

# FRAUD STOPPERS PMA



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## Forensic Audit Report

Borrower(s): [REDACTED]

Property: [REDACTED]

Morro Bay, CA 93442

July 15, 2019

[REDACTED]

*IN RE: Real Property Located:*

[REDACTED]  
Morro Bay, CA 93442

**AFFIDAVIT OF  
MARLA Gxxxxxxx**

I, Marla Gxxxxxxx, herein referred to as “Affiant”, having been duly sworn, deposes and states that if sworn as a witness I can testify competently to the facts stated in this Affidavit, based upon personal knowledge and review of the documentation referenced herein:

**QUALIFICATIONS AND EXPERTISE**

1. My qualifications and experience provide me with the background necessary to certify forensic and securitization analysis services and to be qualified as an expert in this field. I have worked in the mortgage and banking industry for over twenty (20) years with extensive knowledge in Federal and State lending laws and practices. In those years, I worked as a Supervisor of the Closing/Funding Department for several reputable mortgage companies such as Norwest Mortgage, First California Mortgage, and Bankers Mortgage in which I executed assignments of mortgages (“Assignments”), endorsed promissory notes (“Notes”), allonges, bundled notes, recorded mortgages, shipped original endorsed notes, recorded mortgages to assignees and delivered or mailed the loan documents to the new investor that purchased mortgage loans. I have also held several other positions such

as Senior Loan Processor, Loan Officer, Shipper/Suspense/Warehouse Tech and Underwriter's Assistant. In addition, I developed the Mortgage Department at MOCSE Federal Credit Union, oversaw its loan operation and trained employees within the Department. My responsibilities and work functions at MOCSE Federal Credit Union extended to processing documentations that gave Credit Union approval to issue FHA, CHFA, CalPers and VA loans, along with assisting the Board of Directors on rendering informed risk assessments decisions on mortgage loans within the company's portfolio.

2. Notwithstanding the aforementioned professional experience, I have also completed over 1,000 securitization analysis and over 1,000 forensic analysis on over 1,000 mortgage loans within the past nine (9) years. I am currently the Lead Instructor for the Nationally Recognized Forensic Loan Auditor Certification Class (2010 -2017), having training more than 500 Students on aspects of Loan Compliance Ranging from: forensic loan auditing for possible violations of the Truth in Lending Act, Real Estate Settlement Procedures Act, Home Ownership Equity Protection Act, Fair Debt Collection Practices Act, and other pertinent State and Federal statutes and common law principles in loan documentation, including Broker Licensing, Loan Transaction Documentation, Proper Calculation of APR and Finance Charges, Underwriting Standards and Methodologies, Predatory Loan Indicators, and Legal Standing & Other Foreclosure Defenses.

3. I have also worked as a FRAUD STOPPERS and CSA for FRAUD STOPPERS,

LLC ("FRAUD STOPPERS") as well as Certified Securitization Analysis, LLC, Premiere Loan

Auditors, LLC, Mortgage Compliance Investigator, Elite Mortgage Solutions, HHH

Advocates, Steven Geshall, Esq., Melodie Aduja, Esq., Professional Processing, US Standard Holdings Trust, NBC Financial Group, SafeCare Risk Company, Ltd, CJ Maxx Group, LLC and U.S. Equity Initiative. As a FRAUD STOPPERS and CSA, I provide comprehensive mortgage forensic and securitization reports, analysis and memorandums for professionals specializing in mortgage litigation and loan modification workups. When conducting a forensic and securitization report analysis, each file is reviewed carefully and manually to determine compliance. It is flagged for violations, whereby a thorough analysis report is generated based on factual determinations. Additionally, software platforms are often used in generating analysis reports from various professional services through which users can monitor and analyze real-time financial market data movements. **(See Exhibit “1”)**

4. In the course of my 20 years of practice, I have read and/or reviewed thousands of mortgage loan-related documents including, but not limited to: mortgages/deeds of trust; promissory notes; allonges; assignments; home loan disclosures; underwriting and processing documents; settlement statements; appraisals; affidavits and trust documents such as the 8-K current reports which include mortgage loan purchase agreements (“MLPA”), pooling and servicing agreements (“PSA”); form 10-D with periodic distribution reports; 424(b)(5) prospectus and prospectus supplements, free writing prospectus (“FWP”), form 10-K and form 15-15D. Additionally, I have researched and reviewed thousands of mortgage loans ownership status via Mortgage Electronic Registration Systems, Inc. (“MERS”), Fannie Mae, Freddie Mac, FHA loans and Ginnie Mae online database systems.

5. Along with my experiences and expertise, I have been qualified to testify in a U.S. District court in Oregon: Aurora Loan Servicing, LLC vs. Eduardo and Nancy Naude and U.S. Bankruptcy Court in Los Angeles, CA: Avis Copelin vs. Nationstar Mortgage, LLC.

6. [REDACTED] procured my services and requested that I investigate and research the payment history and do a forensic accounting on her Note dated December 16, 2005 for the loan amount of \$513,500.00 with IndyMac Bank, F.S.B., a federally chartered savings bank as the Lender. **(See Exhibit “2”)**

7. Based on my professional experience and the facts contained within this Affidavit, I am competent to testify as an expert witness in the specifics of this case regarding my expert opinion should that be requested or required.

I declare under the penalty of perjury and certify that the foregoing is true and correct to the best of my knowledge, information and belief.

Dated on this 15<sup>th</sup> day of July, 2019 in Modesto, California

[REDACTED]

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Marla GXXXXXX  
Senior Certified Forensic Loan Analyst

*(This area is intentionally left blank)*

This report was based exclusively on the documentation provided. It also required that we make reasonable assumptions respecting disclosures and certain loan terms that, if erroneous, may result in material differences between our findings and the loan's actual compliance with applicable regulatory requirements. While we believe that our assumptions provide a reasonable basis for the review results, we make no representations or warranties respecting the appropriateness of our assumptions, the completeness of the information considered, or the accuracy of the findings.

The contents of this report are being provided with the understanding that we are not providing legal advice, nor do we have any relationship, contractual or otherwise, with anyone other than the recipient. We do not, in providing this report, accept or assume responsibility for any other purpose.

#### **REPORT SUMMARY**

##### Auditor's Summary:

**The loan is a Purchase Loan with the loan amount of \$513,500.00. The loan is a FIXED/ ARM loan with a "fixed" rate for the first 10 years which is Interest Only. The interest rate is 6.25% with a monthly payment of \$2,674.48. The loan is tied to the 6 month LIBOR. The margin is 2.750%, which is slightly above the average of 2.250%. After 10 years the first payment can adjust to an interest rate of not greater than 11.250% or less than 2.750%. The interest rate can adjust every 6 months at no more than 1.00% for each subsequent adjustment thereafter. The floor or minimum interest rate is 2.750% and the ceiling or maximum interest rate is 12.250%. (See Exhibit "2")**

██████ elected not to have an escrow account for her taxes and insurance, so her monthly payment was Principal and Interest. She paid her taxes and insurance on her own.

Page 2 and paragraph 5, Borrower's Right to Prepay of Note states the borrower has "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."

In Paragraph 2 of the Deed of Trust of ██████████ dated December 16, 2005 it states, "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. (See Exhibit “3”)

The Real Estate Settlement Procedures Act (RESPA) (12 USC 2601-17) was implemented in 1974 by the Department of Housing and Urban Development’s Regulation. It was effective in June 1975. This act protects borrowers against abusive practices and puts limitations on the use of escrow accounts. On page 4, Escrow Accounts-Section 3500.17 it states, “Under the rule, the amount of escrow funds that may be collected at settlement or upon creation of an escrow account is restricted to an amount sufficient to pay charges, such as taxes and insurance, that are attributable to the period from the date such payments were last paid until the initial payment date. Throughout the life of an escrow account, the servicer may charge the borrower a monthly sum equal to one-twelfth of the total annual escrow payments that the servicer reasonably anticipates paying from the account. In addition, the servicer may add an amount to maintain a cushion no greater than one-sixth of the estimated total annual payment from the account.” (See Exhibit “4”)

I received a copy of the payment history for [REDACTED] loan with Ocwen Loan Servicing, LLC with servicing loan #7190730379. The payment history is for the dates of January 2006 to April 2019. I have done an analysis of the payment history at the request of [REDACTED] Johnson and below are my findings: (See Exhibit “5”)

1. On 03/31/2006, IndyMac Bank Home Loan Servicing had an entry of \$160.47 for the fee they received for the Loan Servicing. IndyMac continued to collect their loan servicing fee each month. This is an indication that IndyMac sold the loan in the Secondary Market and is no longer the Note Holder.

2. On 10/30/2006, IndyMac Bank Home Loan Servicing received \$2.00 and put it into suspense. On 10/31/2006 the \$2.00 was taken out of suspense and applied to the principal balance.
3. On 11/14/2006, IndyMac Bank Home Loan Servicing received \$0.01 and applied it to the principal balance.
4. As of 11/14/2006 the payment amount was \$0.01 lower than as specified on the Note and that were received prior to. The payments were \$2,647.47 instead of the payment of \$2,647.48 as per the Note dated December 16, 2005. This loan was a "Fixed Interest Only Loan" for the first 10 years therefore the payment should have been \$2,647.48 as per the Note.
5. As of 12/31/2006 [REDACTED] was current mortgage payments and was due for January 01, 2007.
6. On 01/16/2007, IndyMac Bank Home Loan Servicing received \$0.01 and applied it to the principal balance.
7. On 03/15/2007, IndyMac Bank Home Loan Servicing received a payment of \$2,674.40 which was \$0.07 short of the payment due of \$2,674.47 therefore, \$0.07 was taken out of the Escrow account and applied to interest. Every payment thereafter was \$2,674.40 for the remaining of the year in 2007. The total amount was \$0.70 taken out of Escrow for the year of 2007.
8. As of 12/31/2007 [REDACTED] was current mortgage payments and was due for January 01, 2008.
9. On 02/08/2008, IndyMac received a payment of \$2,680.24 which \$2,674.47 was applied to interest, \$5.00 applied to code 01, which I am unable to determine what that code is and \$0.77 applied to suspense.
10. On 02/20/2008, \$0.70 was taken out of suspense and applied to the Escrow Account which paid for the shortages of the payments prior to for the past 10 months. This put the Escrow Account at a zero balance which was correct since [REDACTED] was making her Insurance and Tax payments on her own.
11. On 02/21/2008, \$0.07 was taken out of suspense and applied to principal. This made the balance in the suspense account zero.
12. On 03/17/2008, 04/16/2008, and 05/16/2008 there was a late charge of \$133.72.
13. On 06/04/2008 a payment of \$2,694.47 was made and \$2,674.47 was applied to interest and the balance of \$20.00 went to a code of 41 which I am unable to determine what that code was for.
14. On 06/04/2008 a payment of \$133.72 was made which paid for 1 of the 3 prior late payments that were charged.
15. On 08/13/2008 a payment of \$5,293.69 was made and the funds were applied to the Escrow Account. Normally when the homeowner is behind by 3 months and the loan goes into Default, the Servicer will accept the payments and apply the funds to suspense because it is not enough to cure the Default. The Servicer will not apply any payments to the loan until they receive the amount to cure the Default, which is hard to do because this is when they start added other fees such as Attorney and Inspection Fees, plus other fees to various entities. [REDACTED] did not have an escrow account set up originally when she closed the loan. [REDACTED] was making the Insurance and Tax payments herself. [REDACTED]'s Taxes were current as of August 2018. Per a letter dated 04/11/2019, Ocwen was unable to provide an Escrow Account History before they were the Servicer. Ocwen

became the Servicer in 2013. Recommend an investigation with IndyMac on why the Escrow Advance Account Balance is so high. This is a RESPA violation. (See Exhibit "6")

16. On 08/18/2008, 09/16/2008, and 10/16/2008 there was a late charge of \$133.72.
17. On 11/12/2008 there was an \$11.00 Inspection fee.
18. On 11/13/2008 a payment of \$2,413.69 was made and the funds were applied to the Escrow Advance Account. The total for the Escrow Account Advance Balance was now \$7,707.38. In other words, this money is just sitting in this account and none of it was applied to the loan, taxes and insurance.
19. On 11/17/2008 there was a late charge of \$133.72.
20. On 12/12/2008 there was an Attorney fee of \$836.07.
21. On 12/12/2008 a payment of \$2,674.47 was made. The Attorney Fee of \$836.07 was applied towards the Attorney fee and \$1,838.40 was put into suspense.
22. On 12/17/2008 there was an \$11.00 Inspection fee.
23. As of 12/31/2008 [REDACTED] was behind 9 months on her mortgage payments and was due for April 2008.
24. The last 3 mortgage payments [REDACTED] made in 2008, 8/13 for \$5,293.69, 11/13 for \$2,413.69, and 12/12 for 2,674.47 totaled \$10,381.85 were not applied to the loan. IndyMac applied \$7,707.38 to the Escrow Advance Account, \$836.07 to an Attorney and \$1,838.40 to Suspense which totaled \$10,381.85.
25. On 01/13/2009 a payment of \$2,674.47 was made and it was applied to the interest for April 2008's payment.
26. On 01/20/2009 there was an Inspection fee of \$11.00.
27. On 01/22/2009 there was a Title Policy fee of \$310.00.
28. On 01/22/2009, \$1029.70 was taken out of Suspense, \$310.00 was for the Title Policy fee and \$719.70 was for the Escrow Paid.
29. On 01/22/2009 there was an Attorney fee of \$750.00, the funds were taken from Suspense.
30. On 01/22/2009 there was a Statutory Exp fee of \$58.70, the funds were taken from Suspense.
31. On 01/29/2009 there was a payment of \$9,803.65 which was applied to Escrow and then the same amount of \$9,803.65 was paid out of Escrow. The Escrow Advance balance was \$6,987.68 as of that date and was taken out of the Escrow Advance and paid out too. That means a total of \$16,791.33 was paid out of Escrow. What did the funds pay for? [REDACTED] taxes were current at the time according to the County of San Luis Obispo Tax Assessor. This is a RESPA violation. (See Exhibit "7")
32. On 01/30/2009 the payment of \$2,674.47 from 01/13/2009 was reversed. IndyMac took it out of the Interest that was paid and applied to Suspense. This put [REDACTED] payment due for April 2008 once more.
33. On 01/31/2009 [REDACTED] did a Loan Modification with IndyMac which increased her loan amount to \$552,720.71. The amount of \$39,222.80 was added to the principal of \$513,497.91. Was a breakdown ever given to [REDACTED] in writing of what the \$39,222.80 consisted of? At the time of signing the Loan Modification dated 01/13/2009 [REDACTED] was 9 months behind in her payments, which is a total of \$23,827.32. The Loan Modification stated that the past due payments totaled \$31,099.58. That is almost 12 months of payments not 9 months. It is a difference of \$7,272.18. It also stated that

\$7,707.38 was for Taxes due. At that time ██████ Escrow Advance Balance was \$6,987.68. Why did IndyMac charge her \$7,707.38 when she had \$6,987.68 in her Escrow account? Also, what did the \$9,803.65 that was taken out of her Escrow Account on 01/29/2009 pay for? This is questionable. Was there a forced Insurance Policy acquired by IndyMac for the Homeowners Insurance? That type of policy is typically 3 to 5 times above the normal priced policy. ██████ property taxes were current.  $\$7,707.38 + \$6,987.68 + \$9,803.65 = \$24,498.71$  Escrow Funds pay for?

34. The Loan Modification dated 01/13/2009 lowered the original Note rate of 6.250% by 1.0% to 5.250%. The interest rate type was an Adjustable Rate Mortgage originally and the Loan Modification changed it to a Fixed Rate Mortgage. The monthly payment increased due to the additional \$39,222.80 added to the Principal of \$513,497.91 for a total of \$552,720.71 balance on the Loan Modification. The monthly payment of \$2647.48 was Interest Only on the original Note and it increase to \$2,826.87 Principal and Interest payment. That was an increase of \$179.39. IndyMac also now required an Escrow Account that had to be paid monthly in the amount of \$402.28. The total amount increase was \$581.67 per month for ██████. Most modification loans that were offered to the homeowners lower the monthly payments not increase them. Most modification loans usually consists of a low interest rate with a 3 to 5 year step of 1.0% per year. An amortization of a 40 year term due in 30 years with a Balloon Payment. This keeps the payment down low in order to help the homeowner keep their home and ease the financial strain of making a high payment. The type of Modification ██████ received was not typical and only enriched IndyMac Bank. ██████ does not have a Mortgage background and was at the mercy of IndyMac Bank. She relied on them to help her and with the threat of losing her home, they took advantage of her innocence and she had no choice but to sign the papers. (See Exhibit "8")
35. On 02/04/2009 \$2,652.47 was taken out of suspense and applied to the Principal.
36. On 02/17/2009, \$2158.74 was charged for the Loan Modification. The only fee was disclosed on the Loan Modification was the Late Fees. Below are the fees:
  - a. Late Fees \$936.04
  - b. Attorney Fees \$367.00
  - c. Recording Cost \$33.00
  - d. Servicing Cost \$17.70
  - e. Title Policy \$805.00
37. On 03/16/2009 there was a late charge of \$20.00.
38. On 05/01/2009 there was a BPO charge of \$125.00.
39. On 05/05/2009 there was a Recording Cost of \$60.00.
40. On 05/05/2009 there was a Misc Expense charge of \$175.00.
41. On 05/18/2009 there was a late charge of \$20.00.
42. The payment made on 05/18/2009 was returned, reversed out of all proper accounts and charged a \$25.00 Bad Check fee which the Bad Check fee was paid in full on 06/16/2009.
43. On 06/01/2009, \$20.00 was received for the late charge of 05/18/2009.
44. On 07/16/2009, \$20.00 went to a code of 41 which I am unable to determine what that code was for.
45. On 07/16/2009 there was a \$20.00 late charge.
46. On 08/17/2009 there was a late fee of \$141.34.

47. On 08/25/2009 there was a \$11.00 Inspection fee. The loan was due for July 2009 payment at the time, it was only not 90 days past due.
48. On 09/16/2009 there was a late fee of \$141.34.
49. On 09/25/2009 there was a \$11.00 Inspection fee. The loan was due for August 2009 payment at the time, it was only not 90 days past due.
50. On 09/30/2009 there was a \$20.00 late charge
51. On 09/30/2009 there were 3 payments made (\$282.68, \$40.00 & \$50.00) towards late fees, \$282.68 to pay for the late fees assessed on 08/17/2009 and 09/16/2009, \$40.00 to pay for the late fees of 07/16/2009 and 09/30/2009. The \$50.00 paid for the Bad Check fees of 06/01/2009 and on 07/16/2009.
52. On 10/26/2009 there was a late fee of \$141.34.
53. On 10/29/2009 there was a \$1.00 Inspection fee. The loan was due for October 2009 payment at the time, it was only not 30 days past due.
54. On 11/16/2009 there was a late fee of \$141.34.
55. On 12/03/2009 there was a \$11.00 Inspection fee.
56. On 12/16/2009 there was a late fee of \$141.34. The loan was due for October 2009 payment at the time, it was 90 days past due.
57. On 12/29/2009 there was a \$11.00 Inspection fee. The loan was due for November 2009 payment at the time, it was 60 days past due.
58. As of 12/31/2009 [REDACTED] was behind 2 months on her mortgage payments and was due for November 2009.
59. On 01/12/2010 a payment of \$2,077.00 was made and was applied to Suspense. Per the terms of the Modification, the payment should have been \$2,826.87. That is a \$749.87 difference.
60. On 01/19/2010 a late fee was charge of \$141.34
61. On 01/28/2010 a payment of \$2,077.00 was made and was applied to Suspense. Again the payment is short by \$749.87.
62. On 01/29/2010 \$3,229.15 was taken out of Suspense and applied to November 2009 payment.
63. On 02/01/2010 \$70.00 was charged for a Delinquent Desktop Valuation. I am unable to determine who it charged the \$70.00.
64. On 03/17/2010 a payment of \$901.12 was paid towards an Escrow shortage.
65. On 03/22/2010 a payment of \$2,077.00 was made and was applied to Suspense. Again the payment is short by \$749.87.
66. On 03/22/2010 \$3,229.85 was taken out of Suspense and applied to December 2009 payment.
67. On 03/30/2010 a payment of \$2,077.00 was made and was applied to Suspense. Again the payment is short by \$749.87.
68. On 04/30/2010 a payment of \$2,077.00 was made and was applied to Suspense. Again the payment is short by \$749.87.
69. On 05/03/2010 \$3,229.15 was taken out of Suspense and applied to January 2010 payment.
70. On 05/31/2010 a payment of \$2,077.00 was made and was applied to Suspense. Again the payment is short by \$749.87.
71. On 06/02/2010 a \$95.00 fee was charged for a Delinquent BPO

72. On 06/04/2010 a \$989.38 fee was charged. I am unable to determine what code D11 was for.
73. On 06/07/2010, \$2,077.00 was taken out of Suspense and applied to Interest. Nothing was applied to Escrow and principal therefore, the payment for 02/01/2010 was still due.
74. On 06/07/2010, \$999.99 was charged because payment was short. It appears that the funds were applied to the Escrow Account.
75. On 06/01/2010 a payment of \$1,572.79 was paid and the funds were applied to the Escrow Account.
76. On 06/07/2010, \$999.99 was charged again because payment was short. Both times they were reversed from account \*1. I am unable to determine what the \$572.80 was applied to.
77. On 06/07/2010, \$572.80 was charged twice because payment was short. One charge of \$572.80 was reversed from account \*1. I am unable to determine what the \$999.99 was applied to.
78. On 06/07/2010, \$56.00 was charged because payment was short. One charge of \$56.00 was reversed from account \*1. The \$56.00 was applied to Suspense and then taken out of Suspense.
79. On 06/16/2010, January 01, 2010 payment of \$3,229.15 was reversed out and applied to Suspense.
80. On 06/21/2010, \$12,490.73 was added to the Principal balance which increased the Principal balance to \$558,272.03.
81. A loan Modification Agreement dated May 11, 2010 added \$12,490.73 for arrearages including past due interest of \$9,861.95, past due Escrow of \$2,572.78 and servicing costs of \$56.00. The new principal balance was \$558,272.03. The Modification had a Step Interest Rate starting at 2.00% for the first 5 years and increase 1.00% for years 6, 7 and 8. At the 8<sup>th</sup> year the interest rate remained at 5.00%. The first payment in the amount of \$1,615.34 (principal and interest) was due on 06/01/2010. There was a Balloon payment due on 01/01/2046 in the amount of \$113,890.94. There was a 2<sup>nd</sup> Balloon payment of \$24,849.56 for deferred principal also due on 01/01/2046. The summary shows this 2<sup>nd</sup> Balloon payment as a 2<sup>nd</sup> mortgage. This modification was not recorded with the San Luis Obispo County Recorder's Office. **(See Exhibit "9")**
82. On 06/23/2010 there was a \$25.00 and a \$20.00 fee, both were taken out of Suspense.
83. On 06/23/2010, \$2017.62 was taken out of Suspense and applied to 06/10/2010 payment.
84. On 06/23/2010, \$73.76 was taken out of Suspense and applied to Principal.
85. On 06/24/2010, there were 2 charges of \$999.99, 2 charges of \$572.80 and 1 charge of \$56.00, all for payment shortages. It appears this was for the Escrow and servicing costs per the Loan Modification. I am not able to determine if the Escrow account was past due at the time of the Loan Modification and if the \$2,572.78 IndyMac put in the new loan actually paid the property taxes and insurance. This modification was not recorded with the San Luis Obispo County Recorder's Office.
86. On 07/02/2010 there was a Property Report charge of \$80.00.
87. On 12/17/2010 there was a charge of \$80.77 and applied to B11. I am unable to determine what that code is.
88. On 12/17/2010 there was a charge of \$80.77 applied to Suspense.
89. On 12/17/2010 there was a charge of \$80.77 and applied to 011. I am unable to determine what that code is.

90. As of 12/31/2010 [REDACTED] loan was current and due for 01/01/2011 payment.
91. On 01/19/2011 a payment of \$2070.00 was made, which was \$21.15 short of the payment per the Loan Modification of May 11, 2010. The \$21.15 was taken out of suspense.
92. On 03/15/2011, \$80.77 was applied to principal and then it was reversed out of principal on 04/12/2011 and put into suspense.
93. On 04/14/2011 a payment of \$2010.38 was made, which was \$80.77 short of the payment per the Loan Modification of May 11, 2010. The payment of \$2010.38 was put into suspense.
94. On 04/15/2011 April's payment of \$2,091.15 was taken out suspense and applied to the mortgage loan.
95. On 04/15/2011, \$59.62 was taken out of suspense and applied to the principal balance.
96. On 05/06/2011 a payment of \$2,106.15 was made which included the \$15.00 late fee.
97. On 09/15/2011 a payment of \$2,081.88 was made for August's payment. It was reversed on 09/21/2011.
98. On 10/11/2011 an Inspection Fee of \$11.00 was charged. [REDACTED] loan was due for August 2011 payment at this time.
99. On 10/13/2011 a payment was made in the amount of \$4,163.76, which was 2 months payments for August and September 2011.
100. On 10/25/2011 a Delinquent BPO fee of \$95.00 was charged. [REDACTED] loan was due for October 2011 payment at this time. She was only 25 days late at the time.
101. On 12/16/2011 an Inspection Fee of \$11.00 was charged. [REDACTED] loan was due for October 2011 payment at this time.
102. On 01/18/2011, 08/16/2011, 09/21/2011, 11/16/2011, and 12/16/2011, \$80.77 was charged for the late fees.
103. As of 12/31/2011, [REDACTED] was due for October, November and December 2011 payments. She was 3 months behind at this point.
104. On 01/03/2012, 2 payments were made in the amount of \$4,163.76 which were applied to October 2011 and November 2011 payments.
105. On 01/04/2012 an Inspection Fee of \$11.00 was charged. [REDACTED] loan was due for December 2011 payment at the time.
106. On 02/08/2012 an Inspection Fee of \$11.00 was charged. [REDACTED] loan was due for December 2011 payment at the time.
107. On 02/16/2012 a late fee of \$80.77 was charged.
108. On 02/27/2012 a Delinquent BPO fee was charged in the amount of \$95.00.
109. On 02/29/2012 a payment of \$2,101.88 was made which included \$20.00 for the late fee. This was applied to December 2011 payment.
110. On 03/08/2012 an Inspection Fee of \$11.00 was charged. [REDACTED] loan was due for January 2012 payment at the time.
111. On 03/16/2012 a late fee of \$80.77 was charged.
112. On 04/05/2012 a payment of \$2,101.88 was made which included \$20.00 for the late fee. This was applied to January 2012 payment.
113. On 04/09/2012 an Inspection Fee of \$11.00 was charged. [REDACTED] loan was due for February 2012 payment at the time.
114. On 05/11/2012 an Inspection Fee of \$11.00 was charged. [REDACTED] loan was due for February 2012 payment at the time.
115. On 05/16/2012 a late fee of \$80.77 was charged.

116. On 05/25/2012 a FBPO BPO fee in the amount of \$70.00 was charged.
117. On 06/05/2012 an Inspection Fee of \$11.00 was charged. [REDACTED] loan was due for February 2012 payment at the time.
118. On 06/13/2012 a check in the amount of \$148.37 was received and applied to the shortage in the Escrow Account.
119. On 06/18/2012 a late fee of \$80.77 was charged.
120. On 07/02/2012 a payment of \$1,695.45 was made and it was put into suspense because it was short by \$386.53. This payment was the trial payment for the new loan modification with an effective date of 10/01/2012.
121. On 08/01/2012, \$2,081.88 was taken out of suspense and applied to 02/01/2012 payment.
122. On 09/04/2012 a payment of \$1,695.45 was made and it was put into suspense because it was short by \$386.53. This payment was the trial payment for the new loan modification with an effective date of 10/01/2012.
123. On 09/04/2012, \$2,081.88 was taken out of suspense and applied to 03/01/2012 payment.
124. On 09/07/2012, the payment of 09/04/2012 was reversed out of all the loan and escrow account and put back into the suspense.
125. On 09/10/2012 a payment in the amount of \$88.00 was received and it was applied to a Mod Cap Advance that was charged in the amount of \$88.00. There is a 2<sup>nd</sup> entry on the same day for the another payment of the same amount of \$88.00 received and applied to a Mod Cap Advance that was charged in the amount of \$88.00.
126. On 09/10/2012 \$1,309.02 was taken out of suspense and applied to interest.
127. On 09/12/2012 a payment in the amount of \$88.00 was received and it was applied to a Mod Cap Advance that was charged in the amount of \$88.00.
128. On 09/13/2012 a fee for Cancelled Property Inspection was charged in the amount of \$1.00.
129. On /09/14/2012 a Property Report fee of \$80.00 was charged.
130. On 09/18/2012 a fee of \$726.93 was charged with a code of D11. I am unable to determine what the code is.
131. A loan Modification Agreement with no date, but [REDACTED] signed it on 08/28/2012. The new principal balance was \$547,445.60 with the first payment due on 10/01/2012. It had a "Deferred Principal Balance" of \$139,837.45 and was a non-interest principal forbearance. In addition, \$29,945.60 of the Deferred Principal Balance was eligible for forgiveness provided the loan is not in default on the first, second and third anniversaries of 07/01/2012. The "Interest Bearing Principal Balance" was \$407,608.15. The interest rate was 2.00% for the first 5 years, 3.00% for the 6<sup>th</sup> year and then 3.50% for the 7<sup>th</sup> year and will remain at 3.50% until maturity on 01/01/2046. The first payment in the amount of \$1,234.34 (principal and interest) and \$461.11 for the Escrow Account for a total of \$1,695.45 was due on 10/01/2012. There was a Balloon payment due on 01/01/2046 in the amount of \$219,456.11. This modification was not recorded with the San Luis Obispo County Recorder's Office. There is no breakdown of the \$547,445.60 new principal balance to show how IndyMac came up with that figure. (See Exhibit "10")
132. On 10/03/2012, \$1,695.45 was taken out of suspense and applied to October 2012 payment.
133. On 10/29/2012 a check for \$1,200.00 was received and it was applied to HAMP Service Incentive.
134. On 11/14/2012 a check for \$1,314.06 was received and applied to the Escrow Account.

135. As of 12/31/2012 [REDACTED] loan was current and due for 01/01/2013 payment.
136. On 04/15/2013 the payment of \$1,701.45 included the late fee of \$20.00.
137. On 05/03/2013 the payment of \$1,720.45 included a fee of \$25.00, which was applied to code 21. I am unable to determine what code 21 is.
138. On 05/03/2013 a payment was made for a \$5.00 fee with a code C1 and another payment for \$20.00 fee with a code F1. I am unable to determine what code C1 and F1 are.
139. On 07/24/2013 a payment of \$9,981.87 was applied toward the \$29,945.60 Deferred Principal Balance under the forgiveness plan per the Loan Modification of 2012. This was the first anniversary.
140. On 07/29/2013 a check in the amount of \$1,000.00 was received for HAMP Servicing Incentive, which was applied to the principal balance.
141. On 11/01/2013, IndyMac transferred the loan servicing to Ocwen Loan Servicing. There is a principal payment of \$399,315.65 for the 1<sup>st</sup> Mortgage and another principal payment of \$129,855.58 for the 2<sup>nd</sup> Mortgage.
142. On 11/25/2013, there are two \$0.07 fees and a \$656.00 fee for Servicing Release to Ocwen.
143. On 10/04/2013 per Ocwen, there is a loan balance of \$399,315.65 per transferring the loan servicing from IndyMac.
144. As of 12/31/2013 [REDACTED] loan was current and due for 01/01/2014 payment.
145. On 04/30/2014 there was a late fee of \$61.72 for 04/01/2014 payment.
146. On 08/07/2014 a payment of \$9,981.87 was applied toward the \$29,945.60 Deferred Principal Balance under the forgiveness plan per the Loan Modification of 2012. This was the second anniversary.
147. On 08/21/2014 a check in the amount of \$1,000.00 was received for HAMP Servicing Incentive, which was applied to the principal balance.
148. As of 12/31/2014 [REDACTED]'s loan was current and due for 01/01/2015 payment.
149. On 02/13/2015 a payment in the amount of \$1,719.26 was made for 03/01/2015 payment. It was reversed on 02/27/2015 and put into suspense. On 02/28/2015 the \$1,719.26 was taken out of suspense and applied to 03/01/2015 payment on 03/10/2015.
150. On 07/28/2015 a check in the amount of \$1,000.00 was received for HAMP Servicing Incentive, which was applied to the principal balance.
151. On 07/30/2015 a payment of \$9,981.86 was applied toward the \$29,945.60 Deferred Principal Balance under the forgiveness plan per the Loan Modification of 2012. This was the third anniversary. This was the final payment; the Deferred Principal Balance is now paid off in full.
152. As of 12/31/2015 [REDACTED] loan was current and due for 01/01/2016 payment.
153. On 07/29/2016 a check in the amount of \$1,000.00 was received for HAMP Servicing Incentive, which was applied to the principal balance.
154. As of 12/31/2016 [REDACTED] loan was current and due for 01/01/2017 payment.
155. On 07/26/2017 a check in the amount of \$1,000.00 was received for HAMP Servicing Incentive, which was applied to the principal balance.
156. On 11/17/2017 a late fee of \$71.70 was charged.
157. On 11/17/2017 a SP Agent fee of \$19.50 was assessed and paid out on the same day.
158. On 12/14/2017 a SP IVR fee of \$12.00 was assessed and paid out on the same day.
159. As of 12/31/2017 [REDACTED] loan was current and due for 01/01/2018 payment.
160. On 01/08/2018 a SP IVR fee of \$12.00 was assessed and paid out on the same day.

161. On 03/01/2018 a late fee of \$71.70 was assessed.
162. On 04/01/2018 a late fee of \$71.70 was assessed.
163. On 04/25/2018 a Property Inspection fee of \$14.50 was assessed.
164. On 05/01/2018 a late fee of \$71.70 was assessed.
165. On 06/05/2018 a Hazard Claim of \$33,437.97 was deposited into suspense. The money was taken out of suspense as follows:
- a. 07/03/2018- \$4,000.00
  - b. 07/03/2018-\$16,898.73
  - c. 07/09/2018-\$2,601.27
  - d. 07/23/2018-\$9,937.97
166. On 07/01/2018 a late fee of \$71.70 was assessed.
167. On 07/26/2018 a Property Inspection fee of \$14.50 was assessed.
168. On 07/27/2018 a Property Inspection fee of \$14.50 was assessed.
169. On 08/23/2018 a Property Inspection fee of \$14.50 was assessed.
170. On 08/28/2018 a Title Search fee of \$962.00 was assessed.
171. On 09/13/2018 a payment of \$2,100.00 was returned.
172. On 09/13/2018 a Forbearance payment of \$2,100.00 was made and put into suspense.
173. On 09/20/2018 the payment of \$2,084.89 was taken out of suspense and applied to March 2018 payment.
174. On 11/20/2018 a Property Inspection fee of \$14.50 was assessed.
175. On 11/27/2018 a Property Inspection fee of \$14.50 was assessed.
176. On 11/29/2018 a new Deed of Trust was recorded for to the buyers of ██████████ property and ██████████ loan was paid in full including the Deferred Principal Balance.
177. After the loan was paid in full there was \$1,627.78 in sale proceeds, \$286.80 paid for late charges and the remaining balance of \$1,340.98 was applied to suspense.
178. The following fees were assessed the day of the recording of the new Deed of Trust for the sale of the property or afterwards
- |  |          |
|--|----------|
| a. 11/29/2018-5 Property Inspections at \$14.50 each | \$ 72.50 |
| b. 11/29/2018 Title Search                           | \$962.00 |
| c. 11/29/2018 Pay off fee                            | \$ 30.00 |
| . 11/29/2018 Satisfaction Cost                       | \$192.00 |
| e. 11/30/2018 Notice of Default                      | \$102.00 |
| f. 11/30/2018 Appt. of Substitute Trustee            | \$ 99.00 |
| g. 12/04/2018 Suspense Transfer                      | \$201.00 |
| h. 12/04/2018 Trustee Fee                            | \$926.25 |
| i. 12/05/2018 FC Thru Complaint                      | \$142.50 |
| j. 12/05/2018 Statutory Mailings                     | \$ 38.71 |
179. Why are there 5 property inspections done on 11/29/2018? That is excessive. Why is there a Notice of Default and Appt of Substitute Trustee fess assessed after the property has been sold? The Trustee Fee, FC Thru Complaint, and Statutory Mailings fees total \$1,107.46 which was paid with the money in suspense left over from the sale proceeds. The remaining balance of \$43.63 was disbursed on 12/12/2018, although I am unable to determine who received the disbursement.
180. On 12/19/2019 Interest on Escrow Account in the amount of \$9.94 was applied the Escrow Balance. Did the funds get disbursed to ██████████?

181. Per the Loan History on 11/29/2019 it has the Suspense Balance of \$1,356.09, which per the report \$1,107.46 was transferred on 12/06/2018 which put the Suspense balance at 47.63. The \$47.63 was disbursed on 12/11/18 and I unable to determine where the funds went? Did [REDACTED] receive the \$47.63 from Ocwen? Then on 12/19/18 the Suspense Balance was \$1,356.09, but then the balance was zero on the next line item with no explanation.
182. On 01/04/2019 a Notice of Default Cancellation fee of \$96.00.
183. On 02/05/2019 a Vendor Satisfaction Expense fee of \$198.00.
184. Per the Final Settlement Statement dated 11/29/2018, the interest to 12/06/18 was \$8,828.81 and according to the payment history from Ocwen the amount applied to interest was only \$8,580.90. That is a difference of \$247.91. Where did the \$247.91 go to? (See Exhibit "11")

Breakdown of totals for each year of amounts applied to Amount Received, Principal, Interest, Late Fees, Suspense, Bad Check Fees, Escrow Paid, and Fees associated with Default and Foreclosure.

**2006**

**Amount Received:** \$ 30,312.76  
**Principal Paid:** \$ 2.01  
**Interest Paid:** \$ 30,310.75

**2007**

**Amount Received:** \$ 32,093.65  
**Principal Paid:** \$ .01  
**Interest Paid:** \$ 32,093.64

**2008**

**Amount Received:** \$ 18,564.68  
**Principal Paid:** \$ .07  
**Interest Paid:** \$ 8,023.41  
**Escrow Account:** \$ 7,707.38  
**Late Charges:** \$ 936.04  
**Inspection Fees:** \$ 22.00  
**Attorney Fees:** \$ 836.07  
**Code 41:** \$ 20.00  
**Code 01:** \$ 5.00  
**Suspense** \$ 1,838.40

**2009**

**Amount Received: \$51,850.60**  
**Principal Paid: \$ 6,066.99**  
**Interest Paid: \$19,200.44**  
**Escrow Paid: \$14,546.15**  
**Late Charges: \$ 846.70**  
**Attorney Fees: \$ 1,117.00**  
**Code 41: \$ 20.00**  
**Bad Check Charge: \$ 50.00**  
**Title Policy \$ 1,115.00**  
**Inspections \$ 34.00**  
**BPO \$ 525.00**  
**Servicing Cost \$ 17.70**  
**Statutory Expense \$ 58.70**  
**Recording \$ 93.00**  
**Misc Expense \$ 125.00**  
**Suspense \$ 2,674.47 (Taken out of Suspense \$4,512.27)**

**2010**

**Amount Received: \$26,198.71**  
**Principal Paid: \$ 5,110.35**  
**Interest Paid: \$13,055.35**  
**Escrow Paid: \$ 7,785.93**  
**Late Charges: \$ 565.36**  
**Code 011: \$ 80.00**  
**Code D11: \$ 989.38**  
**Code AT: \$ 6,483.16**  
**BPO: \$ 95.00**  
**Delinq Desktop: \$ 70.00**  
**Suspense \$ 150.77 (\$15,827.92 was put into suspense and \$15,502.39 was taken out to make the monthly payments of 11/2009, 12/2009, 01/2010, 06/2010 and 07/2010. On 06/07/2010 \$2,007.00 was taken out of suspense and applied to interest. Another \$174.76 was taken out of suspense to pay for various fees. The total Suspense amount is the remaining balance of 2010.)**

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**2011**

**Amount Received: \$ 20,837.85**  
**Principal Paid: \$ 6,718.86**  
**Interest Paid: \$ 7,878.82**  
**Escrow Paid: \$ 4,690.60**  
**Late Charges: \$ 418.85**  
**Inspection Fee: \$ 22.00**  
**BPO: \$ 95.00**  
**Suspense \$ (80.40) (\$2,091.15 was put into suspense and \$2,171.55 was taken out of suspense. On 01/19/2011 \$21.15 was taken out of suspense due to payment shortage. On 04/15/2011 payment of \$2,091.15 was taken out of suspense to make the monthly of 04/2011. On 04/15/2010 \$59.62 was taken out of suspense and applied to principal. The total Suspense amount is the remaining balance of 2011.)**

**2012**

**Amount Received: \$ 19,771.12**  
**Principal Paid: \$ 5,410.91**  
**Interest Paid: \$ 7,677.83**  
**Escrow Paid: \$ 5,178.46**  
**Late Charges: \$ 363.08**  
**Inspection Fee: \$ 67.00**  
**BPO: \$ 95.00**  
**Property Report: \$ 80.00**  
**Paid Corp on Mod \$ 88.00**  
**Mod Cap Advance \$ 176.00**  
**Delinq Desktop: \$ 70.00**  
**HAMP Serv Incent \$ 1,200.00**  
**D11: \$ 726.93**  
**Suspense \$ 0.00 (\$7,256.23 was put into suspense and \$7,256.23 was taken out of suspense. On 08/01/2012 the payment amount of \$2,081.88 was taken out for February 2012 payment. On 09/04/2012 the payment amount of \$2,081.88 was taken out for March 2012 payment. On 09/10/2012 a late fee of \$88.00 was taken out. On 09/10/2012, \$1,309.02 was taken out and applied to interest. On 10/03/2018 the payment amount of \$1,695.45 was taken out for October 2012 payment)**

*(This area is intentionally left blank)*

**2013**

**Amount Received:** \$ 22,761.63  
**Principal Paid:** \$ 7,763.32  
**Interest Paid:** \$ 8,048.46  
**Escrow Paid:** \$ 8,596.23  
**Late Charges:** \$ 20.00  
**Code 21:** \$ 20.00  
**Code C1:** \$ 5.00  
**Code F1:** \$ 20.00

**2014**

**Amount Received:** \$ 21,432.12  
**Principal Paid:** \$ 7,918.35  
**Interest Paid:** \$ 7,893.73  
**Escrow Paid:** \$ 5,559.04  
**Late Charges:** \$ 61.72  
**Inspection Fee:** \$ 67.00  
**BPO:** \$ 95.00

**2015**

**Amount Received:** \$ 13,555.80  
**Principal Paid:** \$ 5,410.91  
**Interest Paid:** \$ 7,677.83  
**Escrow Paid:** \$ 6,712.97  
**Late Charges:** \$ 363.08  
**Inspection Fee:** \$ 67.00  
**BPO:** \$ 95.00

**2016**

**Amount Received:** \$ 22,615.96  
**Principal Paid:** \$ 7,242.96  
**Interest Paid:** \$ 7,569.12  
**Escrow Paid:** \$ 6,803.88

*(This area is intentionally left blank)*

**2017**

**Amount Received: \$ 24,005.02**  
**Principal Paid: \$ 8,090.63**  
**Interest Paid: \$ 7,670.90**  
**Escrow Paid: \$ 7,522.20**  
**Late Charges: \$ 71.70**  
**SP Agent Fee: \$ 19.50**  
**SP IVR Fee: \$ 12.00**

**2018**

**Amount Received: \$ 8,369.78**  
**Principal Paid: \$ 1,562.13**  
**Interest Paid: \$ 2,739.93**  
**Escrow Paid: \$ 1,952.61**  
**Late Charges: \$ 286.80**  
**Inspection Fee: \$ 174.00**  
**SP IVR Fee: \$ 24.00**  
**Hazard Claim: \$33,437.97**  
**Title Search: \$ 1,924.00**  
**Payment Return: \$ 2,100.00**  
**Forbearance Pymt: \$ 2,100.00**  
**Pay off Fee: \$ 30.00**  
**Satisfaction Cost: \$ 192.00**  
**Notice of Default Rec: \$ 102.00**  
**Appt Sub of Trustee: \$ 99.00**  
**Suspense Transfer: \$ 1,308.46**  
**Trustee Fee: \$ 926.25**  
**FC Thru Complaint: \$ 142.00**  
**Statutory Mailings \$ 38.71**

**2019**

**Notice of Default Cancel: \$ 96.00**  
**Vendor Satisfact Exp: \$ 198.00**

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**SUMMARY OF LOAN TERMS**

The **essential loan terms** were found to be as follows:

|                                       |   |
|---------------------------------------|---|
| Type of Loan:                         | Purchase  |
| Loan Origination Date:                | December 16, 2005   |
| Amount of Loan:                       | \$513,500.00  |
| Originating Lender:                   | IndyMac Bank, FSB   |
| Loan Broker:                          | TBD   |
| Current Servicer:                     | Ocwen Loan Servicing, LLC   |
| Current Note Holder:                  | Banc of America Funding Corporation<br>Mortgage Pass-Through Certificates, Series<br>2006-D |
| <u>1st Note (ARM) Terms:</u>          |   |
| Initial Fixed Rate:                   | 6.250%  |
| Term of Initial Rate:                 | 120 months  |
| Initial Payment:                      | \$2,674.48  |
| Payment Feature:                      | 10 year Interest Only ARM   |
| Index Measure:                        | 6 month LIBOR   |
| Index Rate:                           | 4.6901 (December 2005)  |
| Margin:                               | 2.750%  |
| Fully Indexed Rate:                   | 7.440%  |
| Min/Max Rate:                         | 2.750% / 12.250%  |
| TILA disclosed APR:                   | 6.754%  |
| Total Closing Costs:                  | 3920.22   |
| Total "Points and Fees" %:            | 0   |
| Prepayment Penalty:                   | Yes   |
| Unsecured Debt Paid off by Refinance: | N/A   |
| Loan Origination Fees:                | 3,851.25  |
| Loan Discount Fees:                   | 0   |
| Total Broker/Lender Fees:             | Key Mortgage: \$7,312.75/IndyMac:<br>\$650.00   |
| <u>2nd Note (Fixed) Terms:</u>        |   |
| Fixed Rate:                           | N/A   |
| Term of Loan:                         | N/A   |
| Payment Feature:                      | N/A   |
| TILA disclosed APR:                   | N/A   |
| Total Closing Costs:                  | N/A   |

## SUMMARY OF FINDINGS

1. Ocwen was unable to provide an Escrow Account History before they were the Servicer per the letter dated 04/11/2019. Ocwen became the Servicer in 2013. How do you know if the Escrow Account history is correct the years prior to 2013? I have no way of verifying that the funds taken out of the Escrow Account were accurate and where the funds went and what they were applied to.
2. On 08/13/2008 a payment of \$5,293.69 was made and the funds were applied to the Escrow Account. Normally when the homeowner is behind by 3 months and the loan goes into Default, the Servicer will accept the payments and apply the funds to suspense because it is not enough to cure the Default. This Servicer did not apply the payment to Suspense but rather to The Escrow Account which is not the normal procedure and practice of a Servicer. ██████ was making the Insurance and Tax payments herself. ██████ Taxes were current as of August 2018. **This is a RESPA violation.<sup>i</sup>**
3. On 01/29/2009 there was a payment of \$9,803.65 which was applied to Escrow and then the same amount of \$9,803.65 was paid out of Escrow. The Escrow Advance balance was \$6,987.68 as of that date and was taken out of the Escrow Advance and paid out too. That means a total of \$16,791.33 was paid out of Escrow. What did the funds pay for? ██████ taxes were current at the time according to the County of San Luis Obispo Tax Assessor. **This is a RESPA violation. (same RESPA violation as in paragraph 2 in Summary)**
4. On 01/31/2009 ██████ did a Loan Modification with IndyMac which increased her loan amount to \$552,720.71. The amount of \$39,222.80 was added to the principal of \$513,497.91. Was a breakdown ever given to ██████ in writing of what the \$39,222.80 consisted of? At the time of signing the Loan Modification dated 01/13/2009 ██████ was 9 months behind in her payments, which is a total of \$23,827.32. The Loan Modification stated that the past due payments totaled \$31,099.58. That is almost 12 months of payments not 9 months. It is a difference of \$7,272.18.
5. It also stated that \$7,707.38 was for Taxes due. At that time ██████ Escrow Advance Balance was \$6,987.68. Why did IndyMac charge her \$7,707.38 in the Loan Modification of 01/31/2009 when she had \$6,987.68 in her Escrow account? Also, what did the \$9,803.65 that was taken out of her Escrow Account on 01/29/2009 pay for? This is questionable. See paragraph number 3 in summary. Was there a forced Insurance Policy acquired by IndyMac for the Homeowners Insurance? That type of policy is typically 3 to 5 times above the normal priced policy. ██████ property taxes were current. \$7,707.38+\$6,987.68+\$9,803.65=\$24,498.71 Escrow Funds paid for what? **This is a RESPA violation. (same RESPA violation as in paragraph 2 in Summary)**
6. A loan Modification Agreement with no date, but ██████ signed it on 08/28/2012. The new principal balance was \$547,445.60 with the first payment due on 10/01/2012. This modification was not recorded with the San Luis Obispo County Recorder's Office. There is no breakdown of the \$547,445.60 new principal balance to show how IndyMac came up with that figure. All fees and figures must be disclosed to the homeowner when signing loan documents for a loan. **This is a UDAP (Unfair or Deceptive Acts or Practices) and TILA (Truth in Lending Act) violation.<sup>ii</sup> (See Exhibit "12")**
7. A total of \$4,663.64 from the years of 2008 through 2010 was put into Suspense and I am unable to determine what happened the funds. The final settlement statement of 11/29/18

stated there was \$15.11 in Suspense at the time, but what happened to the \$4,663.64 from years prior?

8. I was not able to reconcile the Fees charged per Ocwen's History to the Final Settlement Statement of 11/29/2018. The total amount of Fees charged was \$2,695.96 and the Final Settlement Statement was \$2,651.48. That is a difference of \$44.48.

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<sup>i</sup> **The Real Estate Settlement Procedures Act (RESPA) (12 USC 2601-17)**

**Section 3500.17** "Under the rule, the amount of escrow funds that may be collected at settlement or upon creation of an escrow account is restricted to an amount sufficient to pay charges, such as taxes and insurance, that are attributable to the period from the date such payments were last paid until the initial payment date. Throughout the life of an escrow account, the servicer may charge the borrower a monthly sum equal to one-twelfth of the total annual escrow payments that the servicer reasonably anticipates paying from the account. In addition, the servicer may add an amount to maintain a cushion no greater than one-sixth of the estimated total annual payment from the account."

<sup>ii</sup> **Section 5 Section 5(a) of the Federal Trade Commission Act (FTC Act) (15 USC §45) prohibits "unfair or deceptive acts or practices in or affecting commerce."**

**Pursuant to the Truth in Lending Act (TILA), creditors must "clearly and conspicuously" disclose the costs and terms of credit.**