

69204-6

69204-6

NO. 69204-6

12-216087-2

THE COURT OF APPEALS, DIVISION 1
OF THE STATE OF WASHINGTON

KEVIN M. YOUNG, Appellant

v.

U.S. BANK, NATIONAL ASSOCIATION AS TRUSTEE FOR
MASTER ADJUSTABLE RATE MORTGAGES TRUST 2007-1,
MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-1,
Respondent

APPELLANT'S OPENING BRIEF

KEVIN M. YOUNG
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Kirkland, WA 98043
(425) 785-2206
In Pro Per

FILED
COURT OF APPEALS DIV 1
STATE OF WASHINGTON
2013 APR 16 PM 1:53

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I. ASSIGNMENT OF ERROR AND ISSUES PERTAINING TO ASSIGNMENT OF ERROR

A. ASSIGNMENT OF ERROR

The trial court erred when it issued an order of default and granted U.S. BANK, NATIONAL ASSOCIATION AS TRUSTEE FOR MASTER ADJUSTABLE RATE MORTGAGES TRUST 2007-1, MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-1 (hereinafter referred to as "Plaintiff"), the Writ of Restitution. (Assignment of Error No. 1)

The trial court erred when it denied Defendant Kevin M. Young (hereinafter referred to as "Defendant Young") his right to exercise his due process of the law by allowing him to file his Answer and defend the Unlawful Detainer action . (Assignment of Error No. 2)

B. ISSUES PERTAINING TO ASSIGNMENT OF ERROR

The subject property of this action is located at 1601 First Street, Kirkland, WA 98033. Defendant Young was current on his monthly payment with AHMS3 (ender at the time on the subject property) and in an attempt to modify his loan so that he could better afford the payments, they demanded that he suspend his monthly payments so that I would qualify for their loan modification criteria. After complying with their

demands they denied Defendant Young the modification; substituted Northwest Trustee Service and their Agent, Routh, Crabtree, Olson, P.S. as Trustee via a fraudulent assignment of deed signed by a nationally recognized Robo-signer. This resulted in the subject property being foreclosed and ultimately an Unlawful Detainer action was filed against Defendant Young and a Writ of Restitution was issued.

II. STATEMENT OF THE CASE

On May 3, 2012, Plaintiff U.S. Bank commenced eviction proceedings against Defendant Young and filed Summons, Complaint and Notice of Unlawful Detainer action, in the Superior Court of Washington in and of Kings County, Case No. 12-2-16087-2. (CP 1)

On May 4, 2012 Plaintiff filed a Motion for Order Default Issuing a Writ of Possession and on May 7, 2012 (CP 6) the Court issued an Order for Writ of Restitution (CP 18)

In an attempt to exercise his due process of the law and have his day in court, on May 15, 2012 Defendant Young filed his Motion to Vacate Default; and on May 16, 2012, filed his Motion for Stay of Writ of Restitution. On June 7, 2013, the trial court issued an order stating that the summons and complaint were duly served upon Defendant Young and that he failed to answer and defend this action within the time prescribed

by the law. On June 26, 2012 the trial court issued an Order Denying Motion to Vacate Default and Writ of Restitution.

Defendant hereby appeals the trial judge's refusal to vacate both an order of default, a default judgment and the Writ of Restitution. (CP 5) The default Order was entered a mere three (3) days after the summons and complaint were filed. (CP 6) Defendant Young asserts and believes that the trial court abused its discretion by refusing to vacate the order of default and that it erred, as a matter of law, when it refused to vacate the default judgment. Plaintiff also failed to give Defendant Young notice of said judgment. The rule—CR 55(f)(1)—requires that the plaintiff give the defaulted defendant notice before taking a default judgment. Defendant Young therefore requests that both the order of default and the default judgment and writ of restitution be reversed.

III. ARGUMENT

Defendant first contends that, under the clear language of CR 55(f)(1), Plaintiff was required to notify Defendant before it took a default judgment against him. The articulated standard of review for a decision to vacate a default judgment is abuse of discretion. *C. Rhyme & Assocs. v. Swanson*, 41 Wn. App. 323, 325, 704 P.2d 164 (1985). But here the

question is whether the court had authority, under the provisions of CR 55(f)(1), to enter a default judgment.

Secondly, on July 30, 2012, Defendant Young filed his Motion to Dismiss. The Defendant's Motion requested the trial court dismiss the Unlawful Detainer action due to Plaintiff's lack of standing to pursue this matter. Attached as Exhibit A, to Defendant's motion to dismiss, is a true recorded copy of the "Rescission of Trustee Deed", which is the basis for the Plaintiff's assertion of ownership. Plaintiff was never the owner of the subject property. (CP 9)

This fact cannot be denied by Plaintiff as Defendant Young has even filed a lawsuit to determine title against Plaintiff in King County Superior Court on January 20, 2012, Kevin Young v. U.S. BANK, NATIONAL ASSOCIATION AS TRUSTEE FOR MASTER ADJUSTABLE RATE MORTGAGES TRUST 2007-1, MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2007-1, Case #12-2-02558-4. A *Lis Pendens* has been recorded with the County Recorder's office; and all parties have been served. Thus, no issue of title should have been ruled on in the trial court as it was out of its jurisdiction and should have been dismissed until further ruling on above-referenced Title Case. The trial court was out of its jurisdiction in denying Defendant's Motion to Vacate and in issuing the Writ of Restitution.

In a last ditch effort to avoid being denied his due process of the law, Defendant Young moved that the trial court take Mandatory Judicial Notice under the Federal Rules of Civil Procedure Rule 201 (d) of the following:

a. The United States Supreme Court, in *Haines v Kerner* 404 U.S. 519 (1972), said that all litigants defending themselves must be afforded the opportunity to present their evidence and that the Court should look to the substance of the complaint rather than the form.

b. In *Platsky v CIA*, 953 F.2d 26 (2nd Cir. 1991), the Circuit Court of Appeals allowed that the District Court should have explained to the litigant proceeding without a lawyer, the correct form to the defendant so that he could have amended his pleadings accordingly.

Unfortunately, the trial court denied Defendant Young's request for continuance which would have provided him ample time to retain proper legal counsel to assist and represent him and on his motion for revision. Instead of continuing the matter to allow him to exercise due process and have his day in court, the trial court stipulated that he would be required to make monthly payments in order to continue the matter. Defendant Young disagreed and believed that the monthly payment funds would only seek to deprive him of his resources that could be used in

retaining an attorney for his defense. Especially since absolutely no one has yet to stipulate whether or not the Plaintiff is truly a legal party of interest. As a matter of fact, Plaintiff maybe found that they are committing fraud on the trial court by bringing the unlawful detainer action; especially since the foreclosure audit has revealed and clearly illustrates that Plaintiff had/has no interest in the subject property whatsoever. Subsequently, Defendant Young procured a formal Securitization Audit (Attached hereto as Exhibit B) and a Foreclosure Process Audit (Attached hereto as Exhibit C) that will further illustrate that Plaintiff is not the legal party of interest.

With regard to Defendant's motion regarding continuance and the trial court's stipulation that as part of the agreement for the continuance, Defendant would be required to make monthly payments. (CP 12) Defendant believes that the trial court was enjoining itself with the Plaintiff's claim by insisting, on a monthly payment, depriving Defendant of defense capital when was not at all clear that the Plaintiff would even prevail in this case. By making this payment it would appear that Defendant was validating the contract which did/does not lawfully exist as Defendant is not a renter and the Plaintiff is not a landlord in this matter.

Defendant Young alleges and believes that the Plaintiff lacks standing to enforce the negotiable instrument since they are not the real

party of interest (having sold their interest to the REMIC (Real Estate Mortgage Investment Conduit)). Under Federal Rules of Civil Procedure 17, an action must be taken in the name of a real party of interest. Since the Plaintiff is not a real and beneficial party of interest, the Plaintiff cannot be a party to this controversy.

IV. RELIEF REQUESTED

Defendant Young requests, under the circumstances, that the subject holding by trial court be reversed and he should be allowed to file his Answer to defend the Unlawful Detainer action; and more importantly, have his day in court.

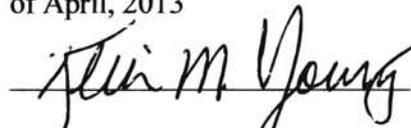
V. CONCLUSION

Plaintiff should not have been a party to this action. Under State Civil Code, a foreclosure must be done by a party entitled to enforce the promissory note. The party must show evidence of the debt and standing. Therefore and once again, there is NO evidence that the Plaintiff has standing in this matter. If the Plaintiff alleges they have reacquired the promissory note for the purposes of foreclosure, then the Plaintiff is bringing fraud before the court per CFR Title 12: Part 226 (a) 1.

Given the reasoning contained in this brief, because Defendant Young further asserts and believes he was denied his due process in the trial court; and the fact that Defendant filed a lawsuit to determine title against Plaintiff in King County Superior Court, and that a *Lis Pendens* has been recorded with the County Recorder's office, no issue of title should have been ruled on in the trial court as it was out of its jurisdiction and the matter should have been dismissed.

RESPECTFULLY SUBMITTED on the 15th day

of April, 2013

A handwritten signature in black ink that reads "Kevin M. Young". The signature is written in a cursive style and is positioned above the printed name.

Kevin M. Young, In pro per

NO. 69204-6

12-216087-2

THE COURT OF APPEALS, DIVISION 1
OF THE STATE OF WASHINGTON

KEVIN M. YOUNG, Appellant

v.

U.S. BANK, NATIONAL ASSOCIATION AS TRUSTEE FOR MASTER
ADJUSTABLE RATE MORTGAGES TRUST 2007-1, MORTGAGE PASS
THROUGH CERTIFICATES, SERIES 2007-1, Respondent

CERTIFICATE OF SERVICE

KEVIN M. YOUNG
11607 77th Place NE
Kirkland, WA 98043
(425) 785-2206
In Pro Per

FILED
COURT OF APPEALS DIV 1
STATE OF WASHINGTON
2013 APR 16 PM 1:53

CERTIFICATE OF SERVICE

I, Kevin Young, hereby certify under penalty of perjury under the laws of the State of Washington, that I am now and at all times herein mentioned, a citizen of the United States, a resident of the State of Washington, over the age of 18 years, not a party to or interested in the above-entitled action, and competent to be a witness herein.

On the date given below, I cause to be served true and correct copies of Appellant's Opening Brief and this Declaration of Service on the following persons and manner stated below.

1. Court of Appeals, Division 1
One Union Square
600 University Street
Seattle, WA 98101-1176
By Mail
2. Routh, Crabtree, Olsen Ps
13555 SE 36th St., Suite 300
Bellevue, WA 98006
By mail

SIGNED at Kirkland, Washington, this 15 day of April, 2013.

By: Kevin Young



Member

American College of Forensic Examiners Institute SM

Charles J. Horner & Associates

Document Examination Report For:



Expert Mortgage Examinations

18501 SE Newport Way
Suite K-144

Issaquah, WA 98027

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Examination Date: 07/02/2012

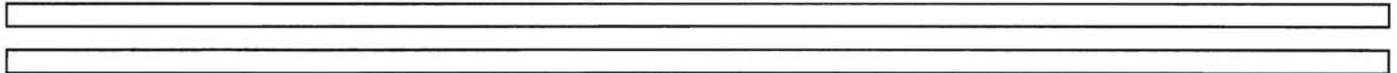
**Mortgage Document
Examination &
Investigation Report**

For

Kevin & Barbara Young

Address

**1601 1st St.
Kirkland, WA 98033**



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Original Beneficiary

American Brokers Conduit
538 Broadhollow Rd.
Melville, NY 11747

Original Trustee

Commonwealth Land Title
No Address
Provided

Current Beneficiary (Assignee)

U.S. Bank N.A. as Trustee.
60 Livingston Avenue, EP-MN-WS3D
St. Paul, MN 55107

Current Trustee (substituted)

Northwest Trustee Services Inc.
PO Box 997
Bellevue, WA 98009-0997

P: (425) 586-1997

File # 7090.24072

Investigation Report

Violations

**(A1) RCW Title 19 Business Regulations -- Miscellaneous - Section 19.144.080
Unlawful actions -- Fraud, misrepresentation, deceptive practices**

**(A2) Federal Trade Commission Sec 5 - Unfair Business Practices – Deceptive
Business Acts.**

(1) Wrongful Assignment - The Assignment Of Deed Of Trust (Exhibit A) was signed by Andrew Fuerstenberger as Assistant Secretary Mortgage Electronic Registration Systems Incorporated (MERS) who was the beneficiary nominee of American Brokers Conduit. Pursuant to MERS own agreements with their lenders, they are merely a recording facility and not in possession of any security instruments or Note in which they can convey. It has been well established in many court decisions that MERS has no standing to assign security instruments as they are not the real party in interest to the loan and have no stake in the mortgage. Furthermore, page 3 of the Deed Of Trust (Exhibit B) under Transfer Of Rights In The Property, the language states therein that “Borrower irrevocably grants to Trustee in trust with power of sale.” This suggests that only the Trustee can assign instruments which convey the power of sale and not MERS as nominal beneficiary.

Attorney Note: There are two cases pending in the Washington State Supreme Court, Bain v. Mortgage Electronic Registration Systems Selkowitz v. Litton Loan Servicing, which we are monitoring. It appears at this point, MERS does not have standing to convey instruments they don't have pursuant to the Washington Deed Of Trust Act Chapter 61.24 RCW. (See MERS below)

(B) RCW §19.144.080. Unlawful actions -- Fraud, misrepresentation, deceptive practices

(A2) Federal Trade Commission Sec 5 - Unfair Business Practices – Deceptive Business Acts.

1. Misrepresentation, Deceptive Business Acts – The Assignment Of Deed Of Trust (Exhibit A) was executed by Andrew Fuerstenberger who asserts to be the Assistant Secretary Mortgage Electronic Registration Systems Incorporated (MERS). I have discovered through back ground investigation of Andrew Fuerstenberger that he was actually an employee of FIS Foreclosure solutions a.k.a. LPS Lender Processing Services (Exhibit C) located in Jacksonville Florida, County of Duval. Therefore, exhibit A was not executed by MERS the nominee of American Brokers Conduit but rather a robo-signing employee of a foreclosure mill located in Florida who likely had no clue of what he was signing or if the assignment was valid as between an authorized grantor to an authorized grantee.

(Continued On Page 2)

(C1) Truth in Lending Act (TILA), 15 U.S.C. 1601 et seq The purpose of TILA is “to assure meaningful disclosure of credit terms to enable consumers to become informed about the cost of loans and to compare the credit options available to them. If the interest rate is not fixed, then the Truth in Lending Disclosure Statement must inform the borrower of the variable rate feature of the loan. Additionally, the First and Fifth Circuits have held that “a misleading disclosure is as much a violation of TILA as a failure to disclose at all.” *Smith v. Chapman*, 614 F.2d 968, 977 (5th Cir. 1980); *Barnes v. Fleet Nat’l Bank*, 370 F.3d 164, 174 (1st Cir. 2004) (quoting *Smith v. Chapman*).

(C2) 18 USC Section Sec. 1001. (a) (2) makes any materially false, fictitious, or fraudulent statement or representation; or; **(3)** makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry; shall be fined under this title or imprisoned not more than 5 years, or both.

(C3) Federal Trade Commission Sec 5 - Unfair Business Practices – Deceptive Business Acts - Predatory Lending

- Using loan terms or structures – such as negative amortization – to make it more difficult or impossible for borrowers to reduce or repay their indebtedness;
- Inadequate disclosure of the true costs, risks and, where necessary, appropriateness to the borrower of loan transactions;

1. Deceptive Business Acts – Paragraph A. on page 1 of the Adjustable Rate Rider (ExhibitD) states, “I will pay interest at a yearly rate of 1.00%”. This is a deceptive practice designed to hide the true payment at the fully indexed rate of interest. The borrower actually received a loan whereby after the first month with interest at 1.00%, the loan then adjusts to its fully indexed rate. The actual rate on the loan will adjust to the index plus the margin which results in a rate of 8.000% at the first monthly adjustment. When rounded to the nearest 1/8 (.125%).The only instance whereby the 1.00% is realized is for the purpose of calculating the per diem interest at closing. It’s important to note, the borrower is paying an equitable yearly rate of 8.000% in partial cash and partial equity from their home. This is not only a deceptive business act but lacks a meaningful disclosure of credit terms and voids the consumer’s ability to shop and compare.

Attorney Note: See (Super. Ct. No. 30-2009 00277721) *Clarence E. Boschme v. Home Loan Center*, Cal.4th Dist. 08/10/2011

(Continued On Page 3)

Securitization

Pursuant to the discoveries made during this examination, I have reason to believe that this loan is secured by a mortgage backed securitized trust. I have researched both Fannie Mae and Freddie Mac data bases and have determined that this loan was not owned by either of those entities. I have investigated the King County public records and have discovered an Assignment Of Deed Of Trust was recorded assigning the security instruments to MASTR Adjustable Rate Mortgages Trust 2007-1. The following are excerpts from the Pooling and Servicing Agreement (PSA) from that trust.

MASTR Adjustable Rate Mortgages Trust 2007-1

[Click Here To View Entire PSA](#)

RELEVANT PARTIES

Depositor: Mortgage Asset Securitization Transactions Inc

Master Servicer: Wells Fargo Bank, N.A.

Issuing Entity: MASTR Adjustable Rate Mortgages Trust 2007-1

Sponsor: UBS Real Estate Securities Inc.

Trustee: U.S. Bank, National Association

Custodian: U.S. Bank, National Association (Holder Of The Note)

Cut-off Date: 12/01/2006

Close Date: 01/16/2007

Assignments (Quoted From Pooling & Servicing Agreement)

“At the time of issuance of each series of securities, the depositor will cause the assets comprising the related trust fund or mortgage securities included in the related trust fund to be assigned to the trustee. The residential loan or agency security documents described below will be delivered to the trustee or to the custodian. The trustee will, concurrently with the assignment, deliver or cause to be delivered the securities to the depositor in exchange for the assets of the trust fund.”

(Continued On Page 4)

Examiner Comments: Pursuant to the above language there must be two endorsements. One from the Originator, American Brokers Conduit to the Depositor Mortgage Asset Securitization Transactions Inc then to the Trustee, US Bank National Association. If the note or allonge to the note contains only one endorsement, then the chain of title pursuant to the PSA has been broken. It is not within the abilities of this examiner to determine what is and what is not in the mortgage file held by the Trustee. Therefore, is recommended that a copy of the Note disclosing the required endorsement trail, which is supposed to be in possession of the Trustee, be subpoenaed.

“If so specified in the related prospectus supplement, and in accordance with the rules of membership of Merscorp, Inc. and/or Mortgage Electronic Registration Systems, Inc. or, MERS, assignments of the mortgages for the mortgage loans in the related trust fund will be registered electronically through Mortgage Electronic Registration Systems, Inc., or MERS® System. With respect to mortgage loans registered through the MERS® System, MERS shall serve as mortgagee of record solely as a nominee in an administrative capacity on behalf of the trustee and shall not have any interest in any of those mortgage loans.”

Examiner Comments: In Washington, recording of an assignment of Deed Of Trust is generally not required to ensure the enforceability of the assignment of instruments as between the assignor and assignee, and anyone with knowledge thereof. Further, recording of enforceable instruments in public records is to give public notice. This purpose is defeated when MERS privately holds an unrecorded Assignment thus withholding public notice. It is beyond the scope of this Examination Summary to discuss in detail the potential risks to the mortgage transferee of not recording a mortgage assignment. Those risks might include, among others, delaying the transferee’s ability to foreclose on the mortgage, failing to receive notices that may go to the mortgagee of record, and otherwise leaving the assignee open to negligent or fraudulent actions or inactions by the mortgagee of record that could bind the mortgage transferee and impair the value or enforceability of the mortgage. Similarly, when an assignment of mortgage is not recorded, the assignor may be liable for certain obligations imposed upon a mortgagee of record, such as the obligation to provide a pay-off statement or mortgage release within a designated time period. Furthermore, in the event of a lost Note, a Lost Note Affidavit would be groundless because absent an Assignment, there would be no sustainable evidence the party who asserts ownership of the Note is indeed the rightful owner.

(Continued On Page 5)

“Mortgage Loans and Multifamily Loans. The depositor will be required, as to each mortgage loan, other than mortgage loans underlying any mortgage securities, and Multifamily Loan, to deliver or cause to be delivered to the trustee, or to the custodian, the mortgage file for each mortgage loan, containing legal documents relating to the mortgage loan, including:

- *the mortgage note endorsed without recourse to the order of the trustee or evidence that the mortgage is held for the trustee through the MERS® System;*
- *the mortgage with evidence of recording indicated, except for any mortgage not returned from the public recording office, in which case the depositor will deliver or cause to be delivered a copy of the mortgage certified by the related Unaffiliated Seller that it is a true and complete copy of the original of that mortgage submitted for recording; and*
- *an assignment, which may be in blank, in recordable form of the mortgage to the trustee.”*

Examiner Comments: Violation Of PSA - I have noted that the Assignment Of Deed Of Trust was acknowledged by the notary of 05/05/2011 (Exhibit A) and therefore, was not in recordable form on the closing date of 01/16/2007.

“The related prospectus supplement may specify that the depositor or another party will be required to promptly cause the assignment of each related mortgage loan and Multifamily Loan (except for mortgages held under the MERS® System) to be recorded in the appropriate public office for real property records. However, recording of assignments will not be required in states where recording is not required to protect the trustee’s interest in the mortgage loan or the Multifamily Loan against the claim of any subsequent transferee or any successor to or creditor of the depositor or the originator of the mortgage loan.”

Examiner Comments: Once again, by not recording an Assignment in any state fails to give notice. Therefore, the Trustee, Depositor, or the Originator are not protected by the title insurer against a subsequent transferee or any successors. Further, there is not date by which one could benchmark the date the loan was transferred to the trust other than the date of the Assignment. Although opposing counsel may surface with an endorsed Note or Allonge endorsing the loan to the trust. The problem with this is, endorsements are never dated so the only dated evidence the loan was transferred to the trust is the Assignment was dated 05/05/2011 which five years after the closing date of the trust.

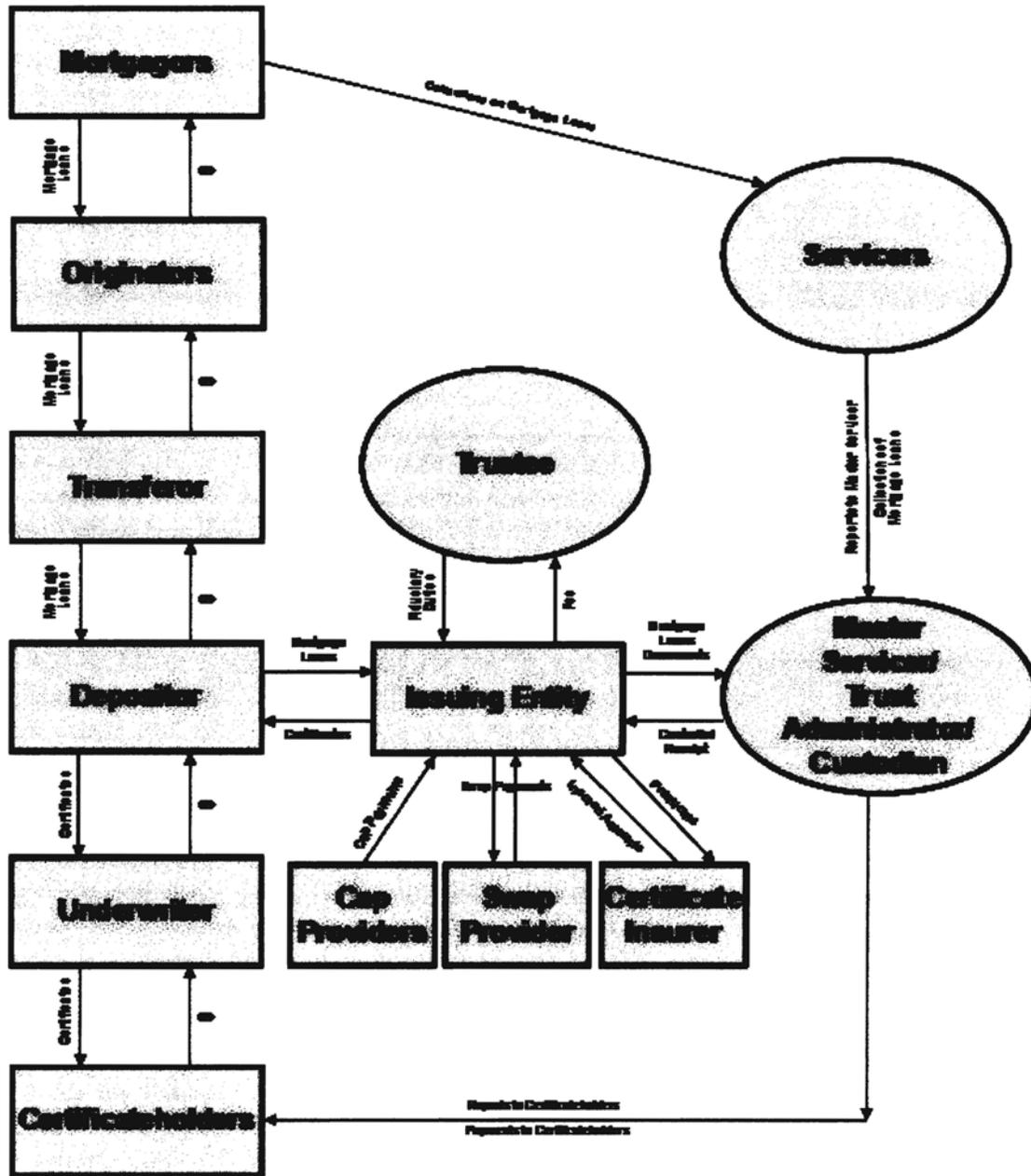
Default Swap Insurer

“FSA and its subsidiaries are engaged in the business of writing financial guaranty insurance, principally in respect of securities offered in domestic and foreign markets and obligations under credit default swaps. Financial guaranty insurance provides a guaranty of scheduled payments on an issuer’s obligations -- thereby enhancing the credit rating of those obligations -- in consideration for the payment of a premium to the Group I Certificate Insurer. FSA and its subsidiaries principally insure asset-backed, collateralized and municipal obligations. Asset-backed obligations are typically supported by residential mortgage loans, consumer or trade receivables, securities or other assets having an ascertainable cash flow or market value. Collateralized obligations include public utility first mortgage bonds and sale/leaseback obligation bonds. Municipal obligations include general obligation bonds, special revenue bonds and other special obligations of state and local governments. Obligations may be insured on a funded basis through insurance of bonds or other securities or on an unfunded basis through insurance of credit default swaps referencing one or more bonds or other obligations (with or without a deductible or other provision for loss reduction). FSA insures both newly issued securities sold in the primary market and outstanding securities sold in the secondary market that satisfy FSA’s underwriting criteria.”

Examiners Comments: The Default Swap Insurer insures the regular payments to the Trust and subsequently to the certificate holders. The amounts or percentage of the payment that is insured pursuant to the insurance agreement is not disclosed in this PSA. It is safe to assume however that in order to maintain AAA rating as to risks, the insurer would be insuring 100% of the obligations. Therefore, upon an instance of default, the insurer either pays the monthly obligation or retires the account altogether. In such an instance whereby the account is retired altogether, the insurer merely steps into the shoes to the satisfied certificate holders. This does not relieve the servicer of their liability to collect payments or foreclose the subject property.

(Continued On Page 7)

Flow of Funds



(Continued On Page 9)

This opinion thus serves as a legal basis to challenge any foreclosure based on a MERS assignment; to seek to void any MERS assignment of the Security Instrument or the note to a third party for purposes of foreclosure; and should be sufficient for a borrower to not only obtain a TRO against a foreclosure sale, but also a Preliminary Injunction barring any sale pending any litigation filed by the borrower challenging a foreclosure based on a MERS assignment.

The Court concluded by stating: "Since the claimant, Citibank, has not established that it is the owner of the promissory note secured by the Security Instrument, Citibank is unable to assert a claim for payment in this case." Thus, any foreclosing party which is not the original lender which purports to claim payment due under the note and the right to foreclose on the basis of a MERS assignment does not have the right to do so under the principles of this opinion.

This ruling is more than significant not only for California borrowers, but for borrowers nationwide, as this California court made it a point to cite non-bankruptcy cases as to the lack of authority of MERS in its opinion as well as cases in judicial foreclosure states. Furthermore, this opinion is consistent with the prior rulings of the Idaho and Nevada Bankruptcy courts on the same issue, that being the lack of authority for MERS to transfer the note as it never owned it (and cannot, per MERS' own contract which provides that MERS agrees not to assert any rights to mortgage loans or properties mortgaged thereby).

Authority Of Mortgage Electronic Registration Systems (MERS) MERS is an enterprise that holds the mortgages of 60 million American homes. It was created by the Mortgage Bankers Association in the 1997 to run a computer registry that records mortgage loan trading activities in connection with the securitization of asset backed investments. It was primarily set up to cut costs on paperwork and publication requirements by registering the assignment of security instruments from one investor to the other. In the securitization process, mortgage loans may be purchased by one single investor or a group of many under one depository trustee without the need to record the transaction in the County in which the asset is located. The problem with MERS is that the real beneficiary is faceless and obscured from public records. By MERS standard contract agreement with its member banks, Notes are assigned to MERS in blank in order to affect the transfer of securities from one investor to the other. The problem here is, a blank note does not set a paper trail of who the owners of these investments were at any given time and therefore, a note assigned in blank does little as to enforcement. Essentially, anyone could come forth with a copy and claim to be the owner of the note.

MERS has since evolved from that of a simple registration system to that of the custodian of powers. As such, MERS has essentially blocked homeowners from preventing their houses from becoming foreclosures and loan fraud victims from pursuing their cases in court because they could not identify the companies holding their mortgage notes. Recent court rulings in several states have challenged MERS in foreclosure cases and have found that, at best, MERS only holds a copy of the blank note with the true beneficiary holding the original note. MERS however commences the foreclosure process by supposedly assigning the security instruments to a Trustee. At best, the Trustee is in possession of blank security instruments at the time the foreclosure is initiated while the still unidentified holder of the real Note remains obscured.

(Continued On Page 11)

In a foreclosure situation whereby MERS is the claimed beneficiary and the true beneficiary obtains the Deed affecting a credit sale back to the lender, MERS schemes to avoid the transfer tax of the transaction. Furthermore, in non-judicial states, MERS admits to merely holding title as nominee for the true beneficiary. Here is an excerpt from their on web site. *"Normally, where the name of the grantee under the Trustee's Deed Upon Sale is different than the name of the foreclosing entity, the Trustee's Deed Upon Sale states that the "Grantee was not the foreclosing beneficiary." This designation triggers the imposition of transfer taxes on the sale. It is important to note that in a MERS foreclosure sale, even where the property reverts, the name of the grantee will be different than the name of the entity foreclosing. Nonetheless, the Trustee's Deed Upon Sale should state that "The Grantee was the foreclosing beneficiary." This is because MERS merely holds title as nominee for the true beneficiary; **it is the true beneficiary that has actually foreclosed and acquired title**".* By this admission, MERS has stated that they are not, and was not, the true beneficiary thereby nullifying the nomination pursuant to the Security Instrument.

Attorney Note: See MERS case law for authorities attached to this report.

Disclosure: I have completed my examination and investigation of the mortgage documents for which you have engaged me. The scope of my examination is to determine the accuracy and compliance with Federal, State, and local laws as they may apply to your loan(s). I pay particular attention to discovery of evidence that would support legal action against the current lender(s) to either modify, or rescind the existing loan(s), or in the event of an executed foreclosure, overturn the action. The recommendations and opinions entered herein by me are not intended as legal advice or counseling. I strongly advise that you consult with an attorney in matters related to this examination and the report hereof.

Thank you for your business. We look forward to being of further service.



Charles J. Horner, ACFEI, CREB
Chief Examiner
Doc Analysis

Where's The Note, Who's The Holder: Enforcement Of Promissory Note Secured By Real Estate - by Hon. Samuel L. Bufford & Hon. R. Glen Ayers

Landmark v. Kesler – Kansas Court of Appeals August 2009

MERS claims that it holds the title to the second mortgage, not the real estate. So it does, but only as a nominee. In terms of the roles that we've discussed in the mortgage business, MERS holds the mortgage but without rights to the debt. The district court found that MERS was merely an agent for the principal player, Millennia. While MERS objects to its characterization as an agent, it's a fair one.

MERS had no right to the underlying debt repayment secured by the mortgage; MERS did not even act as the servicing agent to receive the payments and remit them to the lender. MERS's right to act to enforce the mortgage was strictly limited: if "necessary to comply with law or custom," MERS could foreclose the mortgage or enter a release of the mortgage. MERS certainly could not act at odds to its principal, the lender. Its role fits the classic definition of an agent: one "authorized by another to act for him, or intrusted with another's business." In re Tax Appeal of Scholastic Book Clubs, Inc., 260 Kan. 528, 534, 920 P.2d 947 (1996) (quoting Black's Law Dictionary 85 [4th ed.1968]).

180*180 Only one Kansas case has discussed the meaning of nominee in any detail. In Thompson v. Meyers, 211 Kan. 26, 30, 505 P.2d 680 (1973), the court noted that the meaning of the term may vary from a pure straw man or limited agent to one who has broader authority.

But whatever authority the nominee may have comes from the delegation of that authority by the principal. In its ordinary meaning, a nominee represents the principal in only a "nominal capacity" and does not receive any property or ownership rights of the person represented. See, e.g., Cisco v. Van Lew, 60 Cal.App.2d 575, 583-84, 141 P.2d 433 (1943); see also Applebaum v. Avaya, Inc., 812 A.2d 880, 889 (Del.2002) (referring to nominees "as agents of the beneficial owners"). The Millennia mortgage does not purport to give MERS any greater rights than normally given a nominee. The mortgage says that MERS acts "solely as nominee for Lender." **There is no express grant of any right to MERS to transfer or sell the mortgage or even to assign its duties as nominee.** Nor does MERS obtain any right to the borrower's payments or even a role in receiving payments.

MERS v. Southwest Homes of Arkansas Supreme Court of Arkansas March 2009

MERS holds no authority to act as an agent and holds no property interest in the mortgaged land. It is not a necessary party. In [*11] this dispute over foreclosure on the subject real property under the mortgage and the deed of trust, complete relief may be granted whether or not MERS is a party. MERS has no interest to protect. **It simply was not a necessary party.** See Ark. R. Civ. P. 19(a). MERS's role in this transaction casts no light on the contractual issues on appeal in this case. See, e.g., Wilmans v. Sears, Roebuck & Co., 355 Ark. 668, 144 S.W.3d 245 (2004).

Bellistri v. Ocwen – Missouri Court of Appeals March 2009

When it assigned the deed of trust, MERS attempted to transfer to Ocwen the deed of trust "together with any and all notes and obligations therein described or referred to, the debt respectively secured thereby and all sums of money due and to become due." The record reflects that BNC was the holder of the promissory note. **There is no evidence in the record or the pleadings that MERS held the promissory note or that BNC gave MERS the authority to transfer the promissory note. MERS could not transfer the promissory note; therefore the language in the assignment of the deed of trust purporting to transfer the promissory note is ineffective.** Black v. Adrian, 80 S.W.3d 909, 914-15

(Mo. App. S.D. 2002) ("[A]ssignee of a deed of trust or a promissory note is vested with all interests, rights and powers possessed by the assignor in the mortgaged property"). **MERS never held the promissory note, thus its assignment of the deed of trust to Ocwen separate from the note had no force.**

In Re: Sheridan – US Bankruptcy Idaho October 2009

In light of Trustee's objection on this score, Movant argues that MERS' role as "nominee for Lender [i.e., Fieldstone Mortgage Company] and Lender's successors and assigns"¹⁴ gives it ample authority to assert the stay relief request under the Deed of Trust for whatever successor in interest or assignee might have the beneficial interest. Even if the proposition is accepted that the Deed of Trust provisions give MERS the ability to act as an agent ("nominee") for another, it acts not on its own account. Its capacity is representative.

14

This language appears in the Deed of Trust only. There is no mention of MERS in the Note.

In Re: Walker – US Bankruptcy CA May 2010

"MERS acted only as a "nominee" for Bayrock Mortgage under the Deed of Trust. Since no evidence has been offered that the promissory note has been transferred, MERS could only transfer what ever interest it had in the Deed of Trust. However, the promissory note and the deed of trust are inseparable. "The note and the mortgage are inseparable; the formal as essential, the later as an incident. An assignment of the latter alone is a nullity." *Carpenter v. Longan*, 83 U.S. 217, 274, (1872); accordingly *Henley v Hotaling*, 41 Cal. Civ. Code 2936. **Therefore if one party receives the note and an another receives the deed of trust, the holder of the note prevails regardless of the order in which the interests were transferred.** *Adler v. Sargent*, 109 Cal. 42, 49-50 (1895).

Further, **several courts have acknowledged that MERS is not the owner of the underlying note and therefore could not transfer the note**, the beneficial interest in the deed of trust, or foreclose upon the property secured by the deed. See *In Re Foreclosure Cases*, 521 F. Supp. 2d 650, 653 (S.D. Oh. 2007) ; *In re Vargas*, 396 B.R. 511, 520 (Bankr. C.D. Cal. 2008) ; *Landmark Nat'l Bank v. Kelsner*, 216 p.3d 158 (Kan. 2009) ; *Lasalle Bank v. Lamy*, 824 N.Y.S2d 769 (N.Y. Sup. Ct. 2006) . Since no evidence of MERS' ownership of the underlying note has been offered, and **other courts have concluded that MERS does not own the underlying notes**, this court is convinced that MERS had no interest it could transfer to Citibank.

Since MERS did not own the underlying note, it could not transfer the beneficial interest of the deed of trust to another. Any attempt to transfer the beneficial interest of a trust deed with out ownership of the underlying note is void under California law. Therefore Citibank has not established that it is entitled to assert a claim in this case.

Mortgage Elec. Registration Sys., Inc. (MERS) v. Johnston, Rutland, Vermont Superior Court No. 420-6-09 Rdcv (Cohen, J., Oct. 28, 2009)

The Court now raises, sua sponte, the issue of MERS's standing to bring the instant foreclosure action, either independently or in its role as "nominee" for the lender WMC.

A mortgage may be enforced only by, or in behalf of, a person who is entitled to enforce the obligation the mortgage secures. Restatement (Third) of Property, Mortgages § 5.4(c).

In general, a mortgage is unenforceable if it is held by one who has no right to enforce the secured obligation. *Id.*

If the mortgage obligation is a negotiable note, Uniform Commercial Code § 3-203 is generally understood to make the right of enforcement of the promissory note transferrable only by delivery of the instrument itself to the transferee.

To be a "holder" of an instrument, 9A V.S.A. § 3-301(i), one must possess the note and the note must be payable to the person in possession of the note, or to bearer. 9A V.S.A. § 1-201(b)(21)(A) (emphasis added). Here, **the "holder" option is not available to MERS because the note is not payable to MERS, nor has it been indorsed, either specifically to MERS or in blank.** See *Id.*; 9A

V.S.A. § 3-205(b) (blank indorsement becomes payable to bearer). Also, 9A V.S.A. § 3-301(iii) is not applicable, as **it does not appear that plaintiff is entitled to enforce the instrument pursuant to either section 3-309 or 3-418(d).**

In its Complaint, **MERS does not assert to “hold” the Note, nor does it assert that it can otherwise enforce the Note.** Therefore, **MERS cannot enforce the underlying obligation, and may not enforce the mortgage deed it holds in its name.** See Restatement (Third) of Property, Mortgages § 5.4(c); see also cmt. e. This is consistent with MERS’s role “solely as nominee” in that it “holds only legal title to the interests granted by Borrower in this Security Instrument.”

Furthermore, **separation of the obligation from the mortgage results in a practical loss of efficacy of the mortgage.** Id. cmt. a. MERS and the lender **intentionally split the obligation and the mortgage deed.** This split was necessary to create the MERS system and facilitate the growth of the secondary mortgage market. See Phyllis K. Slesinger & Daniel Mclaughlin, Mortgage Electronic Registration System, 31 IDAHO L. REV. 805, 818 fn.2 (stating “[f]or mortgages sold into the secondary market, legal title and equitable ownership are commonly severed. Mortgage servicers retain bare legal title to facilitate mortgage servicing; equitable interests are transferred to the investor.”).

ORDER

Plaintiff Mortgage Electronic Registration Systems, Inc.’s foreclosure action is **DISMISSED for lack of standing.** Accordingly, the Court’s **Order**, issued August 27, 2009, **granting plaintiff’s Motion for Default Judgment** against the defendants Frank and Ellen Johnston is **VACATED.** The dismissal of the foreclosure action is without prejudice as to allow the proper plaintiff to come forward.

Furthermore, because this is a case of first impression under Vermont law and because it involves important issues concerning mortgage law and real estate title law, the Court will certify the issue of standing to the Vermont Supreme Court pursuant to V.R.C.P. 80.1(m).

LaSalle Bank v. Michael Lamy, Joan Lamy SUPREME COURT OF NEW YORK, SUFFOLK COUNTY
2006 NY Slip Op 51534U; 2006 N.Y. Misc. LEXIS 2127

As this court indicated in its prior order of March 31, 2006, **only the owner of the note and mortgage at the time of the commencement of a foreclosure action may properly prosecute said action** (*Kluge v Fugazy* 145A.D.2d 537, 536 N.Y.S.2d 92; see also, *Katz v Eastville Realty Co.*, 249 A.D.2d 243, 672 N.Y.S.2d 308).

Because ownership of both the note and mortgage at the time of the commencement of a mortgage foreclosure action is a necessary element of the plaintiff’s cause of action for foreclosure of the mortgage, **entry of a default judgment against the defendant mortgagors and others joined as party defendants is precluded** where the plaintiff’s ownership interest in both the note and the mortgage is not ascertainable from the pleadings and the documentation submitted in support of the motion (*CPLR 3215; RPAPL 1321*; see also *Beaton v Transit Facility Corp*, 14 A.D.3d 637, 789 N.Y.S.2d 314, and the cases cited therein; see also, *Morgan v Bagayoko*, 1 A.D.3d 582, 767 N.Y.S.2d 631).

However, this court and others have repeatedly held that a **nominee of the owner of the note and mortgage, such as Mortgage Electronic Registration Systems, Inc.(MERS), may not prosecute a mortgage foreclosure action in its own name as nominee of the original lender because it lacks ownership of the note and mortgage at the time of the prosecution of the action** (*Mortgage Electronic Systems, Inc. v Burek*, 4 Misc. 3d 1030A, 798 N.Y.S.2d 346; *Mortgage Electronic Systems, Inc. v Bastian*, 12 Misc. 3d 1182(A), 2006 N.Y. Misc. LEXIS 1901, 2006 WL 1985461; see also, “MERS Foreclosures Continue to Face Challenges in Suffolk County Courts”, by Sam Weisberg, 5/30/2006 NYLJ 20, [**5] (col.2); “Challenges to MERS Standing”, by Kenneth M. Block and Jeffrey R. Steiner, 11/16/05 NYLJ 5 (col. 2); *CF.*, *Fairbanks Capital Corp. v Nagel*, 289 A.D.2d 99, 735 N.Y.S.2d 13).

A nominee of the owner of a note and mortgage **may not effectively assign the note and mortgage to [**6] another for want of an ownership interest in said note and mortgage by the nominee.** Since a note secured by a mortgage is a negotiable instrument, it may be assigned by indorsement provided such indorsement is affixed on the note itself or on a paper so firmly attached thereto to become a part thereof (*Slutsky v BloomingGrove Inn, Inc.*, 147 A.D.2d 208 542 N.Y.S.2d 721).

Accordingly, **only the owner of the both the note and mortgage at the time of the commencement of the action may seek [**8] the remedy of foreclosure.**

The December 29, 2005 assignment of the mortgage to the plaintiff, upon which the plaintiff originally predicated its claims of ownership to the subject mortgage, was made by an entity (MERS), which had no ownership interest in either the note or the mortgage at the time the purported assignment thereof was made. The December 29, 2005 assignment of mortgage is thus invalid.

In Re: Mitchell United States Bankruptcy Court State of Nevada August 19, 2008

MERS must have both constitutional and prudential standing, and be the real party in interest under FED. R. CIV. P. 17, in order to be entitled to lift-stay relief. Constitutional standing under Article III requires, at a minimum, that a party must have suffered some actual or threatened injury as a result of the defendant's conduct, that the injury be traced to the challenged action, and that it is likely to be redressed by a favorable decision. *Valley Forge Christian Coll. v. Am. United for Separation of Church and State*, 454 U.S. 464, 472 (1982)(citations and internal quotations omitted).

Beyond the Article III requirements of injury in fact, causation, and redressibility, MERS must also have prudential standing, which is judicially-created set of principles that places limits on the class of persons who may invoke the courts' powers. See *Warth v. Seldin*, 422 U.S. 490, 499 (1975). As a prudential matter, a plaintiff must assert "his own legal interests as the real party in interest," *Dunmore v. United States*, 358 F.3d 1107, 1112 (9 Cir. 2004), as found in the FED. R. CIV. P. 17, which provides "[a]n action must be prosecuted in the name of the real party in interest."

MERS does not have standing merely because it is the alleged beneficiary under the deed of trust. It is not a beneficiary and, in any event, the mere fact that an entity is a named beneficiary of a deed of trust is insufficient to enforce the obligation.

But more importantly, even if MERS is the nominee of the beneficiary, or the motion was brought by the beneficiary, that mere allegation is not sufficient to confer standing. Under Nevada law a negotiable promissory note is enforceable by: (1) the holder of the note, or (2) a nonholder in possession of the note who has the rights of a holder. Thus **if MERS is not the holder of the note, then to enforce it MERS must be a transferee in possession who is entitled to the rights of a holder or have authority under state law to act for the holder.** Simply being a beneficiary or having an assignment of a deed of trust is not enough to be entitled to foreclose on a deed of trust. For there to be a valid assignment for purposes of foreclosure both the note and the deed of trust must be assigned. **A mortgage loan consists of a promissory note and a security instrument, typically a mortgage or a deed of trust. When the note is split from the deed of trust, "the note becomes, as a practical matter, unsecured."** RESTATEMENT (THIRD) OF PROPERTY (MORTGAGES) § 5.4 cmt. a (1997). A person holding only a note lacks the power to foreclose because it lacks the security, and a person holding only a deed of trust suffers no default because only the holder of the note is entitled to payment on it. See RESTATEMENT (THIRD) OF PROPERTY (MORTGAGES) § 5.4 cmt. e (1997). **"Where the mortgagee has 'transferred' only the mortgage, the transaction is a nullity and his 'assignee,' having received no interest in the underlying debt or obligation, has a worthless piece of paper."** 4 RICHARD R.POWELL, POWELL ON REAL PROPERTY, § 37.27[2] (2000).

This distinction between judicial and non-judicial foreclosure states, or deficiency and non-deficiency ones, is one which MERS has designed out of whole cloth. **In order to foreclose,**

MERS must establish there has been a sufficient transfer of both the note and deed of trust, or that it has authority under state law to act for the note's holder. See RESTATEMENT (THIRD) OF PROPERTY (MORTGAGES) § 5.4 cmt. c (1997). See also, *In re Vargas*, 396 B.R. 511, 516-17 (Bankr. C.D. Calif. 2008).

Moreover, by virtue of the fact that some of the motions were filed even after the note was transferred out of the MERS system, **it is apparent that MERS has not tracked (or been appropriately advised of) the assignment of the note to a non-member.**

There appears to be **absolutely no requirement that these Certifying Officers have any knowledge of the loan in question.** From the MERS website it appears that the "Certifying Official" (the person who works for the holder of the note) is not an employee of the servicer either.

Under FED. R. CIV. P. 17 **an action must be prosecuted in the name of the real party in interest.** "As a general rule, a person who is an attorney-in-fact or an agent solely for the purpose of bringing suit is viewed as a nominal rather than a real party in interest and will be required to litigate in the name of his principal rather than in his own name." 6A CHARLES ALAN WRIGHT & ARTHUR R. MILLER, FEDERAL PRACTICE AND PROCEDURE §1553 (2d ed. 1990). An agent with ownership interest in the subject matter of the suit is a real party in interest. *Id.* There is no evidence, however, of an agency relationship here or that MERS has any ownership interest making it the real party in interest under Rule 17.

Even if the defects were ones of pure pleading, the testimony in these cases is neither competent nor admissible. Each of the affiants in the remaining cases testify as follows:

I have been appointed as Assistant Secretary of Mortgage Electronic Registration Systems., Inc. ("MERS") under a Corporate Resolution that was executed on [date]. I make this affidavit in support of Movant. I have reviewed the loan file relating to the above-referenced matter, and if called upon to testify as to the facts set forth in this Affidavit, I could and would testify competently based upon my review. The affiant then purports to set forth the history of the negotiation and transfer of the note and who now has possession.

First, this testimony is not admissible because there is no evidence that the affiants are competent witnesses. The Federal Rules of Evidence apply in bankruptcy yet there is no evidence that these Certifying Officers have adequate personal knowledge of the facts under FED. R. EVID. 602 ("A witness may not testify to a matter unless evidence is introduced sufficient to support a finding that the witness has personal knowledge of the matter.").

CONCLUSION

The lift-stay motions in *Dart* and *Hawkins* are denied. **MERS may not enforce the notes as the alleged beneficiary.** While MERS may have standing to prosecute the motion in the name of its Member as a nominee, **there is no evidence that the named nominee is entitled to enforce the note or that MERS is the agent of the note's holder.** Indeed, the evidence is to the contrary, the note has been sold, and the named nominee no longer has any interest in the note.
IT IS SO ORDERED.

MERS v. Cabrera 11th Judicial Circuit Miami-Dade County September 28, 2005

In Re: Vargas U.S. Bankruptcy Court Central District California September 30, 2008

The MERS Experience: A Member's Experience from Angst to Zen

MERS is not a system of legal record nor a replacement for the public land records. Mortgages must be recorded in the county land records.

LaSalle Bank v. Smith, MERS Supreme Court, Kings County, NY March 22, 2010

Electronically Recorded

20110512000154

SIMPLIFILE ADT 14.00
Page 001 of 001
05/12/2011 10:45
King County, WA

After Recording Return to:
Northwest Trustee Services, Inc.
Attention: Chris Ashcraft
P.O. Box 997
Bellevue, WA 98009-0997

7090.24072/Young, Barbara C. and Kevin M. MDN#

Assignment of Deed of Trust

For Value Received, the undersigned as Beneficiary, hereby grants, conveys, assigns and transfers to U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgage Trust 2007-1, Mortgage P... Through Certificates, Series 2007-1, whose address is 210 Alhambra St, 1575 S Bell Ave Rd, Chicago, IL 75019, all beneficial interest under that certain deed of trust, dated 10/23/06, executed by Barbara C. Young, Kevin M. Young, wife and husband, Grantees, to Commonwealth Land Title Company of Puget Sound, Trustee, and recorded on 10/30/06, under Auditor's File No. 20061030001835, Records of King County, Washington.

Dated May 5, 2011

Mortgage Electronic Registration Systems, Inc.
By: [Signature]
Title: Assistant Secretary

STATE OF Florida
COUNTY OF Deval ss.

I certify that I know or have satisfactory evidence that Andrew Furstemberger is the person who appeared before me, and said person acknowledged that (he/she) signed this instrument, on oath stated that (he/she) was authorized to execute the instrument and acknowledged it as the Assistant Secretary of Mortgage Electronic Registration Systems, Inc. to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: MAY 5 2011

[Signature]
NOTARY PUBLIC for the State of Florida
Residing at Florida
My commission expires 1-10-14



Exhibit A

2009103801835.885

(Q) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulations, Regulation X (24 C.F.R. Part 3309), 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.

TRANSFER OF RIGHTS IN THE PROPERTY

The beneficiary of this Security Instrument is MERS (jointly as nominee for Lender and Lender's successors and assigns) and the successors and assigns of MERS. This Security Instrument covers to Lender: (i) the repayment of the Loan, and all amendments, 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 Country of King:

LOTS 7, 8 AND 9 IN BLOCK 121 OF BURKE AND FARRAR'S KIRKLAND ADD

LOTS 7, 8 AND 9 IN BLOCK 121 OF BURKE AND FARRAR'S KIRKLAND ADDITION TO THE CITY OF SEATTLE, DIVISION NUMBER 27, AS PER PLAN RECORDED IN VOLUME 21 OF PLATS, PAGE 80, RECORDS OF KING COUNTY, ADDITION; SITUATE IN THE CITY OF KIRKLAND, COUNTY OF KING, STATE OF WASHINGTON.

Parcel ID Number: 1245001140
1601 1st Street
Kirkland
("Property Address"):

which currently has the address of
(Town)
(City), Washington 98033 (Zip Code)

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property." Borrower understands and agrees that MERS holds only legal title to the interests granted by Borrower in this Security Instrument, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender's successors and assigns) has the right to exercise any or all of these 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 cancelling this Security Instrument.

ENCLOSURE COVENANTS that Borrower is hereby subject of the same hereby conveyed and has the right to grant and convey the Property and that the Property is unencumbered, except for encumbrances DOC # 323763

44(WA) (9/07)

Page 3 of 15

Author: [Signature]

Form 308 1/01

Exhibit B



NOTICE THE NETWORK

FIS Foreclosure Solutions staff would like to thank the following firms/individuals for their consistent efforts to increase the success of our partnerships:

"I would like to recognize Sue Forder of Moss Codilis. She is good to work with and is always looking to help shorten timelines with her proactive approach."

- Andrew Fuerstenberger, Special Assets manager

"Over the past few months, I have worked closely with the litigation group at the Ben Ezra Law Firm. The entire litigation staff has been very responsive and helpful and has made great efforts in streamlining how a specific client's loans are handled. Managing attorney David Rodstein took the time to contact both the client and FIS Foreclosure Solutions to determine what information was needed and when it was needed to ensure the client and FIS were able to make a determination on how to proceed with litigated matters. This determination and interest, shared by the entire litigation team at Ben Ezra's office, has made a significant difference in the timeline of litigated files."

- Terri Gaber, Special Assets lead

"Andrew Goldberg of Rosicki, Rosicki & Associates provides immediate response times. Any time I send a request to Andrew regarding a client's edit project, whether it's additional instructions for an amended POC or a request to amend a case in Process Management, he usually responds within the hour to advise that the issue is being taken care of and it is successfully completed."

- Brian Swanner, Reporting specialist

"Shapiro & Ingle is thorough with explanations, quick in responses and has assisted numerous times with the retrieval of POCs for aged cases and processes that were not assigned to their firm. This firm, specifically Sheila Dickey and David Dot, always goes above and beyond to provide exceptional communication to service our company, teams and clients. Their guidance and support, on a daily basis, is very much appreciated."

- Chalonda Brinson, Bankruptcy specialist

"Susanne Goldberg & Ackerman responds to intercoms and emails quickly and makes sure the job is done at the end of the day. I would like to especially recognize Tina Saggio, who is a big asset to both the attorney's office and FIS. She is a conscientious worker who takes the time to make great comments in Process Management along with making sure the Cases complete everyday. She is also very friendly and cares about her work."

- Donna Kalb, Foreclosure Attorney Management representative

"I would like to recognize Alex Maltez from Bierman, Geesing & Ward, LLC. He has been an incredible resource. When I contact this firm, Alex is always available and provides consistent, reliable information to aid the client."

- Jason Starkey, Bankruptcy specialist

20061030001835.816

Index - 4.7575 %
 Margin - 3.250 %
8.0075 %

ADJUSTABLE RATE RIDER

(12-MTA Index - Payment and Rate Caps)

THIS ADJUSTABLE RATE RIDER is made this 23rd day of October, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to American Brokers Conduit.

(the "Lender") of the same date and covering the property described in the Security Instrument and located at:

1601 1st Street, Kirkland, WA 98033

(Property Address)

THIS RIDER CONTAINS PROVISIONS ALLOWING FOR CHANGES IN MY INTEREST RATE AND MY MONTHLY PAYMENT. BECAUSE MY INTEREST RATE WILL CHANGE MORE FREQUENTLY THAN MY MONTHLY PAYMENT, AND BECAUSE THERE ARE LIMITATIONS ON MY MONTHLY PAYMENT INCREASES, THE AMOUNT OF MY MONTHLY PAYMENT MAY NOT FULLY PAY THE INTEREST THAT ACCRUES. AS A RESULT, THE PRINCIPAL AMOUNT I MUST REPAY COULD BE LARGER THAN THE AMOUNT I ORIGINALLY BORROWED, BUT NOT MORE THAN 125.000% OF THE ORIGINAL AMOUNT (OR \$ 950,000.00). MY INTEREST RATE CAN NEVER EXCEED THE LIMIT STATED IN THE NOTE AND RIDER. A BALLOON PAYMENT MAY BE DUE AT MATURITY.

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

A. INTEREST RATE AND MONTHLY PAYMENT CHANGES

Interest will be charged on unpaid Principal until the full amount has been paid. I will pay interest at a yearly rate of 1.000 % until October 31, 2006, and the initial monthly payment provided for in the Note will be based on this rate. Commencing November 1, 2006, I will pay interest at a yearly rate of 8.008 %. Thereafter, the interest rate I will pay may change in accordance with Section 4 of the Note.

Exhibit D

Assessment & Tax Information

Assessed Value: \$676,000

Land Value: \$527,000

Improvement Value: \$149,000

Homeowner Exemption:

Tax Status: Current

Market Improvement Value: \$149,000

Market Value: \$676,000

Percent Improvement: 22.04%

Tax Amount: \$6,907.32

Tax Account ID: 124500114002

Tax Rate Area: 1700

Tax Year: 2010

Market Land Value: \$527,000

Aerial Map





Transaction History

Young, Barbara C; Young, Kevin M
1601 1St St, Kirkland, WA 98033

APN: 124500-1140
King County

Prior Transfer

Recording Date: 02/16/2012	Document #: 20120216001544
Price: N/A	Document Type: Redemption Deed
First TD: N/A	Type of Sale:
Mortgage Doc #:	Interest Rate:
Lender Name:	
Buyer Name: YOUNG, BARBARA C; YOUNG, KEVIN M	
Buyer Vesting: N/A	
Seller Name: FEDERAL NATIONAL SERVICES LLC,	
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90	
City/Muni/Twp: SEATTLE	

Prior Transfer

Recording Date: 02/08/2012	Document #: 20120208000574
Price: N/A	Document Type: Trustee's Deed
First TD: N/A	Type of Sale:
Mortgage Doc #:	Interest Rate:
Lender Name:	
Buyer Name: 1601 FIRST STREET TRUST,	
Buyer Vesting: N/A	
Seller Name: YOUNG, KEVIN M; YOUNG, BARBARA C	
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90	
City/Muni/Twp: KIRKLAND	

Mortgage Record

Recording Date: 02/08/2012	Document #: 20120208000573
Loan Amount: \$100,500	Loan Type: Unknown
TD Due Date: 10/04/2012	Type of Financing:
Interest Rate:	
Lender Name: INTERBANK LOAN SERVICING CORP	
Lender Type: *N	
Borrowers Name: 1601 FIRST STREET TRUST,	
Vesting: Trust	

Prior Transfer

Recording Date: 02/07/2012	Document #: 20120207001524
Price: \$500,000	Document Type: Trustee's Deed
First TD: N/A	Type of Sale: Full Amount On Deed
Mortgage Doc #:	Interest Rate:
Lender Name:	

Buyer Name: U S BANK NATIONAL ASSOCIATION,
Buyer Vesting: N/A
Seller Name: YOUNG, BARBARA C; YOUNG, KEVIN M
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90
City/Muni/Twp: KIRKLAND

Prior Transfer

Recording Date: 01/30/2012	Document #: 20120130000390
Price: \$503,000	Document Type: Trustee's Deed
First TD: N/A	Type of Sale: Full Amount On Deed
Mortgage Doc #:	Interest Rate:
Lender Name:	
Buyer Name: 1601 FIRST STREET TRUST,	
Buyer Vesting: N/A	
Seller Name: YOUNG, KEVIN M; YOUNG, BARBARA C	
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90	
City/Muni/Twp: SEATTLE	

Prior Transfer

Recording Date: 10/07/2011	Document #: 20111007001088
Price: N/A	Document Type: Warranty Deed
First TD: N/A	Type of Sale:
Mortgage Doc #:	Interest Rate:
Lender Name:	
Buyer Name: 1601 FIRST STREET TRUST,	
Buyer Vesting: Trust	
Seller Name: YOUNG, KEVIN M	
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90	
City/Muni/Twp: KIRKLAND	

Foreclosure Record

Recording Date: 07/13/2011	Document #: 20110713001089
Document Type: Notice Of Trustee's Sale	
Beneficiary Name: US BANK NA	
Trustor Names: YOUNG, BARBARA C; YOUNG, KEVIN M	
Trustee Name: NORTHWEST TRUSTEE SERVICES INC	
Mailing Address: PO BOX 997, BELLEVUE, WA 98009-0997	
Trustee Phone #: 425-586-1900	
TS#: 7090.24072	Loan Doc #: 20061030001835
Loan Date: 10/30/2006	Loan Amount:
Contact Name: ASHCRAFTCHRIS	
Attention:	
Mailing Address: PO BOX 997, BELLEVUE, WA 98009-0997	

Foreclosure Record

Recording Date: 07/13/2011	Document #: 20110713000650
Document Type: Cancellation Of Notice Of Trustee Sale	
Original Foreclosure 20100721001078	
Document:	

Foreclosure Record

Recording Date: 07/21/2010 Document #: 20100721001078
Document Type: Notice Of Trustee's Sale
Beneficiary Name: US BANK NA
Trustor Names: YOUNG, BARBARA C; YOUNGKEVIN M
Trustee Name: NORTHWEST TRUSTEE SERVICES INC
Mailing Address: PO BOX 997, BELLEVUE, WA 98009-0997
Trustee Phone #: 425-586-1900
TS#: 7090.24072 Loan Doc #: 20061030001835
Loan Date: 10/30/2006 Loan Amount: N/A
Contact Name: NORTHWEST TRUSTEE SERVICES INC
Attention: CHRIS ASHCRAFT
Mailing Address: PO BOX 997, BELLEVUE, WA 98009-0997

Mortgage Record

Recording Date: 03/27/2007 Document #: 20070327000258
Loan Amount: \$142,785 Loan Type: Credit Line (Revolving)
TD Due Date: 03/06/2032 Type of Financing:
Interest Rate:
Lender Name: BANK OF AMERICA NA
Lender Type: Bank
Borrowers Name: YOUNG,KEVIN M; YOUNG,BARBARA C
Vesting:

Mortgage Record

Recording Date: 10/30/2006 Document #: 20061030001835
Loan Amount: \$760,000 Loan Type: Unknown
TD Due Date: 11/01/2036 Type of Financing: ADJ
Interest Rate: 8%
Lender Name: AMERICAN BROKERS CONDUIT
Lender Type: Mortgage Company
Borrowers Name: YOUNG,KEVIN M; YOUNG,BARBARA C
Vesting:
Fixed Step:
Adjustable Rate Index: One Year T-Bill Change Index: 3.25%
Rate Change Frequency: Monthly First Change Date:
Int Rate not <: Int Rate not >:
Maximum Interest Rate: Interest Only Period:
Prepayment Penalty Rider: No Prepayment Penalty Term:

Mortgage Record

Recording Date: 01/31/2006 Document #: 20060131001771
Loan Amount: \$338,999 Loan Type: Credit Line (Revolving)
TD Due Date: Type of Financing:
Interest Rate:
Lender Name: COUNTRYWIDE BANK NA
Lender Type: Bank
Borrowers Name: YOUNG,KEVIN M; YOUNG,BARBARA C
Vesting:

Prior Transfer

Recording Date: 04/22/2005
Price: N/A
First TD: N/A
Mortgage Doc #:
Lender Name:
Buyer Name: YOUNG, KEVIN M; YOUNG, BARBARA C
Buyer Vesting: N/A
Seller Name: YOUNG, KEVIN M
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90
Abbreviated Description: BURKE & FARRARS KIRKLAND ADD CITY SEATTLE DIVISION #27

Document #: 20050422000627
Document Type: Intrafamily Transfer Or
Dissolution
Type of Sale: Non-Arms Length Transfer
Interest Rate:

Prior Transfer

Recording Date: 03/31/2005
Price: N/A
First TD: N/A
Mortgage Doc #:
Lender Name: N/A
Buyer Name: YOUNG KEVIN M & BARBARA C
Buyer Vesting: N/A
Seller Name: N/A
Legal description: Lot: 7-8-9 Block: 121 District: KIRKLAND
Abbreviated Description: AREA CODE: 074-008; BURKE-FARRARS KIRKLAND DIV # 27

Document #: 20050422000627
Document Type: N/A
Type of Sale: Per Assessor Transaction
History
Interest Rate:

Prior Transfer

Recording Date: 02/01/2005
Price: \$610,000
First TD: \$488,000
Mortgage Doc #: 20050201001300
Lender Name: COUNTRYWIDE HOME LOANS INC
Buyer Name: YOUNG, KEVIN M
Buyer Vesting: Estate
Seller Name: SANDERS II, HENRY; SANDERS, VICKIE
Fixed Step:
Adjustable Rate Index: One Year T-Bill
Rate Change Frequency: Monthly
Int Rate not <:
Maximum Interest Rate:
Prepayment Penalty Rider: No
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90
Abbreviated Description: BURKE & FARRARS KIRKLAND ADD CITY SEATTLE DIVISION #27

Document #: 20050201001299
Document Type: Warranty Deed
Type of Sale: Full Amount On Deed
Interest Rate: 1.37%
Change Index: 3.4%
First Change Date:
Int Rate not >:
Interest Only Period:
Prepayment Penalty Term:

Prior Transfer

Recording Date: 02/01/2005
Price: N/A
First TD: N/A
Mortgage Doc #:
Lender Name:
Buyer Name: YOUNG, KEVIN M

Document #: 20050201001298
Document Type: Intrafamily Transfer Or
Dissolution
Type of Sale: Non-Arms Length Transfer
Interest Rate:

Buyer Vesting: Estate
Seller Name: YOUNG, BARBARA C
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90
Abbreviated Description: BURKE & FARRARS KIRKLAND ADD CITY SEATTLE DIVISION #27

Prior Transfer

Recording Date: 05/30/1997	Document #: 9705301719
Price: \$310,000	Document Type: Warranty Deed
First TD: \$150,000	Type of Sale: Full Amount On Deed
Mortgage Doc #:	Interest Rate: 7.75%
Lender Name: WASHINGTON MUTUAL BANK	
Buyer Name: SANDERS II, HENRY L	
Buyer Vesting: N/A	
Seller Name: CONLEY, WILLIAM PAUL	
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90	
City/Muni/Twp: KIRKLAND	

Prior Transfer

Recording Date: 05/30/1997	Document #: 9705301718
Price: N/A	Document Type: Intrafamily Transfer Or Dissolution
First TD: N/A	Type of Sale:
Mortgage Doc #:	Interest Rate:
Lender Name:	
Buyer Name: CONLEY, WILLIAM PAUL	
Buyer Vesting: N/A	
Seller Name: CONLEY, MARY ELIZABETH	
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90	
City/Muni/Twp: SEATTLE	

Prior Transfer

Recording Date: 09/18/1996	Document #: 9609181185
Price: \$292,500	Document Type: Warranty Deed
First TD: \$234,000	Type of Sale: Full Amount On Deed
Mortgage Doc #:	Interest Rate: 5.62%
Lender Name: BANK OF AMERICA	
Buyer Name: CONLEY, WILLIAM PAUL	
Buyer Vesting: N/A	
Seller Name: ZUCCARO, PETER J; ZUCCARO, JEAN	
Legal description: Lot: 7-9 Block: 121 Map Ref: MB21 PG90	
City/Muni/Twp: SEATTLE	



Comparables

Young, Barbara C; Young, Kevin M
1601 1st St, Kirkland, WA 98033

APN: 124500-1140
King County



Color Legend: Full Transfer Arms-Length (F) REO/TSG Sales (R) Bank Sold (B) Distressed (D)

Remove Unselected Comps

Change Comparables Preferences

Quick View

No.	Type	Address	Date	Price	S/SF	Bld/Area	RM/BR/Bth	YB	Lot Area	Pool	Proxlm.
		Subject Property	02/16/2012	N/A	N/A	2,530	1/4/1	1980	8,448 SF		
<input checked="" type="checkbox"/>	1	F 1948 1ST ST	06/21/2012	\$450,000	\$290	1,550	1/3/1	1981	8,388 SF		.32 Mi.
<input checked="" type="checkbox"/>	2	F 518 14TH AVE W	06/14/2012	\$1,580,000	\$524	3,010	1/4/3	2006	6,960 SF		.11 Mi.
<input checked="" type="checkbox"/>	3	F 615 17TH AVE W	06/14/2012	\$985,000	\$288	3,420	1/3/2	1999	7,200 SF		.15 Mi.
<input checked="" type="checkbox"/>	4	F 1833 3RD ST	06/12/2012	\$820,000	\$407	2,010	1/4/2	1916	12,780 SF		.24 Mi.
<input checked="" type="checkbox"/>	5	F 1022 1ST ST	06/11/2012	\$579,000	\$413	1,400	1/3/1	1915	6,349 SF		.32 Mi.
<input checked="" type="checkbox"/>	6	F 133 12TH AVE	06/07/2012	\$895,000	\$371	2,410	1/4/2	1949	6,000 SF		.28 Mi.
<input checked="" type="checkbox"/>	7	F 120 12TH AVE	05/31/2012	\$994,950	\$938	1,060	1/2/1	1947	12,000 SF		.24 Mi.
<input checked="" type="checkbox"/>	8	F 401 11TH AVE W	05/15/2012	\$1,100,000	\$405	2,710	1/3/2	1950	8,400 SF		.26 Mi.
<input checked="" type="checkbox"/>	9	F 440 11TH AVE W	05/08/2012	\$1,625,000	\$432	3,760	1/3/3	2004	7,200 SF		.22 Mi.
<input checked="" type="checkbox"/>	10	F 419 18TH AVE	04/30/2012	\$752,000	\$238	3,150	1/4/2	2004	8,625 SF		.37 Mi.
<input checked="" type="checkbox"/>	11	F 1817 4TH ST	04/18/2012	\$349,000	\$352	990	1/4/1	1968	7,500 SF		.30 Mi.

<input checked="" type="checkbox"/>	12	D	1290 3RD ST	04/11/2012	\$360,000	\$168	2,140	/4/1	1953	9,809 SF	.31 Mi.
<input checked="" type="checkbox"/>	13	D	625 13TH AVE W	04/06/2012	\$850,000	\$250	3,395	/4/3	1998	7,583 SF	.27 Mi.
<input checked="" type="checkbox"/>	14	F	1814 3RD ST	02/24/2012	\$629,000	\$211	2,980	/4/2	1995	7,222 SF	.28 Mi.
<input checked="" type="checkbox"/>	15	F	1929 2ND ST	02/21/2012	\$579,000	\$293	1,970	/3/1	1986	12,600 SF	.29 Mi.

Detailed View

No.	Type	Address	Date	Price	S/SF	Bld/Area	RM/BR/Bth	YB	Lot Area	Pool	Proxim.
		Subject Property	02/16/2012	N/A	N/A	2,530	/4/1	1980	8,448 SF		
1	F	1948 1ST ST KIRKLAND, WA 98033-4921	06/21/2012	\$450,000	\$290	1,550	/3/1	1981	8,388 SF		.32 Mi.
<p>APN: 124500-0138 Document #: 20120621001159 Document Type:Warranty Deed Price Code: D Property Type: Single Family Residential Properties Land Use: Single Family Residential Legal: Lot:D Subdivision:SHORT PLAT #K-426W-79-19 MapRef:AF19800804484 Buyer Name: JOHNSTON, ALAN H CONRAD, LOUISE CHRISTINE Assessed Value: \$444,000 Seller Name: E & A PROPERTY LLC Loan Amount: \$250,000 Lender Name:KEY BANK NA</p>											
2	F	518 14TH AVE W KIRKLAND, WA 98033-4829	06/14/2012	\$1,580,000	\$524	3,010	/4/3	2006	6,960 SF		.11 Mi.
<p>APN: 388580-3045 Document #: 20120614000968 Document Type:Warranty Deed Price Code: D Property Type: Single Family Residential Properties Land Use: Single Family Residential Legal: Lot:27&28 Block:39 Subdivision:TOWN OF KIRKLAND MapRef:MB6 PG53 City/Muni/Twp:KIRKLAND Buyer Name: BROWN, JOSHUA C BROWN, MOLLY T Assessed Value: \$1,010,000 Seller Name: YOUNG, MARK ANDREW YOUNG, KELLY ANN Loan Amount: N/A Lender Name:</p>											
3	F	615 17TH AVE W KIRKLAND, WA 98033-4821	06/14/2012	\$985,000	\$288	3,420	/3/2	1999	7,200 SF		.15 Mi.
<p>APN: 430820-0005 Document #: 20120614000733 Document Type:Warranty Deed Price Code: D Property Type: Single Family Residential Properties Land Use: Single Family Residential Legal: Lot:3&4 Block:46 Subdivision:LICHTENBERGS ADDITION TO KIRKLAND MapRef:MB6 PG80 City/Muni/Twp:KIRKLAND Buyer Name: ALEKSIS, MARTIN A ALEKSIS, JOHANNA Assessed Value: \$915,000 Seller Name: SOCKLER, CARIN A Loan Amount: \$417,000 Lender Name:JOHANNA ALEKSIS ETUX</p>											
4	F	1833 3RD ST KIRKLAND, WA 98033-4917	06/12/2012	\$820,000	\$407	2,010	/4/2	1916	12,780 SF		.24 Mi.
<p>APN: 124500-0845 Document #: 20120612000527 Document Type:Warranty Deed Price Code: D Property Type: Single Family Residential Properties Land Use: Single Family Residential Legal: Lot:5,6,19&20 Block:118 Subdivision:BURKE AND FARRARS KIRKLAND ADDITION DIVISION #27 MapRef:MB21 PG90 City/Muni/Twp:SEATTLE Buyer Name: JOHNS, JODIE L Assessed Value: \$495,000 Seller Name: FYKERUD, ERIC J FYKERUD, DANA Loan Amount: N/A Lender Name:</p>											
5	F	1022 1ST ST KIRKLAND, WA 98033-5416	06/11/2012	\$579,000	\$413	1,400	/3/1	1915	6,349 SF		.32 Mi.
<p>APN: 388580-4540 Document #: 20120611000804 Document Type:Warranty Deed Price Code: D Property Type: Single Family Residential Properties Land Use: Single Family Residential Legal: Lot:1&2 Block:160 Subdivision:TOWN OF KIRKLAND MapRef:MB6 PG53 Buyer Name: WEINMEISTER, DEAN A WEINMEISTER, SANDRA D Assessed Value: \$564,000 Seller Name: KENNARD, JIM E BEAUCHEMIN KENNARD, VALERIE A Loan Amount: \$506,000 Lender Name:WELLS FARGO BANK NA</p>											
6	F	133 12TH AVE KIRKLAND, WA 98033-5517	06/07/2012	\$895,000	\$371	2,410	/4/2	1949	6,000 SF		.28 Mi.
<p>APN: 148930-0030 Document #: 20120607001546 Document Type:Warranty Deed Price Code: D Property Type: Single Family Residential Properties Land Use: Single Family Residential Legal: Lot:6&7 Block:150 Subdivision:CENTRAL ADDITION MapRef:MB7 PG9 City/Muni/Twp:KIRKLAND Buyer Name: ABDO, NADIM ABDO, CARLYN E Assessed Value: \$541,000 Seller Name: ROBERT, LESLEY BROWN ROBERT, ANTHONY PAUL Loan Amount: \$492,250 Lender Name:RELIANCE MORTGAGE INC</p>											
7	F	120 12TH AVE KIRKLAND, WA 98033-5517	05/31/2012	\$994,950	\$938	1,060	/2/1	1947	12,000 SF		.24 Mi.
<p>APN: 124500-2765 Document #: 20120531002188 Document Type:Warranty Deed Price Code: D Property Type: Single Family Residential Properties Land Use: Single Family Residential Legal: Lot:2 Subdivision:CITY OF KIRKLAND SHORT PLAT #SPL-10-00007 City/Muni/Twp:KIRKLAND Buyer Name: SCHATZ, EDWARD M SCHATZ, APRIL DAWN Assessed Value: \$573,000</p>											

Seller Name: RICK BURNSTEAD CONSTRUCTION LLC
Loan Amount: \$669,950 Lender Name: JPMORGAN CHASE BANK NA

8 F 401 11TH AVE W 05/15/2012 \$1,100,000 \$405 2,710 /3/2 1950 8,400 SF .26 Mi.
KIRKLAND, WA 98033-5312

APN: 388580-1725 Document #: 20120515001727 Document Type: Warranty Deed Price Code: D
Property Type: Single Family Residential Properties Land Use: Single Family Residential
Legal: Lot:1&2 Block:24 Subdivision: TOWN OF KIRKLAND MapRef: MB6 PG53 City/Muni/Twp: KIRKLAND
Buyer Name: ANDERSON, BRIAN DU, SHUANG Assessed Value: \$1,156,000
Seller Name: ABRASH, MICHAEL ABRASH, CHERYL C
Loan Amount: \$880,000 Lender Name: STERLING SAVINGS BANK

9 F 440 11TH AVE W 05/08/2012 \$1,625,000 \$432 3,760 /3/3 2004 7,200 SF .22 Mi.
KIRKLAND, WA 98033-5312

APN: 388580-2265 Document #: 20120508001306 Document Type: Warranty Deed Price Code: D
Property Type: Single Family Residential Properties Land Use: Single Family Residential
Legal: Lot: B City/Muni/Twp: KIRKLAND
Buyer Name: SINE, ISAAC SINE, NICOLE Assessed Value: \$1,332,000
Seller Name: STARK, STEPHEN D STARK, KIMBERLY A
Loan Amount: \$1,300,000 Lender Name: WELLS FARGO BANK NA

10 F 419 18TH AVE 04/30/2012 \$752,000 \$238 3,150 /4/2 2004 8,625 SF .37 Mi.
KIRKLAND, WA 98033-4935

APN: 124500-1765 Document #: 20120430000635 Document Type: Warranty Deed Price Code: D
Property Type: Single Family Residential Properties Land Use: Single Family Residential
Legal: Lot: 7 Subdivision: CITY OF KIRKLAND SHORT PLAT #SS-03-91
Buyer Name: GOOD, JAMES ANDREW GOOD, AMANDA MAE Assessed Value: \$775,000
Seller Name: FIGUEROA, ROBERTO F FIGUEROA, TABATA
Loan Amount: \$601,600 Lender Name: WELLS FARGO BANK NA

11 F 1817 4TH ST 04/18/2012 \$349,000 \$352 990 /4/1 1968 7,500 SF .30 Mi.
KIRKLAND, WA 98033-4915

APN: 124500-0798 Document #: 20120418002023 Document Type: Warranty Deed Price Code: D
Property Type: Single Family Residential Properties Land Use: Single Family Residential
Legal: Lot: 14 Block: 117 Subdivision: BURKE AND FARRARS KIRKLAND ADDITION MapRef: MB21 PG90 City/Muni/Twp: SEATTLE
Buyer Name: COWAN, CHRISTY ANN Assessed Value: \$419,000
Seller Name: KAVANAUGH, LYNN T
Loan Amount: \$279,200 Lender Name: COBALT MORTGAGE INC

12 D 1290 3RD ST 04/11/2012 \$360,000 \$168 2,140 /4/1 1953 9,809 SF .31 Mi.
KIRKLAND, WA 98033-5536

APN: 124500-3006 Document #: 20120411000623 Document Type: Warranty Deed Price Code: D
Property Type: Single Family Residential Properties Land Use: Single Family Residential
Legal: Lot: 1&2 Block: 135 Subdivision: BURKE AND FARRARS KIRKLAND ADDITION DIVISION 27 MapRef: MB21 PG90 City/Muni/Twp: SEATTLE
Buyer Name: GILLISON, DAN GILLISON, CYNTHIA Assessed Value: \$448,000
Seller Name: GABRIADZE, DAVID GABRIADZE, ANNA
Loan Amount: \$296,427 Lender Name: EASTSIDE FUNDING LLC

13 D 625 13TH AVE W 04/06/2012 \$850,000 \$250 3,395 /4/3 1998 7,583 SF .27 Mi.
KIRKLAND, WA 98033-4830

APN: 085600-0360 Document #: 20120406000995 Document Type: Warranty Deed Price Code: D
Property Type: Single Family Residential Properties Land Use: Single Family Residential
Legal: Lot: 9-14 Block: 30 Subdivision: BLEWETTS FIRST ADDITION TO KIRKLAND MapRef: MB6 PG82
Buyer Name: WEIDNER, W DEAN Assessed Value: \$1,178,000
Seller Name: LEOPOLD, RYAN LEOPOLD, SEQUOIA
Loan Amount: N/A Lender Name:

14 F 1814 3RD ST 02/24/2012 \$629,000 \$211 2,980 /4/2 1995 7,222 SF .28 Mi.
KIRKLAND, WA 98033-4917

APN: 124500-0780 Document #: 20120224000658 Document Type: Warranty Deed Price Code: D
Property Type: Single Family Residential Properties Land Use: Single Family Residential
Legal: Lot: 3 Subdivision: CITY OF KIRKLAND SHORT PLAT #SS-94-65 City/Muni/Twp: KIRKLAND
Buyer Name: HOWE, ANTHONY J HOWE, JOSEPHINE L Assessed Value: \$607,000
Seller Name: HOPCROFT, MICHAEL J NIEGO, STARR
Loan Amount: \$503,200 Lender Name: METROPOLITAN MORTGAGE GROUP INC

.15 F 1929 2ND ST 02/21/2012 \$579,000 \$293 1,970 /3/1 1986 12,600 SF .29 MI.
KIRKLAND, WA 98033-4918
APN: 124500-0215 Document #: 20120221001360 Document Type: Warranty Deed Price Code: D
Property Type: Single Family Residential Properties Land Use: Single Family Residential
Legal: Lot: 18&17 Block: 110 Subdivision: BURKE AND FARRARS KIRKLAND ADDITION MapRef: MB21 PG90 City/Muni/Twp: SEATTLE
Buyer Name: LOPEZ, JAMES C LOPEZ, ELIZABETH W Assessed Value: \$507,000
Seller Name: WHITE, DAVID A FAWCETT, DANA E
Loan Amount: \$463,200 Lender Name: WINDERMERE MORTGAGE SERVICES SERIES LLC

Area Sales Analysis

Total Area Sales: 15	Median # of Bedrooms: 4
Median Lot Size: 7,583 SF	Median # of Baths: 2
Median Living Area: 2,410 SF	Median Year Built: 1981
Price Range - 2 Yrs: \$349,000 To \$1,625,000	Age Range: 6 Years To 97 Years
Median Value: \$820,000	Median Age: 31 Years



Assessor Map

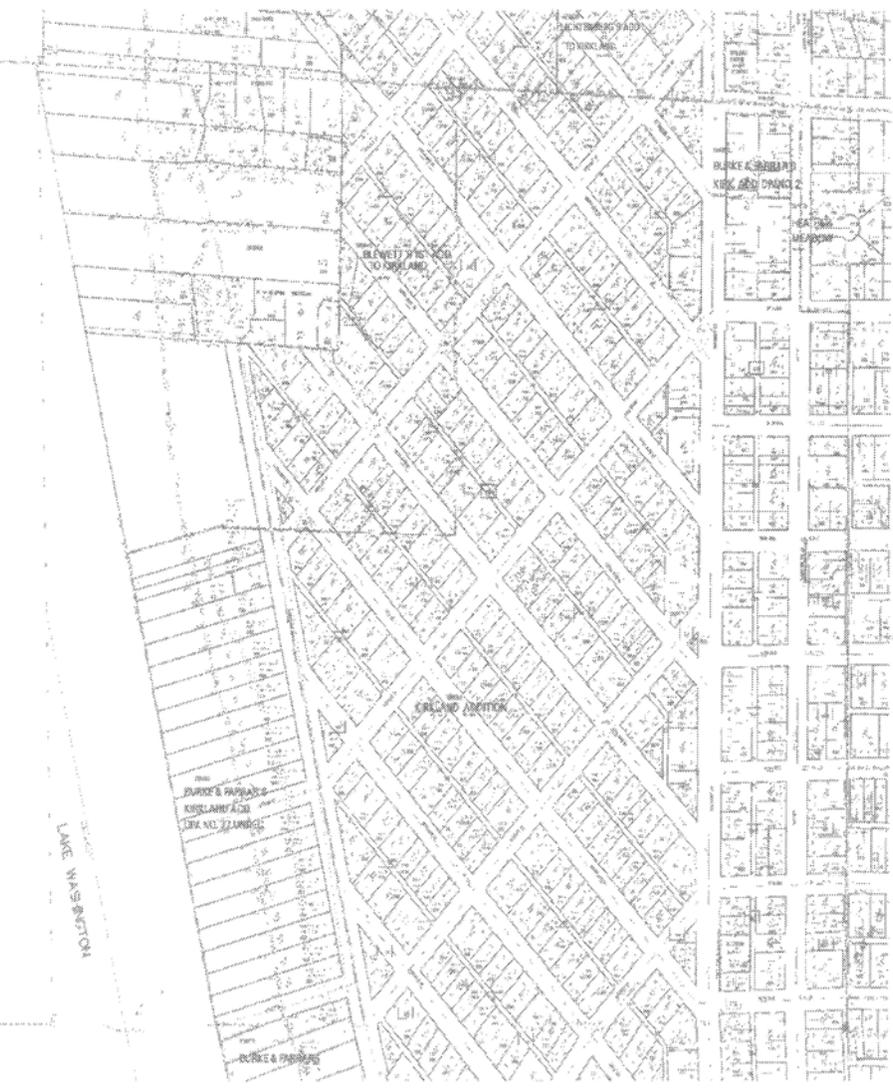
KING COUNTY
DEPARTMENT of ASSESSMENTS

This map is an Assessor's Map of land parcels in King County, Washington. It is not a legal document. It is not intended to be used as a legal document. It is not intended to be used as a legal document. It is not intended to be used as a legal document.

---	UNIMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER
---	IMPROVED	---	WATER	---	WATER



NE 06-25-05
ACRES
Scale: 1" = 100'
April 21, 2005



Foreclosure Activity

Young, Barbara C; Young, Kevin M
1601 1St St, Kirkland, WA 98033

APN: 124500-1140
King County



Neighborhood Foreclosure Activity

1. NT: 03/30/2012 Auction Date: 06/29/2012
1601 2ND ST
KIRKLAND, WA 98033

3. NT: 07/19/2010 Auction Date: 10/22/2010
1855 1ST ST
KIRKLAND, WA 98033

5. REO: 08/21/2009
306 18TH AVE
KIRKLAND, WA 98033

7. REO: 11/30/2009
740 14TH AVE W
KIRKLAND, WA 98033

2. REO: 09/24/2009
129 14TH AVE
KIRKLAND, WA 98033

4. REO: 08/05/2009
1204 6TH ST W
KIRKLAND, WA 98033

6. REO: 03/06/2009
722 16TH AVE W
KIRKLAND, WA 98033

8. REO: 10/01/2009
729 14TH AVE W
KIRKLAND, WA 98033

9. NT: 12/27/2010 Auction Date: 04/01/2011
403 18TH AVE
KIRKLAND, WA 98033

11. REO: 04/06/2009
403 8TH AVE W
KIRKLAND, WA 98033

13. NT: 05/24/2012 Auction Date: 09/07/2012
101 10TH AVE
KIRKLAND, WA 98033

15. REO: 11/24/2009
1953 4TH ST
KIRKLAND, WA 98033

10. REO: 04/21/2009
435 8TH AVE W
KIRKLAND, WA 98033

12. NT: 02/23/2011 Auction Date: 05/27/2011
17 21ST PL
KIRKLAND, WA 98033

14. REO: 04/24/2009
1016 3RD ST
KIRKLAND, WA 98033

APN: 321150-0040
Bedrooms: 5
Square Feet: 3,830 SF
Year Built: 2000

Tel:
Bathrooms: 4
Lot Size: 7,308 SF
Garage: U

APN: 388580-3920
Bedrooms: 2
Square Feet: 1,210 SF
Year Built: 1947

Tel:
Bathrooms: 1
Lot Size: 8,192 SF
Garage:

CAHILL MARGARET G
120 16TH AVE
KIRKLAND WA 98033
APN: 124500-1250
Bedrooms: 4
Square Feet: 1,840 SF
Year Built: 1951

Tel:
Bathrooms: 1
Lot Size: 6,250 SF
Garage: U



Neighbors

Young, Barbara C; Young, Kevin M
1601 1st St, Kirkland, WA 98033

APN: 124500-1140
King County

YOUNG, BARBARA C; YOUNG, KEVIN M
1601 1ST ST

KIRKLAND WA 98033

APN: 124500-1140
Bedrooms: 4
Square Feet: 2,530 SF
Year Built: 1980

Tel:
Bathrooms: 1
Lot Size: 8,448 SF
Garage: M

LANG PETER
1523 1ST ST
KIRKLAND WA 98033

APN: 388580-3795
Bedrooms: 5
Square Feet: 2,280 SF
Year Built: 1945

Tel:
Bathrooms: 1
Lot Size: 7,160 SF
Garage: A

HOOD SHIRLEY A
1602 1ST ST
KIRKLAND WA 98033

APN: 124500-1251
Bedrooms: 2
Square Feet: 1,360 SF
Year Built: 1916

Tel:
Bathrooms: 1
Lot Size: 12,250 SF
Garage: U

DUTCH HILL INVESTMENTS LLC,
105 17TH PL
KIRKLAND WA 98033

APN: 321150-0050
Bedrooms: 3
Square Feet: 1,640 SF
Year Built: 1961

Tel:
Bathrooms: 2
Lot Size: 8,650 SF
Garage: A

DIMPSEY ROBERT & TANYA
1517 1ST ST
KIRKLAND WA 98033

APN: 388580-3805
Bedrooms: 5
Square Feet: 3,020 SF
Year Built: 1945

Tel:
Bathrooms: 2
Lot Size: 8,507 SF
Garage: U

MCLAREN SHARI M & CASSIDY MAT
1522 1ST ST
KIRKLAND WA 98033

APN: 388580-3895
Bedrooms: 3
Square Feet: 1,360 SF
Year Built: 1942

Tel:
Bathrooms: 1
Lot Size: 8,752 SF
Garage:

HEAVENLY RAINBOWS LLC,
1516 1ST ST
KIRKLAND WA 98033

APN: 388580-3910
Bedrooms: 2
Square Feet: 1,360 SF
Year Built: 1957

Tel:
Bathrooms: 2
Lot Size: 7,120 SF
Garage:

POTHINENI VAMSI & GOLI UMA
116 16TH AVE
KIRKLAND WA 98033

APN: 124500-1252
Bedrooms: 4
Square Feet: 4,310 SF
Year Built: 2008

Tel:
Bathrooms: 3
Lot Size: 6,000 SF
Garage: U

RAY B A -TRUSTEE
1713 1ST ST
KIRKLAND WA 98033

APN: 124500-1185
Bedrooms: 4
Square Feet: 2,020 SF
Year Built: 1949

Tel:
Bathrooms: 1
Lot Size: 8,250 SF
Garage:

JASPER HARRY
106 17TH PL
KIRKLAND WA 98033

APN: 321150-0010
Bedrooms: 3
Square Feet: 1,640 SF
Year Built: 1961

Tel:
Bathrooms: 2
Lot Size: 8,650 SF
Garage:

MARKET STREET I LLC
1611 MARKET ST
KIRKLAND WA 98033

APN: 388580-3350
Bedrooms: 1
Square Feet: 830 SF
Year Built: 1924

Tel:
Bathrooms:
Lot Size: 9,763 SF
Garage:

BRELAND DIXIE L
1503 1ST ST
KIRKLAND WA 98033

APN: 388580-3825
Bedrooms: 3
Square Feet: 1,540 SF
Year Built: 1945

Tel:
Bathrooms: 1
Lot Size: 10,445 SF
Garage:

SADEGHI, FARID; SADEGHI, SHERRY S
115 17TH PL
KIRKLAND WA 98033

LANDGUTH EMMA E
1502 1ST ST
KIRKLAND WA 98033



Demographics

Young, Barbara C; Young, Kevin M
1601 1St St, Kirkland, WA 98033

APN: 124500-1140
King County

Population	ZIP 98033	National
2000	31,142	281,421,906
2009	32,261	309,731,508
2014	33,270	324,062,684
Growth Rate	0.4 %	1.0 %

Households	ZIP 98033	National
2000	14,052	105,480,101
2009	14,870	116,523,156
2014	15,403	122,109,448
Household Growth Rate	0.6 %	1.1 %

Families	ZIP 98033	National
2000	7,889	71,787,347
2009	8,141	77,956,117

Age Distribution	ZIP 98033	National
0-4	5.1 %	6.8 %
5-9	4.9 %	6.7 %
10-14	5.1 %	6.6 %
15-19	5.3 %	7.1 %
20-24	5.8 %	6.9 %
25-44	31.3 %	27.0 %
45-64	31.1 %	26.0 %
65-84	9.9 %	10.9 %

APN: 321150-0040
Bedrooms: 5
Square Feet: 3,830 SF
Year Built: 2000

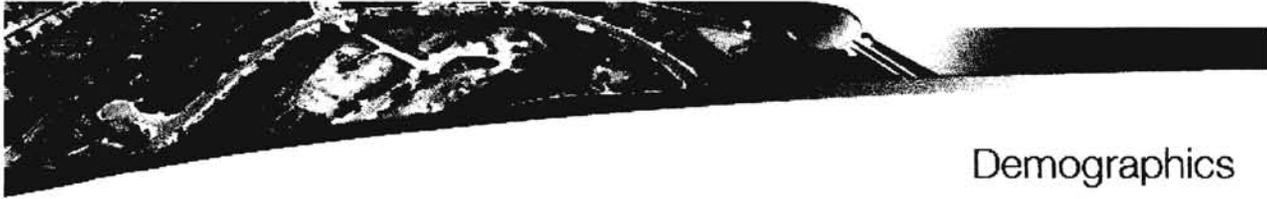
Tel:
Bathrooms: 4
Lot Size: 7,308 SF
Garage: U

APN: 388580-3920
Bedrooms: 2
Square Feet: 1,210 SF
Year Built: 1947

Tel:
Bathrooms: 1
Lot Size: 8,192 SF
Garage:

CAHILL MARGARET G
120 16TH AVE
KIRKLAND WA 98033
APN: 124500-1250
Bedrooms: 4
Square Feet: 1,840 SF
Year Built: 1951

Tel:
Bathrooms: 1
Lot Size: 6,250 SF
Garage: U



Demographics

Young, Barbara C; Young, Kevin M
1601 1St St, Kirkland, WA 98033

APN: 124500-1140
King County

Population	ZIP 98033	National
2000	31,142	281,421,906
2009	32,261	309,731,508
2014	33,270	324,062,684
Growth Rate	0.4 %	1.0 %

Households	ZIP 98033	National
2000	14,052	105,480,101
2009	14,870	116,523,156
2014	15,403	122,109,448
Household Growth Rate	0.6 %	1.1 %

Families	ZIP 98033	National
2000	7,889	71,787,347
2009	8,141	77,956,117

Age Distribution	ZIP 98033	National
0-4	5.1 %	6.8 %
5-9	4.9 %	6.7 %
10-14	5.1 %	6.6 %
15-19	5.3 %	7.1 %
20-24	5.8 %	6.9 %
25-44	31.3 %	27.0 %
45-64	31.1 %	26.0 %
65-84	9.9 %	10.9 %

Median Age	ZIP 98033	National
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2009	40.6	36.9
Male Ratio	49.4 %	49.2 %

Household Income	ZIP 98033	National
-------------------------	------------------	-----------------

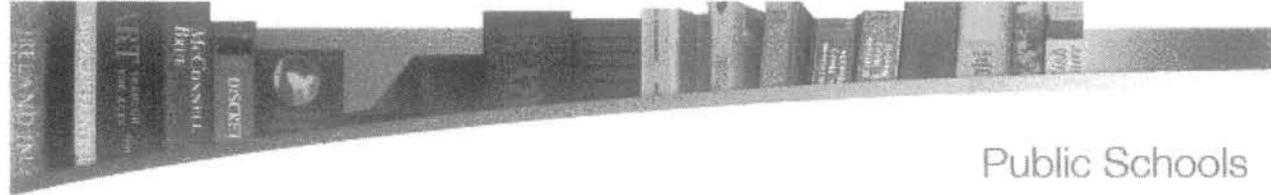
% < \$25K	6.7 %	20.9 %
% \$25K-50K	10.0 %	24.4 %
% \$50K-100K	38.7 %	35.3 %
% \$100K-150K	22.5 %	11.7 %

Median Household Income	ZIP 98033	National
--------------------------------	------------------	-----------------

2009	\$91,604.00	\$54,719.00
2014	\$101,456.00	\$56,938.00

Household Income Centile	ZIP 98033	National
---------------------------------	------------------	-----------------

National	95.0 %	
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Public Schools

Young, Barbara C; Young, Kevin M
1601 1St St, Kirkland, WA 98033

APN: 124500-1140
King County

PETER KIRK ELEMENTARY .58 mile from subject property

1312 6TH ST
KIRKLAND, WA 98033-
425-822-7449

- Grade KG - Grade 6
- Student Teacher Ratio: 1:18.8
- Full Time Equivalent Administrators: 29.00

Grade Membership

KDGN	GR - 1	GR - 2	GR - 3	GR - 4	GR - 5	GR - 6	Total
80	85	83	73	76	74	74	545

ALEXANDER GRAHAM BELL ELEMENTARY 1.18 miles from subject property

11212 NE 112TH
KIRKLAND, WA 98033-
425-822-7450

- Grade KG - Grade 6
- Student Teacher Ratio: 1:15.3
- Full Time Equivalent Administrators: 26.20

Grade Membership

KDGN	GR - 1	GR - 2	GR - 3	GR - 4	GR - 5	GR - 6	Total
62	58	64	51	67	55	45	402

KIRKLAND JUNIOR HIGH .46 mile from subject property

430 18TH AVE
KIRKLAND, WA 98033-
425-822-6224

- Grade 7 - Grade 9
- Student Teacher Ratio: 1:20.5
- Full Time Equivalent Administrators: 26.65

Grade Membership

GR - 7	GR - 8	GR - 9	Total
188	195	163	546

INTERNATIONAL COMMUNITY SCHOOL 1.88 miles from subject property

11133 NE 65TH ST
KIRKLAND, WA 98033-
425-889-6880

- Grade 7 - Grade 12
- Student Teacher Ratio: 1:23.2
- Full Time Equivalent Administrators: 16.40

Grade Membership

GR - 7	GR - 8	GR - 9	GR - 10	GR - 11	GR - 12	Total
65	60	77	72	54	52	380

LAKE WASHINGTON SCHOOL DISTRICT

PO BOX 97039
REDMOND , WA 98073-
TEL: 425-702-3257

- Grade Span PK- 12
- Pupil Teacher Ratio: 19.3:1
- Total Enrollment: 24,178
- Number of High School Graduates: 1,597
- Number of Teachers: 1253.2
- Number of Teacher Aids: 169.6
- Number of Guidance Counselors: 45.4
- Number of School Administrators: 55.8
- Number of Schools : 54

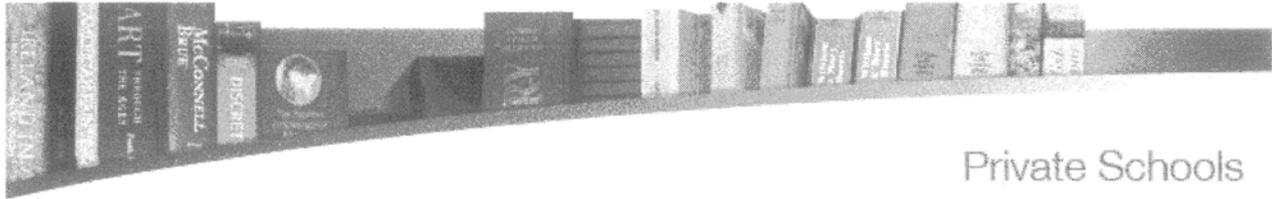
About School Report

Public Schools

The Public School Report lists schools closest to the subject property. For a complete listing of schools in your area, please go to <http://www.nces.ed.gov/globallocator>.

API Index

The Academic Performance Index (API) measures academic performance and growth of schools, which includes results of the Stanford 9. The API reports a numeric scale that ranges from 200 to 1000. A school's score or position on the API indicates the level of a school's performance.



Young, Barbara C; Young, Kevin M
1601 1st St, Kirkland, WA 98033

APN: 124500-1140
King County

LA PETITE - KIRKLAND 1.45 miles from subject property

11440 NE 116TH STREET
KIRKLAND, WA 98034-7115
425-821-0907
Gender: Coed

- Prekindergarten - Kindergarten
- Nonsectarian
- Student Teacher Ratio: 1:10.0
- Full Time Equivalent Administrators: 1

Grade Membership

PK	KDGN	Total
135	10	145

KINDERCARE 11404 #1024 1.77 miles from subject property

11404 SLATER AVENUE NE
KIRKLAND, WA 98033-4634
425-828-3583
Gender: Coed

- Prekindergarten - Kindergarten
- Nonsectarian
- Student Teacher Ratio: 1:10.0
- Full Time Equivalent Administrators: 1

Grade Membership

PK	KDGN	Total
20	10	30

HOLY FAMILY PARISH SCHOOL 1.82 miles from subject property

7300 120TH AVENUE NE
KIRKLAND, WA 98033-8121
425-827-0444
Gender: Coed

- Prekindergarten - Grade 8
- Roman Catholic
- Student Teacher Ratio: 1:17.6
- Full Time Equivalent Administrators: 14.8

Grade Membership

PK	KDGN	GR - 1	GR - 2	GR - 3	GR - 4	GR - 5	GR - 6	GR - 7	GR - 8	Total
55	30	30	30	29	30	30	30	27	24	315

KIRKLAND CHILDRENS SCHOOL 2.31 miles from subject property

5311 108TH AVENUE NE
KIRKLAND, WA 98033-7517
425-822-5664
Gender: Coed

- Prekindergarten - Kindergarten
- Nonsectarian
- Student Teacher Ratio: 1:1.5
- Full Time Equivalent Administrators: 20.5

Grade Membership

PK	KDGN	Total
15	30	45

KIRKLAND SDA SCHOOL 2.31 miles from subject property

5320 108TH AVENUE NE
KIRKLAND, WA 98033-7517
425-822-7554
Gender: Coed

- Kindergarten - Grade 8
- Seventh-Day Adventist
- Student Teacher Ratio: 1:13.7
- Full Time Equivalent Administrators: 10.3

Grade Membership

KDGN	GR - 1	GR - 2	GR - 3	GR - 4	GR - 5	GR - 6	GR - 7	GR - 8	Total
14	17	19	5	12	14	19	23	18	141

PUGET SOUND ADVENTIST ACADEMY

2.31 miles from subject property

5320 108TH AVENUE NE
KIRKLAND, WA 98033-7517
425-822-7554
Gender: Coed

- Grade 9 - Grade 12
- Seventh-Day Adventist
- Student Teacher Ratio: 1:9.2
- Full Time Equivalent Administrators: 10

Grade Membership

GR - 9	GR - 10	GR - 11	GR - 12	Total
29	25	19	19	92

COUNTRYSIDE MONTESSORI SCHOOL

2.36 miles from subject property

13630 100TH AVENUE NE -
KIRKLAND, WA 98034-5212
425-823-2211
Gender: Coed

- Prekindergarten - Grade 1
- Nonsectarian
- Student Teacher Ratio: 1:8.5
- Full Time Equivalent Administrators: 2

Grade Membership

PK	KDGN	GR - 1	Total
74	16	1	91

OUR REDEEMER CHRISTIAN SCHOOL

2.78 miles from subject property

11611 NE 140TH STREET
KIRKLAND, WA 98034-2115
425-821-2425
Gender: Coed

- Kindergarten - Kindergarten
- Christian (no specific denomination)
- Student Teacher Ratio: 1:22.8
- Full Time Equivalent Administrators: 7.9

Grade Membership

KDGN	Total
180	180

LEGACY MONTESSORI CHILD CARE

2.97 miles from subject property

10406 NE 37TH CIRCLE
KIRKLAND, WA 98033-7924
425-822-8240
Gender: Coed

- Prekindergarten - Kindergarten
- Nonsectarian
- Student Teacher Ratio: 1:10.0
- Full Time Equivalent Administrators: 1

Grade Membership

PK	KDGN	Total
30	10	40

EASTSIDE PREPARATORY SCHOOL

3.06 miles from subject property

10635 NE 38TH PLACE
KIRKLAND, WA 98033-7927
425-822-5668
Gender: Coed

- Grade 6 - Grade 9
- Nonsectarian
- Student Teacher Ratio: 1:6.6
- Full Time Equivalent Administrators: 11.9

Grade Membership

GR - 6	GR - 7	GR - 8	GR - 9	Total
27	22	18	12	79

THE LITTLE SCHOOL

3.79 miles from subject property

2812 116TH AVENUE NE
BELLEVUE, WA 98004-1421
425-827-8708
Gender: Coed

- Prekindergarten - Grade 6
- Nonsectarian
- Student Teacher Ratio: 1:15.5
- Full Time Equivalent Administrators: 11

Grade Membership

PK	KDGN	GR - 1	GR - 2	GR - 3	GR - 4	GR - 5	GR - 6	Total
50	21	13	17	22	8	13	2	221

CREATIVE MONTESSORI

3.85 miles from subject property

14944 JUANITA DRIVE NE
 KENMORE, WA 98028-4909
 425-488-8844
 Gender: Coed

- Prekindergarten - Kindergarten
- Nonsectarian
- Student Teacher Ratio: 1:3.1
- Full Time Equivalent Administrators: 4.9

Grade Membership

PK	KDGN	Total
49	15	64

CHESTNUT HILL ACADEMY

3.89 miles from subject property

2610 116TH AVENUE NE
 BELLEVUE, WA 98004-1426
 425-576-1212
 Gender: Coed

- Kindergarten - Grade 5
- Nonsectarian
- Student Teacher Ratio: N/A
- Full Time Equivalent Administrators: 24.4

Grade Membership

Total
150

KINDER CARE 898

3.91 miles from subject property

15816 116TH AVENUE NE
 BOTHELL, WA 98011-4103
 425-488-7383
 Gender: Coed

- Prekindergarten - Kindergarten
- Nonsectarian
- Student Teacher Ratio: N/A
- Full Time Equivalent Administrators: N/A

Grade Membership

PK	KDGN	Total
14	2	16

BELLEVUE MONTESSORI SCHOOL

4.00 miles from subject property

2411 112TH AVENUE NE
 BELLEVUE, WA 98004-2048
 425-454-7439
 Gender: Coed

- Prekindergarten - Grade 6
- Nonsectarian
- Student Teacher Ratio: 1:9.1
- Full Time Equivalent Administrators: 10

Grade Membership

PK	KDGN	GR - 1	GR - 2	GR - 3	GR - 4	GR - 5	GR - 6	Total
136	47	8	8	10	9	8	1	227

About School Report**Private Schools**

As private schools are not subject to district boundaries, we list up to 15 of the schools closest to the subject property within a five mile radius of the subject property.

American College of Forensic Examiners Institute

hereby recognizes

Charles J. Horner

as a

Member

with all the rights and privileges pertaining thereto, so long as annual membership requirements are met and the Principles of Professional Practice are upheld.

Robert L. O'Block

Robert L. O'Block, MDiv, PhD, PsyD,
DMin

Cyril A. Wecht

Cyril Wecht, MD, JD, CFP, CMI-V
Chair, Executive Advisory Board

Member since
March 2010



Expiration date
March 2013

Identification Number
112340

This certificate is the property of the American College of Forensic Examiners Institute and conveys competency that the individual has met the minimum requirements to attain this credential based on specifications set forth by the American College of Forensic Examiners Institute and United States accreditation standards.



The Forensic Examiner Creed

I do affirm that:

I shall investigate for the truth.

I shall report only the truth.

I shall avoid conflicts of advocacies.

I shall conduct myself ethically.

I shall seek to preserve the highest standard of my profession.

As a Forensic Examiner, I shall not have a monetary interest in any outcome of a matter in which I am retained.

I shall share my knowledge and experience with other examiners in a professional manner.

I shall avoid conflicts of interest and will continue my professional development throughout my career through continuing education, seminars, and other studies.

As a Forensic Examiner, I will express my expert opinion based only upon my knowledge, skill, education, training, and experience.

The light of knowledge shall guide me to the truth and with justice the truth shall prevail.

To all these things, I affirm to uphold.

*American College of Forensic Examiners Institute
www.acfei.com*



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ACFEI and its members are to remain completely objective and use their ability to serve justice by the accurate determination of the facts involved.

ACFEI members are not advocates for one side or the other. Members should not intentionally withhold or omit any findings or opinions discovered during a forensic examination, which would cause the facts to be misinterpreted or distorted.

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Foreclosure Process Audit

Homeowner Information

Borrower's Name(s): Barbara and Kevin Young

Property Address: 1601 1st Street, Kirkland WA 98033

Foreclosure Trustee Information

Foreclosure Trustee: Northwest Trustee Services, Inc.

Address: P.O. Box 997, Bellevue, WA 98009

Trustee's Sale Number: 7090.24072

Current Sale Date: NA

Current Sale Time: NA

Lender Information

Reported First Lien Holder: U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1

Reported Second Lien Holder: Bank of America, NA

Foreclosing Lien Position: 1st

Foreclosure Chronology

*This is a listing of the recorded foreclosure documents in the order they were recorded. As recorded foreclosure documents must contain accurate information at the time of recording it is necessary to investigate when the documents were made official and public record.

Deed of Trust

Lender:	Beneficiary:
American Brokers Conduit	MERS
Borrower/Trustor Vesting:	Effective Date:
Barbara C. Young, Kevin M. Young, wife and husband	10/23/2006
Trustee:	Recorded Date:
Commonwealth Land Title Company of Puget Sound	10/30/2006

Deed of Trust

Lender:	Beneficiary:
Bank of America, NA	Bank of America, NA
Borrower/Trustor Vesting:	Effective Date:
KEVIN M YOUNG, BARBARA C YOUNG	03/06/2007
Trustee:	Recorded Date:
PRLAP, INC.	03/27/2007

Notice of Default

Beneficiary Listed:

U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1

Executed By:

Chris Ashcraft

Title:

NA

Dated Date:

06/04/2010

Recorded Date:

NA

Assignment of Deed of Trust

Entity Executing Assignment of Deed of Trust:

Mortgage Electronic Registration Systems, Inc.

Vested Interest From:

Mortgage Electronic Registration Systems, Inc.

Vested Interest To:

U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1

Executed By:

Theresa Esposito

Title:

Vice President

Dated Date:

06/09/2010

Recorded Date:

06/15/2010

Notary Name:

Illegible

Commission Number:

NA

Commission Expiration:

04/04/2011

Appointment of Successor Trustee

Entity Executing Appointment of Successor Trustee:

U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1 by American Home Mortgage Servicing Inc as Attorney in Fact

Executed By:

Arthur Dale Simmons

Dated Date:

06/09/2010

Notary Name:

Illegible

Commission Expiration:

04/04/2011

Title:

Illegible

Recorded Date:

06/15/2010

Commission Number:

NA

Notice of Trustee's Sale

Entity Executing Notice of Trustee's Sale:

Northwest Trustee Services, Inc.

Executed By:

Chris Ashcraft

Dated Date:

07/19/2010

Title:

Authorized Signature

Recorded Date:

07/21/2010

Assignment of Deed of Trust

Entity Executing Assignment of Deed of Trust:

Mortgage Electronic Registration Systems, Inc.

Vested Interest From:

Mortgage Electronic Registration Systems, Inc.

Vested Interest To:

U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1

Executed By:

Andrew Fuerstenberger

Title:

Assistant Secretary

Dated Date:

05/05/2011

Recorded Date:

005/12/2011

Notary Name:

Tammy Hansen

Commission Number:

DD 925072

Commission Expiration:

01/12/2014

Appointment of Successor Trustee

Entity Executing Appointment of Successor Trustee:

U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1 by American Home Mortgage Servicing Inc

Executed By:

April King

Title:

Assistant Secretary

Dated Date:

05/04/2011

Recorded Date:

05/12/2011

Notary Name:

Feleica Cutter

Commission Number:

EE 067650

Commission Expiration:

02/24/2015

Notice of Trustee's Sale

Entity Executing Notice of Trustee's Sale:

Northwest Trustee Services, Inc.

Executed By:

Chris Ashcraft

Dated Date:

07/07/2011

Title:

Authorized Signature

Recorded Date:

07/13/2011

Findings

1. Notice of Default is invalid; Notice of Default lists U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1 as the name of the current beneficiary. The original lender listed on the subject Deed of Trust was American Brokers Conduit and the Assignment of Deed of Trust, purportedly transferring vested interest of the property to U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1, was not recorded until after the Notice of Default was executed and served. There is not sufficient evidence to show that the title chain was perfected prior to the execution and service of the Notice of Default.
2. Assignment of Deed of Trust, recorded as instrument number 20100615001308, is invalid due to evidence that the document was executed fraudulently. The Assignment of Deed of Trust was executed by Theresa Esposito, listed as Vice President of MERS. Evidence has been found that Theresa Esposito is actually employed at American Home Mortgage Servicing, Inc. (see attached Exhibit A), which is also confirmed on the acknowledgement section of the aforementioned document. It appears that Theresa Esposito misrepresented her position as Vice President of MERS, unless evidence is supplied confirming Theresa Esposito's position as Vice President of MERS and proof of signing authority.
3. Appointment of Successor Trustee, recorded as instrument number 20100615001309, is invalid. Appointment of Successor Trustee was executed by a representative of American Home Mortgage Servicing, Inc., as Attorney in Fact for U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1. As the Assignment of Deed of Trust, transferring vested interest from American Brokers Conduit to U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1 appears to have been executed fraudulently, American Home Mortgage Servicing, Inc. did not have vested interest needed in order to execute the Appointment of Successor Trustee.
4. Assignment of Deed of Trust, recorded as instrument number 20110512000154, is invalid due to evidence that the document was executed fraudulently. The Assignment of Deed of Trust was executed by Andrew Fuerstenberger, listed as Assistant Secretary of MERS. Evidence has been found that Andrew Fuerstenberger is actually employed at FIS Default Solutions (see attached Exhibit B). It appears that Andrew Fuerstenberger misrepresented his position as Assistant Secretary of MERS, unless evidence is supplied

confirming Andrew Fuerstenberger's position as Assistant Secretary of MERS and proof of signing authority.

5. Appointment of Successor Trustee, recorded as instrument number 20110512000155, is invalid. Appointment of Successor Trustee was executed by a representative of American Home Mortgage Servicing, Inc. As the Assignment of Deed of Trust, transferring vested interest from American Brokers Conduit to U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1 appears to have been executed fraudulently, American Home Mortgage Servicing, Inc. did not have vested interest needed in order to execute the Appointment of Successor Trustee.
6. Current Notice of Trustee's Sale is invalid as evidence has been provided that both recorded Assignments of Deed of Trust were executed fraudulently. Neither U.S. Bank National Association, as Trustee for MASTR Adjustable Rate Mortgages Trust 2007-1, Mortgage Pass-Through Certificates, Series 2007-1 nor Northwest Trustee Services, Inc. have proper vested interest needed in order to proceed with the foreclosure.

Exhibit A

Wright, Finlay & Zak - Attorneys at Law. Mortgage Banking, Real Estate & Business-Rel... Page 1 of 3

Wright, Finlay & Zak, LLP - Attorneys at Law - California, Nevada & Arizona

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Wright, Finlay & Zak provides high quality and cost-effective representation in mortgage banking, loan servicing, and foreclosure related matters.

Clients Say:

"The attorneys at WFZ provide sound legal advice and representation while at the same time working toward the common goal of the best interest of the company. It's not always about the litigation. It's about the parties involved in the litigation"

Terry Esposito, Esq.
Default Litigation Manager
American Home Mortgage Servicing, Inc.

Exhibit B

Andrew Fuerstenberger - Manager for FIS Default Solutions

Page 1 of 1

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This is Me!

Andrew Fuerstenberger lives in Jacksonville, Florida and is a Manager and works for FIS Default Solutions in the Financial Services Industry.

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