

THIS DRAFT AGREEMENT IS SOLELY FOR DISCUSSION PURPOSES; IT IS NOT INTENDED TO BE LEGAL ADVICE AND IS NOT RECOMMENDED BY THE AUTHOR/SPEAKERS AS A STANDARD FORM TO BE USED BY CMA MEMBERS. THIS FORM WAS DESIGNED ONLY FOR LOANS MADE OR ARRANGED BY CAL. REAL ESTATE LICENSEES AND SECURED BY PROPERTY IN CALIFORNIA. ALL FORMS SHOULD BE REVIEWED, REVISED AND APPROVED BY YOUR OWN COUNSEL IN LIGHT OF YOUR PARTICULAR BUSINESS PLAN AND PRACTICES.

EZ LOAN COMPANY

EZ STREET
Los Angeles, California 90025

AGREEMENT TO PROCURE LENDER

Loan Number: 25110

To: EZ LOAN COMPANY, a licensed real estate broker, hereinafter referred to as "BROKER";

The undersigned (hereinafter referred to collectively as "BORROWER"), hereby engages "BROKER" to arrange a loan on the following terms, or on such other terms as the BORROWER may agree to:

A \$260,000.00 loan on terms not to exceed the following: 10% (percent) per annum fixed rate interest; payable in installments of \$3,435.95 per month, beginning on May 1, 2006, said installments are to continue until April 30, 2016, at which time a Balloon Payment of \$3,435.91 will be due ("the Loan"). The Loan is to be evidenced by a promissory note ("Note") and secured by a Deed of Trust in first position, on the BORROWER's real estate described as: 2051 Sepulveda Blvd, Los Angeles, California 90025 ("the Property"). The Property is:

- A. A single dwelling unit in a condominium or cooperative.
- B. A parcel containing only residential buildings with a total of four units or less.
- C. Other type of property: _____.

The Property x is ___ is not my principal dwelling.

Upon the close of escrow for the Loan, whether before or after the term of this exclusive agency agreement, or upon BORROWER's breach of this Agreement, whichever occurs first, the BORROWER agrees to pay BROKER the sum of \$10,400.00, as brokerage commission ("BROKER's Commission") for arranging this loan. If the loan is not consummated because of the default of the BORROWER, the damages to BROKER would be extremely difficult to determine and fix and, therefore, the BORROWER agrees to pay the "BROKER's Commission" and loan costs and fees advanced or payable by the BROKER, limited only by Section 10243 of the Business and Professions Code, when applicable ("Liquidated Damage"). BORROWER agrees the Liquidated Damage is a reasonable estimate of the BROKER's damages at the time this Agreement is entered into.

BORROWER is aware that State law regulates some commissions as follows: On loans under thirty thousand dollars secured by first trust deeds, five percent (5%) of the principal amount of the loan if the loan term is less than three years, and ten percent (10%) if the term is three years or more; on loans under twenty thousand dollars secured by junior liens, five percent (5%) of the principal amount of the loan if the loan term is less than two years, ten percent (10%) if the loan is two years but less than three years, and fifteen percent (15%) if three years or more.

NOTICE

While certain State and/or Federal laws and regulations may regulate broker commissions or loan origination fees, the specific amount of the BROKER's commission or loan origination fee may not be fixed by law. Where not fixed or regulated by law, the loan BROKER's commission is set by each BROKER individually and may be negotiable. On certain loans, when broker commissions and loan origination fees reach certain minimum thresholds, the BROKER may be required to give the BORROWER additional loan disclosures. The interest rate and other loan terms offered by the actual lender may also be negotiable. Depending on the terms of the loan, a lender may pay compensation to BROKER for arranging the loan. When such additional compensation is paid by the lender to the BROKER, it may reduce the fees and costs that otherwise would be payable by the BORROWER at, or before, the close of escrow, but may result in a higher interest rate than would be charged by the lender if BORROWER directly pays at, or before the close of escrow, all of the BROKER's commission and lower loan costs.

The BORROWER acknowledges receipt of either a Mortgage Loan Disclosure Statement or a Mortgage Loan Disclosure Statement/Good Faith Estimate (whichever received referred to as "MLDS") given this date and executed by the BORROWER, which is incorporated herein by this reference. Among other things, the MLDS discloses, as of the date the MLDS was given to BORROWER, the estimated maximum costs and expenses of making the loan as well as the total BROKER's commission and loan origination fees. These amounts may change before the loan is funded and the loan escrow closes. BORROWER agrees to pay the actual costs, expenses and charges associated with arranging the loan. BROKER is authorized to obtain and use such credit reports pertaining to the BORROWER as it deems necessary, including but not limited to presenting and providing copies of said credit report to prospective lender/investors and/or endorsees/assignees of the Note or of any beneficial interest in the deed of trust. BROKER is hereby released from any and all liability in connection therewith. To induce BROKER to procure said Loan, the BORROWER (each of the undersigned) represents that the undersigned are all of the owners of the Property and that he/she/they is/are lawfully entitled to encumber the entire Property. BORROWER agrees to execute any and all documents necessary to consummate the Loan herein referred to including, but not limited to, loan escrow instructions, the Note containing late charge and prepayment charge provisions disclosed in the MLDS and the Deed of Trust.

THE ULTIMATE ACCEPTANCE OF THIS LOAN FOR FUNDING IS SUBJECT TO THE ACTUAL LENDER'S PRIOR APPROVAL. EXECUTION OF LOAN DOCUMENTS DOES NOT CONSTITUTE THE BROKER'S OR THE LENDER'S APPROVAL. BORROWER ACKNOWLEDGES NO WARRANTIES, REPRESENTATIONS OR PROMISES HAVE BEEN MADE BY BROKER EXCEPT AS CONTAINED IN THIS AGREEMENT. ANY WARRANTIES, REPRESENTATIONS, PROMISES, MODIFICATIONS, WAIVERS OR CHANGES TO THIS TRANSACTION, EXCEPT AS ALLOWED BY THIS AGREEMENT, MUST BE IN WRITING TO BE VALID AND BINDING ON THE PARTIES.

The BORROWER hereby warrants that the liens set forth in the MLDS are the only liens on the Property at this time. The BORROWER hereby agrees to inform BROKER of any material changes in the status of any existing liens on the Property or of any other lien or liens that should encumber the Property. If any lien is subject to a Notice of Default, the BORROWER hereby discloses such information in the "BORROWER DISCLOSURE WARRANTY" section of this Agreement. The BORROWER hereby agrees that all existing liens and encumbrances on the property will be paid in full except those liens which will remain as stated in the MLDS.

BORROWER hereby grants to BROKER the EXCLUSIVE right and agency commencing on the date this Agreement is signed and continuing until April 14, 2006, to secure a lender for the Loan and during that period this Agreement shall be exclusive and cancellation during the term of this Agreement shall be a breach of this Agreement. BROKER agrees to use reasonable efforts and due diligence to procure the Loan. This Agreement may be deposited by BROKER in any escrow handling the loan ("Escrow Holder") and, when so deposited, it shall be an irrevocable instruction to the Escrow Holder to pay BROKER the costs, expenses, and charges referred herein. BROKER may act as Escrow Holder in connection with this Loan.

BORROWER DISCLOSURE WARRANTY

The BORROWER hereby discloses all material facts known by BORROWER not already stated in this Agreement including, but not limited to, prepayment penalties which may become due or defaults on loans secured by the Property, as follows:

BROKER MAY ACT SOLELY AS AGENT OF BORROWER OR AS A DUAL AGENT FOR BOTH BORROWER AND LENDER. THE ACTUAL AGENCY BETWEEN BORROWER AND BROKER SHALL BE SET FORTH IN SEPARATE AGENCY CONFIRMATION. BORROWER HEREBY ACKNOWLEDGES AND CONSENTS TO BROKER ACTING AS SPECIAL DUAL AGENT FOR BOTH THE BORROWER AND THE LENDER IN ARRANGING THIS LOAN. WHERE DISCLOSED IN THE MLDS, THE LOAN MAY BE MADE WITH BROKER CONTROLLED FUNDS AS DEFINED IN CAL. BUSINESS & PROFESSIONS CODE § 10241(j). THE BROKER'S AGENCY IS LIMITED TO EITHER MAKING OR ARRANGING A LOAN AND TERMINATES WHEN THE LOAN ESCROW CLOSSES, WHEN THE BORROWER DEFAULTS UNDER THIS AGREEMENT OR WHEN THE TERM OF THIS AGREEMENT EXPIRES, EXCEPT WHERE EXTENDED BY THE AGREEMENT OF THE BORROWER AND BROKER, AND THEN AT THE END OF SUCH EXTENSION. THE BROKER OR ENTITY OF BROKER MAY CONTINUE TO ACT AS AGENT FOR THE LENDER IN SERVICING THE LOAN.

In any action to enforce the terms of this Agreement, the prevailing party in any legal action or in any binding arbitration, shall be entitled to actual attorneys' fees and costs unless otherwise expressly prohibited by law. Pronouns used herein shall, where the context requires, refer to the masculine, feminine or neuter. The singular shall include the plural, and vice versa. The general rule of construction that a written agreement shall be construed against the drafter thereof shall not apply to this Agreement. This Agreement may be executed in duplicate counterpart, and each such counterpart together shall constitute one document. The document shall be considered fully executed as of the date last signed.

BORROWER HAS READ, UNDERSTANDS AND AGREES TO THE TERMS OF THE FOREGOING AGREEMENT. BORROWER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT.

Dated: March 15, 2006

JOHN J. SMITH

Dated: March 15, 2006

JANE SMITH

BROKER hereby accepts this authorization to procure lender and agrees to use due diligence in procuring said loan.

Dated: March 15, 2006

EZ LOAN COMPANY - BROKER