly payment will change to an amount sufficient to repay the principal and interest at the rate described in Section 4 of this Note in substantially equal installments by the Maturity Date. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Sections 4 and 5 of this Note.

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of November, 2011, and may change on that day every 12th month thereafter. Each date on which my interest rate could change is called an "Interest Change Date."

(B) The Index

Beginning with the first Interest Change Date, my interest rate will be based on an Index. The "Index" is the one-year London Interbank Offered Rate ("LIBOR") which is the average of interbank offered rates for one-year U.S. dollar-denominated deposits in the London market, as published in *The Wall Street Journal*. The most recent Index figure available as of the date 45 days before each Interest Change Date is called the "Current Index."

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

(C) Calculation of Changes

Before each Interest Change Date, the Note Holder will calculate my new interest rate by adding two and 750/1000ths percentage point(s) (2.750 %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(D) below, this rounded amount will be my new interest rate until the next Interest Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Interest Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Interest Change Date will not be greater than 10.000 % or less than 2.750 %. Thereafter, my interest rate will never be increased or decreased on any single Interest Change Date by more than two and NO/1000ths percentage point(s) (2.000 %) from the rate of interest I have been paying for the preceding 12 months. My interest rate will never be greater than 10.000 %.

(E) Effective Date of Changes

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

(F) Notice of Changes

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

5. BORROWER'S RIGHT TO PREPAY

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

I may make a full Prepayment or partial Prepayments without paying a Prepayment charge. The Note Holder will use my Prepayments to reduce the amount of Principal that I owe under this Note. However, the Note Holder may apply my Prepayment to the accrued and unpaid interest on the Prepayment amount before applying my Prepayment to reduce the Principal amount of the Note. If I make a partial Prepayment, there will be no changes in the due dates of my monthly payment unless the Note Holder agrees in writing to the changes.

Loan No: 124708963
8480830 00000



If I make a partial Prepayment during the period ending with the due date of my last interest only monthly payment, my partial Prepayment will reduce the amount of my monthly payment. If I make a partial Prepayment after the last interest only monthly payment, my partial Prepayment may reduce the amount of my monthly payments beginning with the monthly payment due after the Interest Change Date following the partial Prepayment. After the first Interest Change Date, any reduction due to my partial Prepayment may be offset by an interest rate increase.

6. LOAN CHARGES

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

7. BORROWER'S FAILURE TO PAY AS REQUIRED

(A) Late Charges for Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of 15 calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be 5.000 % of my overdue payment of interest during the period when my payment is interest only, and of principal and interest after that. I will pay this late charge promptly but only once on each late payment.

(B) Default

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

(C) Notice of Default

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

(D) No Waiver By Note Holder

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

(E) Payment of Note Holder's Costs and Expenses

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

8. GIVING OF NOTICES

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

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

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

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

10. WAIVERS

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

Loan No: 124708963
6480830 01000

Page 3 of 3

Form 5800
6/05



11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the protections given to the Note Holder under this Note, a Mortgage, Deed of Trust, or Security Deed (the "Security Instrument"), dated the same date as this Note, protects the Note Holder from possible losses which might result if I do not keep the promises which I make in this Note. That Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of those conditions are described as follows:

(A) UNTIL MY INITIAL INTEREST RATE CHANGES UNDER THE TERMS STATED IN SECTION 4 ABOVE, UNIFORM COVENANT 18 OF THE SECURITY INSTRUMENT IS DESCRIBED AS FOLLOWS:

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

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

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

(B) AFTER MY INITIAL INTEREST RATE CHANGES UNDER THE TERMS STATED IN SECTION 4 ABOVE, UNIFORM COVENANT 18 OF THE SECURITY INSTRUMENT DESCRIBED IN SECTION 11(A) ABOVE SHALL THEN CEASE TO BE IN EFFECT, AND UNIFORM COVENANT 18 OF THE SECURITY INSTRUMENT SHALL INSTEAD BE DESCRIBED AS FOLLOWS:

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

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

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

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



WITNESS THE HAND(S) AND SEAL(S) OF THE UNDERSIGNED.

Michael L. Russell 10/26/06
Michael L. Russell (Seal)
-Borrower

Renita Y. Russell 10/26/06
Renita Y. Russell (Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

(Seal)
-Borrower

[Sign Original Only]

Pay to the order of

Without Recourse
Claudia Solis
Claudia Solis
Assistant Vice President
IndyMac Bank, F.S.B.

Loan No: 124708963

8480830 00001

Page 3 of 3

Form 5600
6/05



EXHIBIT “B”

Recording Requested By:
IndyMac Bank, F.S.B. c/o Document Management

[Company Name]

And When Recorded Mail To:
IndyMac Bank, F.S.B. c/o Document Management

[Company Name]

[Name of Natural Person]
901 E. 114th Street Building B Suite 400/500

[Street Address]

Kansas City, MO 64131

[City, State, Zip Code]

06 2436606

[Specs Above This Line Per Recording Data]

DEED OF TRUST

MIN: [REDACTED]

DEFINITIONS

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

(A) "Security Instrument" means this document, which is dated October 25, 2006 together with all Riders to this document.

(B) "Borrower" is Michael L. Russell and Renita Y. Russell, Husband and Wife as Joint Tenants

Borrower is the trustor under this Security Instrument.

(C) "Lender" is IndyMac Bank, F.S.B., a federally chartered savings bank

Lender is a Federal Savings Bank organized and existing under the laws of United States of America Lender's address is 155 North Lake Avenue, Pasadena, CA 91101

(D) "Trustee" is United General Title Insurance Company

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

Loan No: [REDACTED]

California Deed of Trust - Single Family - Lender Mac/Fred-He Mac UNIFORM INSTRUMENT
---THE COMPLIANCE SOURCE, INC.---
www.compliance-source.com

Page 1 of 13

MERS Modified Form 3005 01/03
14301CA-03000
© 2003 The Compliance Source, Inc.

(F) "Note" means the promissory note signed by Borrower and dated October 25, 2006. The Note states that Borrower owes Lender six hundred seventy three thousand and NO/100ths Dollars (U.S. \$ 673,000.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than November 1, 2036.

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

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

(I) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower *(check box as applicable)*:

- | | | |
|---|---|---|
| <input checked="" type="checkbox"/> Adjustable Rate Rider | <input type="checkbox"/> Condominium Rider | <input type="checkbox"/> Second Home Rider |
| <input type="checkbox"/> Balloon Rider | <input type="checkbox"/> Planned Unit Development Rider | <input type="checkbox"/> Biweekly Payment Rider |
| <input type="checkbox"/> 1-4 Family Rider | <input type="checkbox"/> Revocable Trust Rider | |
| <input type="checkbox"/> Other(s) <i>(specify)</i> | | |

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

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

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

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

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

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

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

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. §2601 et seq.) and its implementing regulation, Regulation X (24 C.F.R. Part 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(R) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

06 2436606

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (solely as nominee for Lender and Lender's successors and assigns) and the successor and assigns of MERS. This Security Instrument secures to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note; and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Trustee, in trust, with power of sale, the following described property located in the County of Los Angeles, California.

See Exhibit A attached hereto and made a part hereof

Assessor's Identification Number: [REDACTED]

which currently has the address of

Palmdale
[City]

California

[State]

40944 Knoll Drive

93551
[Zip Code]

[Property Address]

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

BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.

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

UNIFORM COVENANTS. Borrower and Lender covenant and agree as follows:

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

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may return any

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payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment can be paid in full. To the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

3. **Funds for Escrow Items.** Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 3; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees, and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds for any or all Escrow Items. Lender may waive Borrower's obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be in writing. In the event of such waiver, Borrower shall pay directly, when and where payable, the amounts due for any Escrow Items for which payment of Funds has been waived by Lender and, if Lender requires, shall furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any such amount. Lender may revoke the waiver as to any or all Escrow Items at any time by a notice given in accordance with Section 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

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

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

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

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

4. **Charges; Liens.** Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

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

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

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

If Borrower fails to maintain any of the coverages described above, Lender may obtain insurance coverage, at Lender's option and Borrower's expense. Lender is under no obligation to purchase any particular type or amount of coverage. Therefore, such coverage shall cover Lender, but might or might not protect Borrower, Borrower's equity in the Property, or the contents of the Property, against any risk, hazard or liability and might provide greater or lesser coverage than was previously in effect. Borrower acknowledges that the cost of the insurance coverage so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed by Lender under this Section 5 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of this Note up to the amount of the outstanding loan balance.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds,

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

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

6. **Occupancy.** Borrower shall occupy, establish, and use the Property as Borrower's principal residence within 60 days after the execution of this Security Instrument and shall continue to occupy the Property as Borrower's principal residence for at least one year after the date of occupancy, unless Lender otherwise agrees in writing, which consent shall not be unreasonably withheld, or unless extenuating circumstances exist which are beyond Borrower's control.

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

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

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

9. **Protection of Lender's Interest in the Property and Rights Under this Security Instrument.** If (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) there is a legal proceeding that might significantly affect Lender's interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender's interest in the Property and rights under this Security Instrument, including protecting and/or assessing the value of the Property, and securing and/or repairing the Property. Lender's actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable attorneys' fees to protect its interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or

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obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

Any amounts disbursed by Lender under this Section 9 shall become additional debt of Borrower secured by this Security Instrument. These amounts shall bear interest at the Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. **Mortgage Insurance.** If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact that the Loan is ultimately paid in full, and Lender shall not be required to pay Borrower any interest or earnings on such loss reserve. Lender can no longer require loss reserve payments if Mortgage Insurance coverage (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until Lender's requirement for Mortgage Insurance ends in accordance with any written agreement between Borrower and Lender providing for such termination or until termination is required by Applicable Law. Nothing in this Section 10 affects Borrower's obligation to pay interest at the rate provided in the Note.

Mortgage Insurance reimburses Lender (or any entity that purchases the Note) for certain losses it may incur if Borrower does not repay the Loan as agreed. Borrower is not a party to the Mortgage Insurance.

Mortgage insurers evaluate their total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are on terms and conditions that are satisfactory to the mortgage insurer and the other party (or parties) to these agreements. These agreements may require the mortgage insurer to make payments using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) a portion of Borrower's payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer's risk, or reducing losses. If such agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "captive reinsurance." Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

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

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such

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Miscellaneous Proceeds. Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

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

In the event of a partial taking, destruction, or loss in value of the Property in which the fair market value of the Property immediately before the partial taking, destruction, or loss in value is equal to or greater than the amount of the sums secured by this Security Instrument immediately before the partial taking, destruction, or loss in value, unless Borrower and Lender otherwise agree in writing, the sums secured by this Security Instrument shall be reduced by the amount of the Miscellaneous Proceeds multiplied by the following fraction: (a) the total amount of the sums secured immediately before the partial taking, destruction, or loss in value divided by (b) the fair market value of the Property immediately before the partial taking, destruction, or loss in value. Any balance shall be paid to Borrower.

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

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

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

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

12. Borrower Not Released; Forbearance By Lender Not a Waiver. Extension of the time for payment or modification of amortization of the sums secured by this Security Instrument granted by Lender to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors in Interest of Borrower. Lender shall not be required to commence proceedings against any Successor in Interest of Borrower or to refuse to extend time for payment or otherwise modify amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

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

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

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

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

15. **Notices.** All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement under this Security Instrument.

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

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

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

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

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

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

19. **Borrower's Right to Reinstate After Acceleration.** If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Loan No. [REDACTED]

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Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer's check or cashier's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity; or (d) Electronic Funds Transfer. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

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

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period, which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice and opportunity to take corrective action provisions of this Section 20.

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

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential uses and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

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

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

Loan No: [REDACTED]
California Div of Trust/Single Family/Funds/Mut/Fred's Mac UNIFORM INSTRUMENT
—THE COMPLETION SOURCE, INC.—
www.compleationsource.com

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22. **Acceleration; Remedies.** Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defense of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option, may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

If Lender invokes the power of sale, Lender shall execute or cause Trustee to execute a written notice of the occurrence of an event of default and of Lender's election to cause the Property to be sold. Trustee shall cause this notice to be recorded in each county in which any part of the Property is located. Lender or Trustee shall mail copies of the notice as prescribed by Applicable Law to Borrower and to the other persons prescribed by Applicable Law. Trustee shall give public notice of sale to the persons and in the manner prescribed by Applicable Law. After the time required by Applicable Law, Trustee, without demand on Borrower, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser Trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the Trustee's deed shall be prima facie evidence of the truth of the statements made therein. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including, but not limited to, reasonable Trustee's and attorneys' fees; (b) to all sums secured by this Security Instrument; and (c) any excess to the person or persons legally entitled to it.

23. **Reconveyance.** Upon payment of all sums secured by this Security Instrument, Lender shall request Trustee to reconvey the Property and shall surrender this Security Instrument and all notes evidencing debt secured by this Security Instrument to Trustee. Trustee shall reconvey the Property without warranty to the person or persons legally entitled to it. Lender may charge such person or persons a reasonable fee for reconveying the Property, but only if the fee is paid to a third party (such as the Trustee) for services rendered and the charging of the fee is permitted under Applicable Law. If the fee charged does not exceed the fee set by Applicable Law, the fee is conclusively presumed to be reasonable.

24. **Substitute Trustee.** Lender, at its option, may from time to time appoint a successor trustee to any Trustee appointed hereunder by an instrument executed and acknowledged by Lender and recorded in the office of the Recorder of the county in which the Property is located. The instrument shall contain the name of the original Lender, Trustee and Borrower, the book and page where this Security Instrument is recorded and the name and address of the successor trustee. Without conveyance of the Property, the successor trustee shall succeed to all the title, powers and duties conferred upon the Trustee herein and by Applicable Law. This procedure for substitution of trustee shall govern to the exclusion of all other provisions for substitution.

25. **Statement of Obligation Fee.** Lender may collect a fee not to exceed the maximum amount permitted by Applicable Law for furnishing the statement of obligation as provided by Section 2943 of the Civil Code of California.

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.

Witnesses:

[Signature]

[Signature]
Michael L. Russell

10-26-06 (Seal)
Borrower
(Printed Name)

[Signature]
Ranita Y. Russell

10/26/06 (Seal)
Borrower
(Printed Name)

(Seal)
Borrower
(Printed Name)

(Seal)
Borrower
(Printed Name)

(Acknowledgment on Following Page)

Loan No: [REDACTED]
California Deed of Trust - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
THE CREDIT SOURCE, INC.
www.credit-source.com

WERS Modified Form 3005, 01/01
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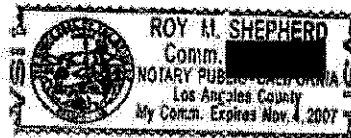
State of CA

County of Los Angeles

On 10-26-06, before me, Roy M. Shepherd, Notary Public (name and title of officer)
personally appeared Michael L. Russell and Monica Y. Russell

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument in person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.
WITNESS my hand and official seal.

Signature Roy M. Shepherd (Seal)



REQUEST FOR FULL RECONVEYANCE

TO TRUSTEE:

The undersigned is the holder of the note or notes secured by this Deed of Trust, which was recorded in the office of the Recorder of Los Angeles County, State of California, in book , page of official records. Said note or notes, together with all other indebtedness secured by this Deed of Trust, have been paid in full. You are hereby directed to cancel said note or notes and this Deed of Trust, which are delivered hereby, and to reconvey, without warranty, all the estate now held by you under this Deed of Trust to the person or persons legally entitled thereto.

(Trustee) Date: _____

Loan No:
California Deed of Trust-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT
THE COMPLY SOURCE, INC.
www.complysource.com

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PROOF OF SERVICE

I am employed in the County of Los Angeles, State of California. I am over the age of 18 and not a party to the within action. My business address is 4654 East Avenue S, Suite B-240, Palmdale, California 93552.

On January 2, 2024, I served the foregoing document described as: **FIRST AMENDED COMPLAINT** on the following attorneys of record and/or interested parties in this matter on the above date in the ordinary course of business and addressed as follows:

Neil J. Cooper ncooper@houser-law.com
HOUSER LLP
9970 Research Drive
Irvine, CA 92618
Fax: (949) 679-1112

☒ **BY ELECTRONIC MAIL** - By emailing true and correct copies to the persons at the electronic notification address(es) shown above or on the attached service list. The document(s) was/were served electronically and the transmission was reported as complete and without error consistent with Code of Civil Procedure § 11.6(a), (4) and (5).

☐ **BY MAIL** - I caused said envelope(s), with first class postage thereon fully prepaid, to be sealed and placed in the United States mail at Chatsworth, California. The address(es) shown above is(are) the same as shown on the envelope(s).

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct to the best of my knowledge.

Executed on January 2, 2024, at Palmdale, California.

ZSHONETTE REED