



# PLM Lender Services, Inc.

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[www.PLMWEB.com](http://www.PLMWEB.com)

## LOAN SERVICING AGREEMENT

Loan No.: \_\_\_\_\_

Lender Acct. No. \_\_\_\_\_

Borrower: \_\_\_\_\_

Lender Name(s): \_\_\_\_\_ (Lender)

This Loan Servicing Agreement (the "Agreement") is dated \_\_\_\_\_ and is between PLM LENDER SERVICES, INC. located at 5446 Thornwood Drive, 2<sup>nd</sup> Floor, San Jose, CA 95123, Phone No. (800) 829-1585 and Fax No. (800) 829-1595, DRE#: 01125529; NMLS#: 322482, ("SERVICER") licensed by the California Department of Real Estate ("DRE") as a Real Estate Broker and the lender or lenders whose signature(s) appear below and in counterpart(s) to this Agreement (together, "Lender"). The parties agree as follows:

**1. Scope.** Lender retains SERVICER as Lender's exclusive agent to employ commercially reasonable efforts to collect all scheduled payments on the referenced above ("Loan") which is evidenced by one or more promissory note(s) ("Note") and secured by one or more deed(s) of trust ("Deed of Trust"), including the protection of the security for the Loan. SERVICER shall consult with and follow instructions from Lender on non-routine collection matters. If the Loan is owned by multiple Lenders (a "Multi-Lender Loan"), SERVICER shall consult with all Lenders on non-routine collection matters but shall only follow instructions from the "Majority" as defined in paragraph 16 below.

**2. Term and Termination.** This Agreement shall commence when "SERVICER" receives all necessary documents to service loan and this Agreement executed by all parties or, in a Multi-Lender Loan, receives this Agreement or similar agreements executed by each person holding a beneficial interest in the Loan. This Agreement shall terminate when any of these events occur: (a) payment in full of the Loan and reconveyance of the deed(s) of trust securing the Loan; (b) 30-days written notice of termination by SERVICER to Lender; (c) 30-days written notice by Lender to SERVICER accompanied by instructions identifying the new person or entity to whom loan servicing shall be transferred; (d) issuance of a trustee's deed following a foreclosure of the Loan or final distribution of surplus proceeds whichever occurs last, should there no longer be any properties remaining secured; (e) Non-payment of servicing fees within 10-days of demand from SERVICER to lender. Prior to the effectiveness of any termination, SERVICER shall deliver to Lender all of Lender's funds (less any amounts due Servicer), an appropriate accounting and all necessary documentation. At termination, Lender shall immediately reimburse SERVICER for any outstanding advances made pursuant to this contract if said funds cannot be intercepted as stated above.

**3. Specific Loan Servicing Functions.** SERVICER shall: (a) issue payment coupons or monthly statements to the borrower directing Loan repayment to SERVICER; (b) issue payoff demands, beneficiary statements and verifications of mortgage; (c) demand, receive and collect all Loan payments and Loan payoff funds, and/or partial paydowns and deposit them immediately to SERVICER'S trust account maintained in accordance with Cal. Bus. & Profs. Code §§ 10238(k), 10145 and Cal. Code of Regulations § 2830.1 et seq. and pay any such funds received to Lender (or lenders pro rata according to their interest in a Multi-Lender Loan) within 25-days of receipt by the SERVICER; (d) issue annual income tax statements to the borrower and Lender; (e) answer borrower inquiries, demands and requests; (f) grant appropriate payment deferrals; however, the SERVICER shall not extend the Loan's maturity date without Lender approval or, in a Multi-Lender Loan, without Majority approval; (g) maintain adequate insurance coverage which means that the SERVICER will monitor the continued effectiveness and claims on any property insurance listed in the Loan escrow instructions. Should borrower not pay for renewal of insurance, SERVICER may pay said premium or bind or obtain coverage for the Lender through its carrier, if said product is available; should property be impounded

for insurance and federal or state law requires that servicer maintain the insurance when there is an impound account, thus requiring servicer to advance insurance payment, Servicer to be reimbursed for advance pursuant to paragraph 8 (h) receive notices of property tax delinquencies, should a tax service be ordered through escrow or thereafter. SERVICER shall not be responsible should tax service fail to send timely notice; (i) execute and deliver on behalf of Lender and in Lender's name any documents necessary or convenient for the exercise of any rights or duties which Lender may have under the Loan, including but not limited to Substitution of Trustee, Request for Full or Partial Reconveyance, Payoff Demands, Beneficiary Statements, Declarations and Notices of Default, bidding authorizations and other instructions to the Trustee (appointed or substituted) of the Deed of Trust; (j) endorse to SERVICER'S Trust Account any checks or money orders payable to Lender and to immediately deposit them into SERVICER'S trust account; (k) record in the SERVICER'S name a Request for Notice of Default on senior liens should SERVICER not be entitled to Notice of Default pursuant to Civil Code § 2924b (Lender to pay fee for preparation and recording fee of said document); (l) notify Lender in writing within 15-days of the recording of any of Notice of Default or Notice of Trustee Sale on any senior liens about which Lender has informed SERVICER and on serviced loans; ( m) notify Lender in writing within 5 days of the recording of any notice of default on their own loan (n) notify Lender within 15 days of the receipt of any payment constituting an amount greater than or equal to five monthly payments, together with a request for partial or total reconveyance of the real property, in which case the notice shall also indicate any further transfer or delivery instructions; (o) promptly forward to Lender a copy of any Notice of Sale or of any request for reconveyance on the Loan; (p) notify Lender within 30-days of any installments which becomes delinquent over 30-days; (q) provide a year-end accounting as required by statute or regulation; (r) promptly communicate to Lender any material information about collection of the Loan; and, (s) have the trust accounts of the SERVICER and of any affiliate, if any, inspected by an independent certified public accountant at no less than three-month intervals if, with respect to Multi-Lender Loans, the SERVICER collects payments due during any period of three consecutive months in the aggregate exceeding one hundred twenty-five thousand dollars (\$125,000.00) or if the number of persons entitled to payments on loans serviced by SERVICER exceeds 120 days in any consecutive 3 month period. If SERVICER meets these thresholds, within 30 days after the close of the period for which the review is made, the SERVICER shall forward the report of the accountant as provided in Bus. & Profs. Code § 10238(k)(3); (t) refer to PLM Loan Management Services, Inc. (a PLM affiliate company) to process a foreclosure upon receipt of instructions and deposit from Lender(s) should a foreclosure be required/requested by Lender.

**4. Handling of Funds and Notices.** Payments received by SERVICER pursuant to paragraph 3 shall not be commingled with the assets of the SERVICER or used for any transaction other than the transaction for which the funds are received (unless directed by Lender or Lender's agent). If the source for the payment is not the maker of the note, the SERVICER shall inform the Lenders in writing of the source for payment. If the SERVICER transmits to Lenders the SERVICER'S own funds to cover payments due from the borrower but unpaid as a result of a dishonored check, the SERVICER may recover the amount of the advances from the trust fund when the past due payment is received or within 10 days of billing lender. Neither SERVICER nor any other person, is authorized by this Agreement or by law to issue, or to engage in any practice constituting, any guarantee or to engage in the practice of advancing payments on behalf of the borrower.

**5. SERVICER Reliance of Information and Lender Representations.** The undersigned Lender represents that Lender owns the entire beneficial interest in the Loan; or, in a Multi-Lender Loan, that the undersigned Lender holds a beneficial interest in the Loan. Lender agrees that SERVICER may rely on all prior servicing records and information provided to SERVICER by Lender or by a predecessor loan servicer and that SERVICER has no obligation or duty to research or verify such prior servicing records and information.

**6. Authority of SERVICER.** Without further authorization, Lender expressly authorizes SERVICER to take any actions set forth in this Agreement including, but not by way of limitation, those necessary to engage in loss mitigation, conduct and conclude a non-judicial or judicial foreclosure or to exercise, on behalf of Lender, any remedies Lender may have. **Lender understands that SERVICER does not have a propriety modification or forbearance plan available to offer borrowers. Lender represents that the Loan does not currently fall under any mandated government programs for payment assistance should the borrower default. Unless the Lender provides SERVICER with a written copy of Lender's proprietary loan modification or forbearance plan, Lender represents to SERVICER that Lender has no such plans. SERVICER is not authorized to enter into any forbearance plan or loan modification without the written consent of Lender (or of a Majority in a Multi-Lender Loan) unless mandated by statute or regulation. Lender authorization shall be on a loan-by-loan basis and shall be considered a "non-routine" matter. Upon Lender's (or the Majority in a Multi-Lender Loan)**

**consent, SERVICER may enter, on Lender's behalf, a loan modification or forbearance plan. Should Lender not respond to request to continue a forbearance plan, SERVICER, at SERVICER'S direction, may continue with existing plan in place.**

Lender authorizes SERVICER to employ outside services ("Contractors") reasonably necessary in the SERVICER sole discretion to protect Lender's interest in the Loan. These Contractors may include, but are not limited to, appraisers, attorneys, accountants, foreclosure agents/trustees, and services provided by SERVICER or by affiliated firms that are not within the scope of this Agreement (e.g., foreclosure agent or trustee when a foreclosure must be commenced). Whether Contractor's fees and costs have been incurred or whether they are yet to be incurred, upon SERVICER'S demand, Lender shall pay said Contractor fees and costs as directed by SERVICER. SERVICER may produce a copy of this Agreement as evidence of its authority. Should property be located in a city or county in which an ordinance exists where registration fees, inspection fees, etc. exist, Lender understands that Lender is responsible for payment of said fees, either directly by request of SERVICER or reimbursement to SERVICER. Reimbursement to SERVICER falls under # 8 below.

**7. Default of Borrower.** Upon borrower's default under the Loan Documents and after receiving instructions of Lender (or of the Majority in a Multi-Lender Loan), SERVICER, or its designated Contractor (e.g., trustee, substitute trustee, or foreclosure agent) are each authorized by Lender to take any and all reasonable or necessary actions on behalf of Lender to: (1) satisfy or complete any conditions precedent to initiating, processing and concluding a non-judicial or judicial foreclosure, including, but not limited to, taking any actions required or permitted by the Loan Documents or pursuant to Civil Code §§ 2920 et seq.; and (2) to initiate, process, and conclude a non-judicial foreclosure including, but not limited to, taking any actions required or permitted by the Loan Documents or pursuant to Civil Code §§ 2920 et seq. The authority granted by the Lender under this Agreement includes, but is not limited to, SERVICER and a Contractor selected by SERVICER (e.g., trustee, substitute trustee, or foreclosure agent) each of whom is authorized to take all actions on behalf of Lender relating to executing and processing a Notice(s) of Default; a Declaration of Mortgage SERVICER included in the Notice(s) of Default; using a title company or vendor of SERVICER'S choice for recording documents on behalf of Lender, SERVICER or its Contractor; to prepare and record a Substitution of Trustee, if needed; to order a Trustee's Sale Guarantee or litigation guaranty; to mail "Post-Notice of Default Solicitation Letter" if necessary; to post, publish and take any and all other action regarding a Notice of Trustee's Sale; to request a bid or postponement information; to send required postponement letters under Lender's or SERVICER'S name; to conduct and/or continue a Trustee's Sale; to distribute all funds received whether reinstatement, payoff, or trustee sale proceeds. For each default of borrower, Lender authorizes SERVICER, in its sole discretion, to direct any and all foreclosure actions through foreclosure sale (which includes final distribution of any surplus proceeds), reinstatement, redemption or other legal satisfaction or extinguishment of the Deed of Trust. Lender understands that SERVICER may "underbid" to commence bidding, but SERVICER shall not accept less than full credit bid at trustee sale without Lender's approval or, in a Multi-Lender Loan, without Majority approval. Additionally SERVICER has authority to quote payoff/reinstatements, or redemption figures to borrower and to collect all funds on Lender's behalf and release to lenders. While having the authority to do so, Lender agrees that SERVICER may refuse to take any action to initiate, process or conclude a non-judicial or a judicial foreclosure: (1) without an instruction from Lender or, in a Multi-Lender Loan, from the Majority; and, (2) until Lender has deposited any fees, costs, instructions, and documents required by SERVICER or by Contractor (e.g., trustee, substitute trustee or foreclosure agent). Any amounts owed to SERVICER and Contractor not included in a deposit shall be paid to SERVICER, or as directed by SERVICER, within 10 days of Lender being billed by SERVICER or Contractor.

**8. Protective Advances.** Lender shall make such advances as approved by the Majority or, if Lender is the only owner of the Loan, such advances that are necessary and prudent to protect and to collect Lender's interest in the Loan. If the Loan is a Multi-Lender Loan, and Lender fails to make or pay advances approved by the Majority ("Defaulting Lender"), the other beneficial owners of the Loan are authorized to advance or pay the Defaulting Lender's pro rata share of the advance and any beneficiary making such advances for a Defaulting Lender shall be repaid with interest at 10% per annum from any funds collected on the Loan by SERVICER before Defaulting Lender receives any further payments on the Loan. SERVICER, in its absolute discretion, may, but is not obligated to, advance its own funds to protect the security of Lender's Loan, including making advances to cure senior liens, property insurance, foreclosure expenses, repairs, advertising, litigation expenses, and similar items, but not Loan payments. SERVICER shall be reimbursed such advances, with interest at 10% per annum, from the next Loan payment or payoff received by the SERVICER, or within 10 days after the SERVICER'S written demand on Lender. To secure SERVICER's advances, Lender hereby irrevocably assigns to SERVICER, to the extent of advances owed

to SERVICER, the next Loan payments or portion of loan payoff received after a SERVICER advance is made. In a Multi-Lender Loan, a lender will be liable to the remaining investors for all damages incurred as result of the Lender's failure to act or failure to advance funds. Lender shall be liable for actual attorneys' fees incurred as result of said failure to act or failure to advance funds. Notwithstanding, the SERVICER'S right of offset, any reimbursement for advances owed by Lender, shall be due and payable upon demand of SERVICER. SERVICER has the absolute right to refuse to perform services under this Agreement if, after demand, its fees, costs and advances have not been paid by Lender in full after 10 days. Should advances from other lenders or SERVICER remain unpaid should property proceed to trustee sale and revert to Lenders), the advances shall remain as an amount due and shall be senior to all claims of Lenders and shall be paid first together with any interest and costs due.

**9. Loan Documents.** SERVICER shall retain custody as agent for Lender of the original note, deed of trust, and any other document SERVICER feels is necessary to properly service the Loan. Retention of original documents is required for multi-lender loans. Lender is to receive notice of receipt of original documents at time of receipt by SERVICER. On single investor loans, the custody of documents shall be agreed upon by all parties. SERVICER agrees to store the original note, note endorsements and deeds of trust in fire safe file cabinets.

**10. Compensation.** For its services, SERVICER/originating or cooperating brokers shall be paid the following amounts, broken down as follows:

TYPE OF SERVICE	% to SERVICER	% to Orig./Cooperating Broker	% to Lender
Loan Servicing Fee	0.50% per annum of Loan principal balance payable monthly or \$15.00/month, whichever is greater	-0-	<u>NOT APPLICABLE</u>
Impound Maintenance Fee (if applicable)	100% - Additional \$15.00 per month, charged pro-rata between lenders	-0-	-0-
Late Charge (10%)	50%	-0-	50%
Late Charge (less than 10%)	100%	-0-	-0-
Preparation and recording of each Request for Notice	\$300.00 per request (includes preparation and not recording)	-0-	-0-
Set Up Fee – Should all documentation not be received at the onset or additional work must be performed to set up this file, an additional fee in the amount of “\$75.00-\$150.00” shall be charged to Lender	100%	-0-	-0-
Default Interest/Negotiated Rate	25%	-0-	75%
Advancing Fee (3%)	100%	-0-	-0-
Advancing Fee (higher than 3%)	Up to 3% - 100%	-0-	100% above 3%
Levy from Government Entity	\$25.00 per month		
Transfer of interest (computer work only)	\$50.00		
Prepayment Penalty	-0-	-0-	100%

HELOC Early Closure Fee	50%	-0-	50%
HELOC Transaction Fee	50%	-0-	50%

In addition, all payoff demand/reinstatement fees, verification of mortgage fees, wire fees, NSF fees, overnight charges, forbearance agreement/modification fees, and bankruptcy administration fees are 100% due to SERVICER- - Please note: These fees are subject to change without notice. SERVICER'S compensation is subject to change upon 30-days written notice to Lender; Lender may avoid changes by terminating this Agreement in writing within the 30-day period. SERVICER is guaranteed to receive a minimum of three (3) months service fees based on original principal balance starting from the funding date of the Loan. Should Lender cancel servicing, a \$50.00 fee **per file cancelled** shall apply in addition to the minimum servicing fee charge per file. Should SERVICER be required or requested to perform additional services outside the scope of this Agreement (e.g., trial testimony, deposition testimony, travel and waiting time in litigation matters), an hourly rate of \$75.00 to \$250.00 per hour shall apply, depending upon the type of personnel needed to perform said duty. This does include SERVICER'S testimony time in court or in deposition. To secure SERVICER'S COMPENSATION, fees and/or any advances due under this Agreement, Lender hereby irrevocably assigns to SERVICER, the next Loan payments or portion of loan payoff received from this loan or any other loan which may be owned by Lender. All amounts due SERVICER shall be a lien against the note and deed of trust.

Should Lender not reimburse SERVICER upon SERVICER'S demand, within 10 days of demand, for any fees, advances or other amounts due SERVICER, SERVICER has the right to deduct said amount from any funds due Lender from this loan and/or including funds from other loans serviced by SERVICER to the extent of said Lender's interest in said other loans being serviced by SERVICER. Should funds be insufficient to pay SERVICER for any funds due Lender, any outstanding fees, advances, other amounts due and interest on same shall be treated as a lien against the deed of trust.

**11. Value of Real Estate Security.** Lender further understands and agrees that the security for any Note and Deed of Trust is directly related to the equity in the security real estate ("Secured Property") as shown in the Lender Purchaser Disclosure Statement and THAT NO WARRANTIES, EXPRESSED OR IMPLIED ARE GIVEN BY LOAN SERVICER AS TO THE EQUITY, VALUE OR CONDITION OF THE SECURED PROPERTY. Lender understands that the value or saleability of real estate can change at any time and, therefore, that equity in the security real estate can increase or decrease. Lender hereby releases SERVICER from any liability whatsoever in connection with the determination of the value of the Secured Property.

**12. Reliance of Property Insurance Delivered through Escrow.** SERVICER may rely on the insurance binder and/or policy that is delivered to SERVICER from the escrow company, Lender or loan originator. Lender hereby acknowledges that due to the changing climate in the hazard insurance industry, although an insurance policy may look like it would be a "fire" insurance policy, it may contain an exclusion for fire. Lender agrees that the policy has been reviewed and either does not contain a "fire" exclusion or an additional policy will be placed in escrow or prior to commencement of loan servicing by SERVICER. Please note that during servicing, unless the Loan Servicer is sent a copy of the entire policy, it is not possible for the Loan Servicer to know whether or not a policy contains full coverage including "fire" coverage.

Should there be a fire on the subject property and SERVICER receives funds from an insurance carrier, PLM shall contact the Lender and/or loan originator for direction. PLM is not responsible for oversight of the distribution of the funds.

**13. Lender Indemnification of Servicer.** Lender agrees to hold harmless, indemnify and defend SERVICER from any and all claims, demands, judgments, actions, and liability [herein collectively "Claims"], including attorney's fees and costs incurred in responding to and/or defending against such Claims, arising from, or relating to in any way, the loan(s) and deed(s) of trust which are the subject of this Agreement ("Indemnity"). Indemnity under this Agreement shall also apply to Claims arising from, or related to: (1) the SERVICER'S conduct under this Agreement except for conduct of the SERVICER that is adjudicated to be the direct result of SERVICER'S gross negligence or willful misconduct, including any gross negligence or willful misconduct of any companies or agents hired by PLM to perform work; (2) the conduct of Lender's Brokers who originated the Loan for either the original lender or for the borrower; (3) Any conduct of any predecessor or successor loan servicer; (4) the trustee, substitute trustees, foreclosure

agents and vendors providing foreclosure related services; and, SERVICER'S agents, employees, managing members, officers and directors. Indemnity is not limited to where the SERVICER is named as a party in litigation, mediation, arbitration or judicial reference but also where the SERVICER is required to participate as a witness or is required to respond to non-party discovery. Should a representative from SERVICER be subpoenaed for court or depositions, Lender agrees to pay SERVICER \$250.00 per hour for court time or depositions; and \$150.00 per hour travel time plus expenses. Pursuant to this paragraph, SERVICER, in its sole discretion, shall be entitled to retain independent counsel of its choosing. Lender agrees that all attorneys' fees and costs shall be added to servicing fees and shall become due when billed. In addition, should SERVICER commence any collection action, including litigation against Lender, Lender shall be liable for any attorneys' fees and costs incurred in the process. "Adjudication" as used in this paragraph means when a Claim that has been determined by a court (with or without a jury); by an arbitrator in binding arbitration; or by a referee becomes a final judgment with no rights of appeal.

**14. No Tax Service.** Lender agrees that should a tax service not be ordered through originating loan broker or requested through SERVICER in writing, Lender holds SERVICER harmless from any losses incurred by Lender should tax default occur.

**15. Senior Liens.** Except for taking the actions required of SERVICER in paragraph 3(l) & (m) above, Lender agrees that SERVICER is not responsible for monitoring senior liens. The Lender shall supply all information necessary for SERVICER to record a Request for Notice of Default on senior liens so that SERVICER may receive notices of default and notices of sale on senior liens to forward to Lender. Should a Request for Notice of Default not be recorded in escrow, Lender authorizes SERVICER to prepare, execute and record the Notice and Lender shall pay for all costs associated with the preparation and recordation. SERVICER may bill or intercept funds from Lender. SERVICER will attempt to obtain figures from the senior lienholder necessary to bring delinquent senior liens current one time during senior lien foreclosure process if notice of default has been received by SERVICER. Once SERVICER has provided notice to Lender one time with the amount necessary to cure (bring current) a senior loan, should Lender decline to bring the senior loan current at that time, Lender is solely responsible for obtaining further cure figures from the senior lienholder. On an in-process transfer file or a new closing in which a Request for Notice of Default has not been recorded in escrow in favor of SERVICER, SERVICER shall not be responsible for any interim Notice of Default, Notice of Trustee Sale or Trustee Sale on the senior lien for a period of 60-days from date SERVICER has received the complete loan file to enter into its system.

**16. Multi-Lender Loans.** If the Loan is owned by multiple lender/beneficiaries ("Multiple Lenders") subject to Cal. Bus. & Prof. Code § 10238(i) ["Multi-Lender Loan"], the undersigned Lender(s) each represent that they have entered into an agreement which is contained in the recorded deed of trust securing the loan or in another recorded document pursuant to Cal. Civil Code § 2941.9 and Cal. Bus. & Prof. Code § 10238(i) ["Multi-Lender Agreement"]. Among other things, the Multi-Lender Agreement provides that all of the Multiple Lenders or their successors have agreed to be governed by beneficiaries holding more than 50 percent of the record beneficial interest in the note(s) secured by the same real property or of undivided interests in a note secured by real property, exclusive of any notes or interests of a licensed real estate broker that is the issuer or servicer of the notes or interests or any affiliate of that licensed real estate broker ("Majority"). By the signing of this agreement, SERVICER shall only be obligated to follow the instructions of the Majority.

**17. Judicial Reference.** Except as set forth below, if any dispute arises out of or relates to this Agreement that could be litigated in a court of law, without a jury, it shall be resolved by judicial reference pursuant to Cal. Code of Civil Procedure § 638(a). The parties shall agree upon a single referee who shall then try all issues, whether of fact or law, and report a statement of decision which either party may file with the clerk or judge and have judgment entered thereon. If the parties are unable to agree upon a referee within ten (10) days of a written request to do so by any party, then any party may thereafter seek to have a referee appointed pursuant to the Code of Civil Procedure Sections 638 and 640. The parties agree that the referee shall have the power to decide all issues of fact and law and report a statement of decision hereon, and to issue all legal and equitable relief appropriate under the circumstances before him or her. The parties shall promptly and diligently cooperate with one another and the referee, and shall perform such acts as may be necessary to obtain prompt and expeditious resolution of the dispute or controversy in accordance with the terms hereof. The cost of such a judicial reference proceeding shall be borne equally by the parties to the dispute. Any dispute of \$10,000.00 or less may be filed and heard in Small Claims Court. The parties to this Agreement shall have the same right to appeal as the parties would have had the matter been decided by a court without a jury. THE

PARTIES TO THIS AGREEMENT UNDERSTAND THAT BY AGREEING TO JUDICIAL REFERENCE THEY HAVE FREELY AND VOLUNTARILY WAIVED THEIR RIGHT TO A JURY TRIAL.

**18. Survival.** The provisions of this Agreement relating to indemnity (paragraph 12) and all provisions relating to SERVICER'S fees, costs, and reimbursements for advances, shall survive the termination of this Agreement.

**19. Notice.** Notices pursuant to this Agreement shall be in writing and may be served by email with confirmation that the e-mail was delivered and read, facsimile with transmission and receipt verification; personal delivery; overnight delivery or certified mail, return receipt requested, at the SERVICER's addresses set forth at the beginning of this Agreement and at the Lender's address set forth below beneath the Lender's signature. Either party may change that party's address for notice by sending written notice to the other party. Notices pursuant to this paragraph shall be deemed received one business day after it was sent or transmitted as set forth herein or 2 business days after actual receipt, whichever is earlier.

**20. Death/Incapacity of Lender.** This Agreement shall bind and inure to the benefit of all the heirs, executors, administrators, successors and assigns of the parties.

**21. Rules of Construction.** The general rule of construction that a written agreement shall be construed against the drafter thereof shall not apply to this Agreement. Pronouns used herein shall, where the context requires, refer to the masculine, feminine or neuter. The singular shall include the plural, and vice versa.

**22. Counterparts.** This Agreement may be executed in duplicate counterpart, and each such counterpart together shall constitute one document. This Agreement shall be considered fully executed as of the date last signed. This Agreement may be signed and the signatures may be transmitted by fax or by scan and email, and such faxed or scanned signatures shall be considered as original signatures. If the Loan is a Multi-Lender Loan, this Agreement shall not bind the SERVICER until each holder of a beneficial interest in the Loan has executed this Agreement or a similar agreement.

**23. Secret profit.** Under the law, it is unlawful for a "Servicer" to make "secret profit". Additionally, a Servicer may not earn interest on the funds in a trust account unless it is to the benefit of the actual owner of the funds. This paragraph is to put the Lender on notice that although interest is not paid to the "Servicer", there may be a lower cost basis given by the bank to the Servicer for the monthly analysis performed on the trust account(s). Said lower cost may be reflective of the balances in the accounts.

**24. Funds held pursuant to government intervention.** Pursuant to particular government regulations, funds may be held during the wiring process. This may occur when a payoff or payment(s) is being wired to the SERVICER from the Borrower or their agent(s). Neither the SERVICER or Borrower shall not be held responsible for interest accrued during the time funds are held by the banking institution. Date of receipt for Lenders shall be date received by SERVICER'S bank.

**25. Lien disclosure prior to trustee sale.** Lender understands that it is important that all co-investors on a multi-lender loan know if there are any liens or potential liens which will attach to a property which reverts to the lenders at trustee sale. This information must be conveyed in writing to the other Lenders or Servicer prior to the setting of the trustee sale. Lender is fully responsible for payment of any lien, fees, costs, interest, etc. which attaches to the property.

**26. Note sale.** Should Lender sell their interest in the Promissory Note and Deed of Trust, Lender is responsible for sending the sale information within five days of transfer of interest. Lender must disclose to buyer of Note and Deed of Trust that this is a SERVICER in place, a copy of the recorded Assignment of Deed of Trust and Note Endorsement, terms of sale and effective date must be forwarded to SERVICER and a new servicing agreement must be completed, signed and returned to SERVICER within five days of recording of Assignment of Deed of Trust. Lender shall not sell its interest to any foreign national without the foreign national obtaining a social security number from the US Government.

**27. Electronic signature and transfer of information via electronic media.** SERVICER, should SERVICER decide to accept, is authorized to accept a signature from the undersigned by way of electronic signature and/or transfer of information by electronic media.

Date: \_\_\_\_\_ Lender Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Lender Signature: \_\_\_\_\_

Date: \_\_\_\_\_ IRA Custodian Signature: \_\_\_\_\_

PLM Lender Services, Inc., Servicer

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Authorized Signor

**DIRECTIVE TO ANY TITLE COMPANY REINSTATING/PAYING DOWN OR PAYING OFF THIS LOAN**

You are instructed to accept the payoff demand submitted by PLM Lender Services, Inc. or PLM Loan Management Services, Inc. ("PLM") on our behalf. PLM is our authorized agent and maintains all financial records of this loan, receiving all payments, interest, principal and any other amounts that may be due. PLM to receive ALL funds. PLM will process and release the funds. All 1098's and 1099's would be proper and complete for both the lender(s) and the borrower(s). Should you not comply with this instruction, we shall hold you, title company, completely responsible for any action(s) filed against us as lenders or PLM as servicing agent/trustee for any delay or cancellation of an escrow.

If this is a multi-lender loan, you must act under this instruction if a majority of the interest holders have signed this instruction.

Each Lender executing this Agreement gives PLM the express and irrevocable authority, without further action by Lender, to demand and receive funds that payoff this Loan. Lender shall hold any title company or other remitter of such payoff funds harmless from any and all liability for relying upon a payoff demand issued by PLM or for remitting payoff funds to PLM.

Date: \_\_\_\_\_ Lender Signature: \_\_\_\_\_

Date: \_\_\_\_\_ Lender Signature: \_\_\_\_\_

Date: \_\_\_\_\_ IRA Custodian Signature: \_\_\_\_\_

**STATEMENT DELIVERY METHOD:**

In addition to the annual statement that will be sent at the end of the year, I would like to receive my investment information via (mark one or more of the following choices):

- Quarterly Statements (E-mailed Only) \_\_\_\_\_ (Mailed Only) \_\_\_\_\_ (E-mailed & Mailed) \_\_\_\_\_
- Lendersviewcentral.com (On-line Access) \_\_\_\_\_

**Mailing Address and Contact Information of Lender(s):**

Street: \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: (\_\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

Email: \_\_\_\_\_

**Payment Disbursement Information:**

**Social Security Number / Tax Identification Number (EIN):**  
\_\_\_\_\_

**Your name EXACTLY as it appears under the above number:**  
\_\_\_\_\_

**IRA Custodian Mailing Address (if applicable):**

Street: \_\_\_\_\_

IRA Account Number: \_\_\_\_\_

City \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

**THE FOLLOWING PERSONS ARE AUTHORIZED TO TALK TO PLM ON MY ACCOUNT:**

1. Name: \_\_\_\_\_ Last 4 digits of their SSN \_\_\_\_\_
2. Name: \_\_\_\_\_ Last 4 digits of their SSN \_\_\_\_\_

\_\_\_\_\_

## ACH INSTRUCTIONS

If you would like your checks electronically deposited (via ACH transfer), please carefully review and fill out the required information as specified below. **Please include a copy of a voided check.** If this is not filled out, we will mail your checks to the above address or to your IRA custodian, whichever is applicable:

I (we) hereby authorize SERVICER to initiate credit entries to my (our) account at the financial institution indicated below ("FINANCIAL INSTITUTION") to credit the same to such account for Lender for all future disbursements sent by SERVICER. After the ACH deposit is initiated by SERVICER, I understand that an email notification will be sent to the email address I have listed above. The email will contain a statement showing a breakdown of amounts deposited, corresponding loan account, and date of the deposit (same information reflected on a check stub).

I agree that should my bank reject my automated payment for any reason, I will reimburse SERVICER for any costs incurred. I agree that the SERVICER's liability shall cease when funds are sent from SERVICER's depository institution to the ACH Company (clearing house). I understand that I can, and should, review the rules and regulations (The NACHA Operating Rules) for ACH payments at [www.NACHA.org](http://www.NACHA.org). I agree that to revoke this authorization, I must give the SERVICER writing notice of revocation at the SERVICER's address for notice under this Agreement. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

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Name & Address of Financial Institution

X \_\_\_\_\_ X \_\_\_\_\_ **Type of Acct:** \_\_\_\_\_ Checking \_\_\_\_\_ Savings  
ACH Routing Number Account Number

**PLEASE NOTE:** Some financial institutions have different routing numbers for electronic deposits/ACH Payments than they do for checks. The routing number written on your check MAY NOT be the correct routing for electronic deposits/ACH Payments to your account. **PLEASE CONTACT YOUR FINANCIAL INSTITUTION TO VERIFY THE CORRECT ROUTING NUMBER.** Prior to signing up for this service, please check with your depository institution to be made aware of any additional fees associated with electronic deposits to your checking/savings account. In addition, due to the terms of the ACH contract, funds are held by the ACH Company for up to 48 hours pending clearance before release.

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