IN THE MATTER OF
REPRESENTATIVE LAURA RICHARDSON

REPORT
OF THE
COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT
BOOK 2 OF 5

JULY 1, 2010.—Referred to the House Calendar and ordered to be printed
COMMITTEE ON STANDARDS OF OFFICIAL CONDUCT

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Frank Davies, Senior Investigator
Amelia Johnson, Investigative Clerk

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EMANUEL CLEAVER, II, Missouri

GREGG HARPER, Mississippi
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Tom Rust, Counsel
Donald Sherman, Counsel
Frank Davies, Senior Investigator
Amelia Johnson, Investigative Clerk

(II)
Washington Mutual
Long Beach Mortgage

Mortgage Document Order Request Form

Please complete this form, sign and return to:

ATTN: [Redacted]

[Address Redacted]

Closing Company Name: [Redacted]

Address: [Redacted]

Phone: [Redacted]

Loan #: [Redacted]

Closing Date: [Redacted]

1. Loan #: [Redacted]

2. Vending Officer: [Redacted]

3. Commitment Date: [Redacted]

4. Mortgages: [Redacted]

5. Property Address: [Redacted]

6. Delivery Date: [Redacted]

Closing Company Name: [Redacted]

Address: [Redacted]

Phone: [Redacted]

Lien Position: [Redacted]

Property Type: [Redacted]

Occupancy Type: [Redacted]

Product Type: [Redacted]

Loan Term: [Redacted]

Pre-Payment Fee: [Redacted]

Loan Purpose: [Redacted]

"Products available with a prepayment fee are also available without a prepayment fee.

Closing Date: [Redacted]

1. Closing Date: [Redacted]

2. Appraised Value: [Redacted]

3. Due Date: [Redacted]

10. Interest Rate: [Redacted]

12. Date Paid: [Redacted]

14. Hazard Insurance: [Redacted]

15. Flood Insurance: [Redacted]

16. Deposit Account: [Redacted]

Broker Fees

POC AMT LENDER FEES
Appraisal Fee $ [Redacted] $ [Redacted]
Broker Fee $ [Redacted] $ [Redacted]
Brokers' Compensation Fee $ [Redacted] $ [Redacted]

Bailor Contribution

[Redacted]

Note: This Document Order Request form is not a commitment to prepare documents nor a commitment to close the loan. This document is not an amendment or extension of the loan.

by signing hereon, I, as an authorized representative of the company, certify that the rates and amounts represent the fair market value of the services provided in connection with this loan. I also certify that the information is accurate and correct.

[Redacted]

Approved by LHA [Redacted]

[Redacted]

[Redacted]

JPMC-000357
CONFIDENTIAL

CSOC.RICH.002138
Fax for you...

To: Janet
From: [Redacted]
Fax: 714-931-4831
Phone: [Redacted]
Date: [Redacted]
Fax: 714-931-4831
CC: [Redacted]

☑ Urgent ☑ For Review ☐ Please Comment ☐ Please Reply ☐ Please Recycle
= Comments

Please E-Mail or call with any questions,
Have a great day!

CHRISTINA RAUNQUIST
Aunt Manager/Anaheim
714-931-4831
840-480-1940 fax

JPMC: 010358
CONFIDENTIAL

CSOC.RICH.002139
WASHINGTON MUTUAL
Long Beach Mortgage

Mortgage Document Order Request Form

Please complete this form, sign and return to:

Fax #

ATTN:

1. Loan #: 
2. Vesting Verify By: 
3. Borrowers Name(s): 
4. Marital Status: 
5. Property Address: 
6. Delivery Type: 

Closing Company Name: 
Contact: 
Phone #: 

Lien Position: 
Property Type: 
Occupancy Type: 
Product Type: 
Loan Term: 
Prepayment Fee: 
Loan Purpose: 

* Products available with a prepayment fee are also available without a prepayment fee.

7. Closing Date: 
8. Loan Amount: 
9. Loan Term: 
10. Interest Rate: 
11. Appraisal Valuation: 
12. Sales Price: 
13. Property Tax Annual Premium: 
14. Hazard Insurance Annual Premium: 
15. Flood Insurance Annual Premium: 

Note: This Document Order Request form is in no way a commitment to prepare documents or a commitment to close the loan. This document is not an amendment request form to change the terms of the loan.

SIGNED: 

Approved by LBM SLC: 

JPMC-0000359
CONFIDENTIAL
FIXED/ADJUSTABLE RATE NOTE

(LIBOR Six-Month Index (As Published In The Wall Street Journal) - Rate Cap)

THIS NOTE PROVIDES FOR A CHANGE IN MY INITIAL FIXED INTEREST RATE TO AN
ADJUSTABLE INTEREST RATE. THIS NOTE LIMITS THE AMOUNT MY ADJUSTABLE INTEREST
RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE I MUST PAY.

January 4, 2007
Sacramento
California

3622 West Curtis Drive, Sacramento, CA 95818

1. BORROWER'S PROMISE TO PAY

In return for a loan that I have received, I promise to pay U.S. $535,001.00 (this amount is called
"Principal"), plus interest, in the order of Lender. Lender is Washington Mutual Bank.

I will make all payments under this Note in the form of cash, check or money order. I understand that Lender may transfer
this Note. Lender or anyone who takes this Note by transfer and who is excluded to receive payments under this Note is called
the "Note Holder."

2. INTEREST

Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly
rate of 8.500%. The interest rate I will pay may change in accordance with Section 4 of this Note.

3. PAYMENTS

(A) Time and Place of Payments

I will pay principal and interest by making a payment every month.

I will make my monthly payments on the first day of each month beginning on March 1, 2007.

I will make these payments every month until I have paid all of the Principal and Interest and any other charges described
down below and owe under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to
interest before Principal, if, on February 1, 2007, I owe amounts under this Note, I will pay these amounts in full on
that date, which is called the "Payment Date."

I will make my monthly payment at Washington Mutual Bank, P.O. Box 3139, Milwaukee, WI
53201-3139

(B) Amount of My Initial Monthly Payments

Each of my initial monthly payments will be in the amount of U.S. $4,227.96. This amount may change.

(C) Monthly Payment Changes

Changes to my monthly payments will reflect changes to the unpaid principal of my loan and in the interest rate that I must pay. The Note Holder will determine my new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The initial fixed interest rate I will pay will change to an adjustable interest rate on the first day of
February 2009, and the interest rate I will pay may change on that day every 6th month thereafter. Each date on which
my interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, my interest rate will be based on an index. The "Index" is the average ofinvartable
volumes for the month U.S. Federal Reserve Bulletin published in The Wall Street Journal. The most recent index figure available 7 days before the Change Date is called the "Current Index."

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

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding 4% and 99/100
percentage points (4.9900%) to the Current Index. The Note Holder will then round the result
addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 6(d) below, this
rounded amount will be my new interest rate until the next Change Date.
The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid
principal plus any interest to the Change Date. If I am paying for the preceding 6 months, my interest rate will never be greater than 10.800%. The interest rate will never be less than 8.800%.

MULTIPLATE FORECLOSURE RATE NOTE - LIBOR

4141250890

JPMC-006360

CONFIDENTIAL

CSOC.RICH.002141
(6) Effective Date of Changes
My new interest rate will become effective on each Change Date. I will pay the amount of my new monthly payment beginning on the first monthly payment date after the Change Date until the amount of my monthly payment changes again.

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

7. BORROWER’S RIGHT TO PREPAY
I have the right to make payments of Principal at any time before they are due. A prepayment of all the unpaid principal is known as a "Full Prepayment." A prepayment of only part of the unpaid principal is known as a "Partial Prepayment." Except as provided below, I may make a Full or Partial Prepayment at any time.

If I make a Full or Partial Prepayment, I may be charged a fee as follows: If the Note Holder receives a Prepayment of more than twenty percent (20%) of the original principal amount in any twelve (12) month period on or before the second anniversary of the date of the Note, the Prepayment shall be equal to the payment of six months advance interest on the amount prepaid that exceeds twenty percent (20%) of the original principal amount, calculated at the interest rate in effect on the date of each Full Prepayment or Partial Prepayment (the "Prepayment Fee").

When I make a Full or Partial Prepayment, I will notify the Note Holder in writing that I am doing so. Any Partial Prepayment shall be applied as interest accrued on the amount prepaid, if any, then on the prepayment note or, if no prepayment note, if applicable, and then to the principal balance of the Note. which shall not reduce the amount of monthly installments of principal and interest nor release me of the obligation to make the installment each and every month until the Note is paid in full. Partial Prepayments shall have no effect upon the due dates or the amounts of my monthly payments unless the Note Holder agree in writing to such changes.

8. LOAN CHARGES
If it is a loan, which applies to the loan and which time maximum loan charge, is finally determined so that the interest or other loan charges indicated or to be charged in connection with this loan not exceed the permitted limit, then (a) any such loan charge shall be reduced by the amounts necessary to reduce the charge to the permitted limit; and (b) any sum already collected from me that exceeds permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by refunding a direct payment to me. If a refund reduces Principal, the balloon will be treated as a partial Prepayment.

9. BORROWER’S FAILURE TO PAY AS REQUIRED
(A) Late Charges for Overdue Payments
If the Note Holder has not received the full amount of any monthly payment by the end of Fifteen (15) calendar days after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be equal to one percent (1%) of my overdue payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

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

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

(D) No Waiver by Note Holder
Even if, at a time when I am in default, the Note Holder does not require me to pay the overdue payment as described above, the Note Holder will still have the right to do so if I am in default at a later time.

(E) Payment of Note Holder’s Costs and Expenses
If the Note Holder has required me to pay immediately in full as described above, the Note Holder will have the right to be paid back by me for all of its costs and expenses in enforcing this Note to the extent not prohibited by applicable law. These expenses include, for example, reasonable attorney fees.

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

Unless the Note Holder requires a different method, any notice that must be given to the Note Holder under this Note will be given by mailing it to my last known address or at a different address if I give the Note Holder a notice of my different address.

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

MULTISTATE FIXED-ADJUSTABLE RATE NOTE - LIBOR

JPMC-000361
CONFIDENTIAL
10. WAIVERS

I and any other person who has obligations under this Note waive the right of Prepayment and Notice of Discharge.

"Prepayment" means the right to make the Note Holder a demand payment of principal due. "Notice of Discharge" means the right to require the Note Holder to give notice to other persons that amounts due have not been paid.

11. UNIFORM SECURED NOTE

This Note is a uniform instrument with limited variations in some jurisdictions. In addition to the provisions given in the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument"), dated the same date as this Note, permits the Note Holder from time to time at its option to do all acts which I do not and cannot do under this Note. This Security Instrument describes how and under what conditions (i) may be required to make immediate payment in full of all amounts due under this Note. Some of these conditions are:

(A) That my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 11 of the Security Instrument provided as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in Section 11, "interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, leasehold interests, mortgage, deed of trust or security deed, consisting of one or more agreements, the terms of which are transferable by Borrower as a separate contract to a purchaser.

If all or any part of the Property or my interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without the prior written consent of Lender, Borrower must pay all sums secured by the Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may exercise any remedies provided by this Security Instrument without giving notice or demand on Borrower.

(B) When my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 11 of the Security Instrument shall then instead provide as follows:

Transfer of the Property or a Beneficial Interest in Borrower. As used in this Section 11, "interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, leasehold interests, mortgage, deed of trust or security deed, consisting of one or more agreements, the terms of which are transferable by Borrower as a separate contract to a purchaser.

If any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without the prior written consent of Lender, Borrower must pay all sums secured by the Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may exercise any remedies provided by this Security Instrument without giving notice or demand on Borrower.

WITNESSES THE HANDS AND SEAL OF THE UNDERSIGNED:

[Signature]
[Signature]
[Signature]

[Sign Original Only]

MULTISTATE FIXED/ADJUSTABLE RATE NOTE – LORCH

41460241

Page 2 of 3

JPMC-000362
CONFIDENTIAL
**FIXED/ADJUSTABLE RATE NOTE**

**QUICKEN LOANS, Inc.**
**555555555555555555555555**

**This Note Provides For a Changeable and Initial Fixed Interest Rate to an Adjustable Interest Rate. The Maximum Amount My Adjustable Interest Rate Can Change at Any One Time and the Maximum Rate I Must Pay, January 4, 2007**

3629 West Curtis Drive, Sacramento, CA 95818

1. **Borrower’s Promise to Pay**
   - In return for a loan not being refused, I promise to pay U.S. $365,001.50
   - This amount is called “Principal.”
   - I will make all payments under this Note in the form of cash, check or money order. I understand that Lender may transfer this Note to anyone who takes this Note by transfer and who is subject to receive payment under this Note is called the “Note Holder.”
   - Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 5.000%.
   - I will make my monthly payments on the first day of each month beginning on March 1, 2007.
   - I will make these payments every month until I have paid all of the Principal and Interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as scheduled due date and will be applied to the lowest amount due and will be applied to interest before principal.
   - I will pay these amounts to the Due Date, which is called the “Due Date.”
   - I will make my monthly payment at WASHINGTON MUTUAL BANK, P.O. Box 3139, MILWAUKEE, WI 53201-3139
   - or at a different place if required by the Note Holder.
   - The Due Date for this Note is the 1st day of the month.
   - Changes to any monthly payment will result in the highest principal of any loan and in the interest rate that I must pay. The Note Holder will determine the new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

2. **Interest Rate**
   - The initial interest rate I will pay will change to an adjustable interest rate on the first day of February 2009.
   - The interest rate on the Due Date will be applied as scheduled due date and will be applied to the lowest amount due and will be applied to interest before principal.
   - Changes to any monthly payment will result in the highest principal of any loan and in the interest rate that I must pay. The Note Holder will determine the new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

3. **Payments**
   - I will pay principal and interest by mailing a payment every month.
   - I will make my monthly payments on the first day of each month beginning on March 1, 2007.
   - I will make these payments every month until I have paid all of the Principal and Interest and any other charges described below that I may owe under this Note. Each monthly payment will be applied as scheduled due date and will be applied to the lowest amount due and will be applied to interest before principal.
   - I will pay these amounts to the Due Date, which is called the “Due Date.”
   - I will make my monthly payment at WASHINGTON MUTUAL BANK, P.O. Box 3139, MILWAUKEE, WI 53201-3139
   - or at a different place if required by the Note Holder.
   - The Due Date for this Note is the 1st day of the month.
   - Changes to any monthly payment will result in the highest principal of any loan and in the interest rate that I must pay. The Note Holder will determine the new interest rate and the changed amount of my monthly payment in accordance with Section 4 of this Note.

4. **Interest Rate and Monthly Payment Changes**
   - Before each Change Date, the Note Holder will calculate my new interest rate by adding 400% and 99/100 of 0.125% to the current rate. The Note Holder will then determine the new amount of my monthly payment that would be sufficient to repay the unpaid principal that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate and in monthly equal payments. The result of this calculation will be the new amount of my monthly payment.
   - I will be notified of any changes that affect my monthly payments. I will be notified of any changes that affect my interest rate.

5. **Adjustable Interest Rate Note**
   - The interest rate I am required to pay at the first Change Date will not be greater than 10.800%.
   - The defendant rate will not be less than 5.000%.
   - The interest rate will change at the Change Date by the amount of the percentage points (1.000 %) from the rate of interest I have been paying for the period that is required.
   - The new interest rate will not be greater than 10.800%.

6. **MULTIYEAR ADJUSTABLE RATE NOTE - LIBOR**

   - JPMC- 000363
   - CONFIDENTIAL
(D) Effective Date of Change

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

(5) Notice of Changes

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

5. BORROWER’S RIGHT TO PREPAY

I have the right to make payments of Principal at any time before they are due. A prepayment of all or part of the unpaid principal is known as a “Full Prepayment.” A prepayment of only part of the unpaid principal is known as a “Partial Prepayment.”

Except as provided below, I may make a Full or Partial Prepayment at any time.

If I make a Full or Partial Prepayment, I may be charged a fee as follows: If Note Holder requires a Prepayment of more than 20% of the original principal amount in any twelve (12) month period or before the second anniversary of the date of this Note, then the prepayment fee shall be equal to the sum of the monthly installment required on the amount prepaid that exceeds 20% of the original principal amount, calculated at the lesser rate of interest on the date of such Full Prepayment or Partial Prepayment (the “Prepayment Fee”).

When I make a Full or Partial Prepayment, I will notify the Note Holder in writing that I am doing so. Any Partial Prepayment shall be applied to installments accrued on the most recent installment due, if any, before the Prepayment Fee. If applicable, and then to the payment balance of the Note, which shall be reduced proportionately (without interest) each and every month until the Note is paid in full. Partial Prepayments shall have no effect upon the due date or the amount of the monthly payment unless the Note Holder agrees in writing to make such changes.

6. LOAN CHARGES

If so, which is subject to the laws of the states and municipalities from which the loan was collected in connection with the loan and in any state or municipality where this loan was made, then any such local charge shall not be reduced by the amount necessary to reduce the charge to the permitted limits, then any such state or local charge shall be reduced by the amount necessary to reduce the charge to the permitted limits, and any state or local charge shall not exceed the maximum permitted limits as determined by the borrower’s mortgage or the Note Holder agrees in writing to make such changes.

7. BORROWER’S FAILURE TO PAY AS REQUIRED

(A) Late Charges on Overdue Payments

If the Note Holder has not received the full amount of any monthly payment by the end of the Fifteenth calendar day after the date it is due, I will pay a late charge to the Note Holder. The amount of the charge will be on each late payment.

(B) Notice of Defaults

If I am in default, the Note Holder may send me a written notice telling me that I do not pay the overdue amount by a certain date, the Note Holder may require me to pay immediately the full amount of Principal that has not been paid and all the interest that I owe on that amount. This notice must be no less than 30 days after the date on which the notice is required to be sent or delivered by other means.

(C) The Date for Note Holder’s Right to Foreclose

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately as described above, the Note Holder will still have the right to foreclose on the property or property on which I have a lien as described above.

(D) Payment of Note Holder’s Costs and Expenses

If the Note Holder has not received the full amount of any monthly payment due as described above, the Note Holder will have the right to be paid for any or all of the expenses or any other expenses incurred by the Note Holder in the amount not prohibited by applicable law. These expenses include, for example, reasonable attorneys’ fees.

8. GIVING NOTICES

Unless otherwise stated in this Note, any notice or demand must be given to me at the address listed below at the address listed in Section 6(A) above or at a different address if the Note Holder gives notice of this address.

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally liable to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, equity or co-owner of this Note is also obligated to keep all of the promises made in this Note.

MULTIPLE SIGNATURES REQUIRED FOR NOTE - LENDER

JPMC-000364
CONFIDENTIAL
10. PAYMENTS

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

11. UNIFORM SECURED NOTE

This Note is a secured instrument with limited variations in some jurisdictions. In addition to the provisions given to the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed (the "Security Instrument") shall be the note made at this Note, granted the Note Holder from any person that might exist if I do not pay the principal amount due thereunder.

This Security Instrument describes how and under what conditions I may be required to make immediate payment in full of all amounts I owe under this Note. Some of these conditions are:

(A) Until my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 18 of the Security Instrument provides as follows:

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

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

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

(B) When my initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section 4 above, Section 18 of the Security Instrument shall then provide as follows:

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

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender’s prior written consent, Lender may require immediately payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such exercise is prohibited by Applicable Law. Lender shall not exercise this option except in accordance with Section 15 of the Security Instrument or without further notice or demand on Borrower.

To the extent permitted by Applicable Law, Lender may charge a reasonable fee for a condition in Lender’s consent to the transfer of a beneficial interest in Borrower. The fee shall be reasonable and shall not exceed the cost of reviewing and negotiating the transfer. The fee shall be reasonable for the security protection afforded to Lender and shall not exceed the maximum amount permitted by Applicable Law. The fee shall be reasonable for the security protection afforded to Lender and shall be reasonable for the security protection afforded to Lender and shall not exceed the maximum amount permitted by Applicable Law.

WITNESS the HANDS AND SEAL OF THE UNDERSIGNED.

[Signatures]

[Sign Original Only]

WITNESS THE HANDS AND SEAL OF THE UNDERSIGNED.

[Signatures]

[Sign Original Only]

MUTUAL ADJUSTABLE RATE NOTE - UBRH

4140826-020

Page 3 of 8

JPMC-000365
CONFIDENTIAL

CSOC.RICH.002146
1. BORROWER'S PROMISE TO PAY
To secure for a loan that I have received, I promise to pay U.S. $535,001.00 (this amount is called "Principal", the prepayment under this Note in the Form of Loan, check or money order. I understand that Landor may transfer this Note. Landor or anyone who takes this Note by transfer and who is entitled to receive payments under this Note is called the "Note Holder.")

2. INTEREST
Interest will be charged on unpaid principal until the full amount of Principal has been paid. I will pay interest at a yearly rate of 7.5%. The interest rate will vary every three (3) months in accordance with Section 4 of this Note.

3. PAYMENTS
(A) Time and Place of Payments
I will pay precomputed and interest by making a payment every month.
I will make my monthly payment on the first day of each month beginning on March 1, 2007.
I will make these payments every month until I have paid off the principal and interest on my debt, as charged, and any other charges described below. I will pay over time under this Note. Each monthly payment will be applied as of its scheduled due date and will be applied to interest before principal. If, on February 1, 2007, I will make payments over time under this Note, I will pay over interest as of that date, which is called the "Maturity Date."
I will make my monthly payment at Washington Mutual Bank, P.O. Box 3139, Hinsdale, IL 60521-3139.
I will make my final payment at Washington Mutual Bank, P.O. Box 3139, Hinsdale, IL 60521-3139, or at a different place if required by the Note Holder.
(B) Amount of My Initial Monthly Payment
The amount of my initial monthly payment will be in the amount of U.S. $ 4,227.98. 
(C) Monthly Payment Change
Changes in my monthly payment will occur due to changes in the required contributions for my loan. The amount of my monthly payment will change at the end of any 6th month.
The Note Holder will determine any changes to my loan and the change to amount of my monthly payment in accordance with Section 4 of this Note.

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES
(A) Change Dates
The initial fixed interest rate that I will pay will change to an adjustable interest rate on the first day of February 2009.
I will pay any changes on that due date every 6th month, beginning with the first Change Date, my interest rate will be determined by the Note Holder.
The index (as of the date of the Note) is the average of interest offered rates for six adjacent 28-day periods in the Los Angeles market ("LIBOR") as published in The Wall Street Journal.
If the index is no longer available, the Note Holder will choose a new index that is based upon comparable information.
The Note Holder will give me thirty (30) days notice of this change.
(C) Calculation of Changes
Before each Change Date, the Note Holder will calculate my new interest rate by adding 30% (0.30) to the current index. The Note Holder will then apply the result to my outstanding loan agreement. The index (as of the date of the Note) is the average of interest offered rates for six adjacent 28-day periods in the Los Angeles market ("LIBOR") as published in The Wall Street Journal.
The Note Holder will then determine the amount of the monthly payment that would be required to cover the new interest rate I am expected to pay at the Charge Date in full on the Maturity Date at my new interest rate in an amount not to be more than 8.805%
If the index is no longer available, the Note Holder will choose a new index that is based upon comparable information.
The Note Holder will give me thirty (30) days notice of this change.

JPIC-006366
CONFIDENTIAL
8. NOTICES OF CHANGES

The Note Holder will deliver or mail to us a notice of any changes in the interest rate or the amount of any monthly payments before the effective date of any change. The notice will include information required by law to be given to us, and also the date and telephone number of a person who will answer any questions you may have regarding the notice.

5. BORROWER'S RIGHT TO PREPAY

You have the right to make prepayment of Principal at any time before the due date. A prepayment of any unpaid principal is known as a "Full Prepayment." A prepayment of any part of the unpaid principal is known as a "Partial Prepayment." Changes as provided below, I may make a Full or Partial Prepayment at any time.

If I make a Full or Partial Prepayment, I may be charged a fee or fee as follows: If I make a Prepayment of more than the principal amount due, the fees shall be equal to the payment of the interest advance premium on the amount prepaid, plus 20 percent of the amount prepaid, calculated as in the interest rate on the date of the charge of such Full Prepayments or Partial Prepayments (the "Prepayment Fee").

When I make a Full or Partial Prepayment, I will notify the Note Holder in writing that I am doing so. Any Partial Prepayment shall be applied to interest accrued on the maximum amount, if any, then the Prepayment Fee. If applicable, and due to the principal balance of the Note, which shall not reduce the amount of monthly installments of principal and interest

6. LOAN CHARGES

If a loan, which applies to this loan and which was calculated in advance, is finally interpreted so that the interest or other loan charges collected or to be collected in connection with this loan cannot be paid before the stated due date, these loan charges shall be reduced or eliminated by the amount necessary to reduce the interest in the principal funds and any amount already collected from me that exceeded permitted limits will be refunded to me. The Note Holder may choose to make this refund by reducing the Principal I owe under this Note or by making a direct payment to me. In a current interest rates, the reduction will be made at a Partial Prepayment.

7. BORROWER'S FAILURE TO PAY AS REQUIRED

(a) Late Charge for Overdue Payments

If the Note Holder has received the full amount of any monthly payment by the end of Fifteen calendar days after the due date, I will pay an interest due the Note Holder. The amount of the charge shall be 6% of any unpaid payment of principal and interest. I will pay this late charge promptly but only once on each late payment.

(b) Failure to Pay

If I do not pay the full amount of such overdue payment on or before the due date, I will be in default.

(c) Notice of Default

If I am in default, the Note Holder may require me to pay immediately the full amount of Principal that has not been paid and all the interest due. I owe on that amount. On the due date, the note in default to me or delivered by other means.

(d) No Waiver by Note Holder

Even if, at a time when I am in default, the Note Holder does not require me to pay immediately in full as described above, the note holder may later take the right to do so at any time in default of a loan once.

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

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

8. GIVING OF NOTICES

Unless otherwise agreed in advance, any notice must be given in written form. This notice will be given by delivering it on or by mailing it by first class mail to me at the address above or as a different address if I give the Note Holder notice of my different address.

Until the Note Holder requires a different method, any notice must be given to the Note Holder under this Note will be given by mailing it to me at the Note Holder at the address stated in Section 3(A) above or as a different address if I am given notice of that different address.

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

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

MUTUAL EXCLUSIVE ADJUSTABLE RATE NOTE

IPMC-000367
CONFIDENTIAL
10. WAIVERS

I and any other person who has obligations under this Note waive the rights of Procurement and Notice of Dishonor.

"Provision" means the right to require the Note Holder to demand payment of amounts due. A "Notice of Dishonor" means the right to require the Note Holder to give notice to any person that amounts due have not been paid.

11. UNIFORM SECURED NOTE

This Note is a secured obligation with forced liquidation in some jurisdictions. At the discretion of the Note Holder under this Note, a Mortgage, Deed of Trust or Security Deed ("Security Instrument") may be recorded at any time on or after the date that, pursuant to the Note Holder's direction, allows the Note Holder to foreclose or pass on any event that may trigger the enforcement of this Note.

The Security Instrument should show what conditions are necessary for the Note Holder to enforce this Note. Some of these conditions are:

(A) Upon any default, interest rate charged to an adjustable interest rate under the terms stated in Section 4 above, Section 18 of the Security Instrument provides as follows:

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

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a successful bidder at a mandatory sale) this Security Instrument is no longer in effect. The Note Holder may require immediate payment in full of all amounts secured by this Security Instrument. However, this option shall not be exercised by Note Holder if such exercise is prohibited by Applicable Law.

(B) If Borrower executes this option, Note Holder shall give Borrower notice of acceleration. The notice shall provide a period of not less than 20 days from the date the notice is given to Borrower in accordance with Section 15 within which Borrower may pay all amounts secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Note Holder may exercise remedies permitted by this Security Instrument without further notice or demand on Borrower.

(C) When any interest rate reset event occurs under the terms stated in Section 4 above, Section 18 of the Security Instrument shall then invalid provided as follows:

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

If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a successful bidder at a mandatory sale) this Security Instrument is no longer in effect. The Note Holder may require immediate payment in full of all amounts secured by this Security Instrument. However, this option shall not be exercised by Note Holder if such exercise is prohibited by Applicable Law. Note Holder also shall not exercise this option if any Borrower wants to be substituted in Loan for other persons who were being made in the transfer or (b) other reasonably demonstrate that Loan Holder's security will not be impaired by the same assumptions and that the title of a branch of any materials or agreement in this Security Instrument is acceptable to Note Holder.

The exact remedy permitted by Applicable Law, Note Holder may require the transfer to sign an assumptions agreement that is acceptable to Note Holder and that oblige the transferee to honor all the promises and agreements made in the Note and in this Security Instrument. Borrower will continue to be obligated under the Note and this Security Instrument to order Note Holder reasonable in writing.

If Note Holder exercises the option to require immediate payment in full, Note Holder shall give Borrower notice of acceleration. The notice shall provide a period of 20 days from the date the notice is given to Borrower in accordance with Section 15 within which Borrower may pay all amounts secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Note Holder may exercise remedies permitted by this Security Instrument without further notice or demand on Borrower.

WITNESS THE HANDS AND SEALS OF THE UNDERSIGNED.

[Signatures]

[Seals]

MULTIPLE FACTURED/AUTOSIGN RATE NOTE - LIBOR

4110624 L002.000000

Page 3 of 3

JPMC-000368

CONFIDENTIAL.

CSOC.RICH.002149
SIGNATURE/NAMES AFFIDAVIT

DATE: January 4, 2007
LOAN #: [Redacted]
Borrower: Laura Richardson

THIS IS TO CERTIFY THAT MY LEGAL SIGNATURE IS AS WRITTEN AND TYPED BELOW.
(This signature must exactly match signatures on the Note and Mortgage or Deed of Trust.)

Laura Richardson
(Print or Type Name)

(I am also known as:

Laura Ann Richardson

(Diff or Type Name)
Batts Laura
(First or Type Name)
Richardson Batts, Laura
(First or Type Name)
Laura M Batts
(First or Type Name)
and that

and the same person.

State/Commonwealth of California
County/Parish of Sacramento

Subscribed and sworn (affirmed) before me this 14th day of January

Notary Public
State/Commonwealth of California
Acting in the County/Parish of
Sacramento
My Commission Expires:

JPMC-000369
CONFIDENTIAL
OCCUPANCY AGREEMENT

DATE: January 4, 2007
BORROWER: Laura Richardson

LOAN #: 
PROPERTY ADDRESS: 3522 West Curtis Drive
Sacramento, CA 95818

The undersigned Borrower(s) of the above captioned property understand that one of the conditions of the loan is that Borrower(s) occupy the subject property and Borrower(s) do hereby certify as follows:

1. Borrower intends to occupy the property as Borrower's primary residence.
2. Borrower intends to occupy the property during the 12 month period immediately following the loan closing as the primary residence of the Borrower (i.e., the property will be "owner occupied").
3. If Borrower's intention changes prior to the loan closing, Borrower agrees to notify Lender immediately of that fact.
4. Borrower understands that Lender may not make the loan in connection with subject property without this Occupancy Agreement.
5. Borrower acknowledges Lender has relied upon the Borrower's representation of occupancy in securing said loan, the interest rate or funding said loan.

THE UNDERSIGNED BORROWER(S) ACKNOWLEDGES AND AGREES THAT:

1. ANY MISREPRESENTATION OF OCCUPANCY BY BORROWER(S);
2. BORROWER(S) FAILURE TO OCCUPY THE PROPERTY AS THE PRIMARY RESIDENCE (i.e. OWNER-OCCUPIED) DURING THE 12 MONTH PERIOD FOLLOWING THE LOAN CLOSING;

SHALL CONSTITUTE A DEFAULT UNDER THE NOTE AND SECURITY INSTRUMENT EXECUTED IN CONNECTION WITH SAID LOAN AND, UPON THE OCCURRENCE OF SAID DEFAULT, THE WHOLE SUM OF PRINCIPAL AND INTEREST PAYABLE PURSUANT TO SAID NOTE PLUS COSTS AND FEES SHALL BECOME IMMEDIATELY DUE AT THE OPTION OF THE HOLDER THEREOF AND/OR LENDER MAY ADJUST THE INTEREST RATE TO BE EQUIVALENT TO THAT OF A NON-OWNER OCCUPIED LOAN.

Borrower(s) understand that it is a Federal Crime punishable by fine or imprisonment or both to knowingly make any false statement concerning any of the above facts, as applicable under the provisions of Title 18 U.S.C., Sec. 1004.

I declare that the foregoing Agreement is true and correct and agree to said terms of Agreement allowing Lender discretion to call loan due and/or adjust the interest rate based upon any misrepresentation of occupancy.

[Signature]
Laura Richardson
Date: 1/4/07

Borrower
Date

[Stamp]
VMP MORTGAGE FORMS - 8004821-7201

JPMC: 006370
CONFIDENTIAL.
GRANT DEED

THE UNDERSIGNED GRantor(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX is $569.05

[X] computed on full value of property conveyed, or

[ ] computed on full value less value of liens or encumbrances remaining at time of sale.

[ ] Unincorporated area [X] City of Sacramento and

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged,

Mark S. Helmar and Sharon L. Helmar, trustees of the Helmar Family Revocable Trust

hereby GRANT(s) to:

LAURA RICHARDSON, an Unmarried Woman

the real property in the City of Sacramento, County of Sacramento, State of California, described as:

Lot 259 as shown on the official "Pit of South Curtis Oaks Subdivision No. 9", filed in the office of the County Recorder of Sacramento County, February 10, 1927 in Book 19 of Maps, Map No. 16.

Also Know as: 3822 West Curtis Drive, Sacramento, CA 95818

APR: __________

DATED December 13, 2006

STATE OF CALIFORNIA

COUNTY OF Sacramentó

On December 14, 2006

Before me, NIKKI DAVIS, a Notary Public in and for said State, personally appeared Mark S. Helmar and Sharon L. Helmar

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

WITNESS my hand and official seal.

Signature ____________

(This area for official notarial seal)

JPMC- 000371

CONFIDENTIAL

CSOC.RICH.002152
RESIDENTIAL LEASE/RENTAL AGREEMENT

(For use in the State of California)

PARTIES: LANDLORD

Lease Renter

TENANT(S)

Majorie Washington

PROPERTY ADDRESS:

217 E. Manor St.
Long Beach, CA

1. RENTAL AMOUNT: Commencing 3rd of the month, 2005, TENANT agrees to pay LANDLORD the sum of $1,500.00 per month in advance on the , day of each calendar month. Said rental payment shall be delivered by TENANT to LANDLORD or his designated agent at the following location:

Rent must be actually received by LANDLORD, or designated agent, in order to be considered in compliance with the terms of this agreement.

2. TERM: The premises are leased for the following lease term (please check one lease only) □ month to month, ___ until ___.

3. SECURITY DEPOSITS: TENANT shall deposit with landlord the sum of $5,000.00 as a security deposit to secure TENANT'S faithful performance of the terms of this lease. The security deposit shall not exceed two times the monthly rent. After all the TENANTS have vacated, leaving the premises vacant, the LANDLORD may use the security deposit for the cleaning of the premises, any unusual wear and tear to the premises or common areas, and any rent or other amounts owed pursuant to the lease agreement or pursuant to Civil Code Section 1950.6.

TENANT may not use said deposit for rent owed during the term of the lease. Within 30 days of the TENANT vacating the premises, LANDLORD shall furnish TENANT's written statement indicating any amounts deducted from the security deposit and returning the balance to the TENANT. If TENANT fails to furnish a forwarding address to LANDLORD, then LANDLORD shall send said statement and any security deposit refund to the leased premises.

4. INITIAL PAYMENT: TENANT shall pay the first month rent of $1,500.00 and the security deposit in the amount of $5,000.00 for a total of $6,500.00. Said payment shall be made in the form of cash or cashier's check and is due prior to occupancy.

5. OCCUPANTS: The premises shall not be occupied by any person other than those designated above as TENANT with the exception of the following named persons:

6. SUBLETTING OR ASSIGNING: TENANT agrees not to assign or sublet the premises, or any part thereof, without first obtaining written permission from LANDLORD.

7. UTILITIES: TENANT shall pay for all utilities and/or services supplied to the premises with the following exception:

CONDITION

JPMC 003272
CONFIDENTIAL

CSOC.RICH.002153
8. PARKING: TENANT shall not use (check one) assigned a parking space, or assigned a parking space it shall be designated as space ____. TENANT may use a vehicle that is registered in the TENANT's name. TENANT may not assign, sublet, or allow any other person to use this space. This space is exclusively used for the parking of passenger automobiles by the TENANT. No other type of vehicle or item may be stored in this space without prior written consent of LANDLORD. TENANT may not wash, repair, or paint in this space or any other common area on the premises.

Only vehicles that are operational and currently registered in the State of California may park in this space. Any vehicle that is leaking any substance must not be parked anywhere on the premises.

9. CONDITION OF PREMISES: TENANT acknowledges that the premises have been inspected. Tenants acknowledge that said premises have been cleaned and all items, fixtures, appliances, and equipment are in complete working order. TENANT promises to keep the premises in a neat and sanitary condition and to immediately remove all litter or refuse for any reason necessary to repair any item, fixtures or appearance that needed service due to TENANT, or TENANT'S invitees, misuse or negligence.

TENANT shall be responsible for the cleaning or repair in any plumbing fixture where a stoppage has occurred. TENANT shall also be responsible for repair or replacement of the garbage disposal where the cause has been a result of tenants, guests, pets, or any other item which normally causes damage or the mechanism.

10. ALTERATIONS: TENANT shall not make any alterations to the premises, including but not limited to, installing air conditioning, fireplaces, washing machines, dryers, or other items without first obtaining written permission from LANDLORD. LANDLORD shall not be responsible for installing locks, paint, or wallpaper or painting any premises without LANDLORD'S prior written consent. TENANT shall not place plants, signs, or other exhibits in a window or any other place where they can be viewed by other residents or by the general public.

11. LATE CHARGES/NO SHOW: A late charge of 5% of the current rental amount shall be incurred if rent is not paid when due.

If rent is not paid when due and landlord issues a Notice To Pay Rent Or Quit, TENANT must tender cash or cashier's check only. If TENANT tenders a check, which is dishonored by a banking institution, then TENANT shall only tender cash or cashier's check for all future payments. This shall continue until all such time as written consent is obtained from LANDLORD. In addition, TENANT shall be liable in the sum of $25 for each check that is returned to LANDLORD because the check has been dishonored.

12. NOISE AND DISRUPTIVE ACTIVITIES: TENANT or his/her guests and invitees shall not disturb, annoy, endanger or inconvenience other tenants of the building, neighbors, the LANDLORD, or his agents, or otherwise violate any laws, rules or ordinances or nuisance in or about the premises.

Further, TENANT shall not do nor keep anything in or about the premises that will obstruct the public spaces available to other residents. Leaving or unnecessary littering on the front steps, public balconies or any common areas that interfere with the convenience of the other residents is prohibited.

13. LANDLORD'S NIGHT OF ENTRY: LANDLORD may enter and inspect the premises during normal business hours and upon reasonable advance notice of at least 24 hours to TENANT. LANDLORD is permitted to make all alterations, repairs and maintenance that in LANDLORD'S judgment is necessary to perform. In addition LANDLORD has all right to enter pursuant to Civil Code Section 94, if the work performed requires that TENANT temporarily vacate the unit. TENANT shall vacate for this temporary period upon being served a 7 days notice by LANDLORD. TENANT agrees that in such event that TENANT will be solely compensated by a corresponding reduction in rent for those many days that TENANT was temporarily displaced. If the work to be performed requires the cooperation of TENANT to perform certain tasks, then those tasks shall be performed upon serving 24 hours written notice by LANDLORD.

(Example - removing food items from cabinets so that the unit may be sprayed for pests)
14. REPAIRS BY LANDLORD: Where a repair is the responsibility of the LANDLORD, TENANT must notify LANDLORD with a written notice stating what item needs servicing or repair. TENANT must give LANDLORD a reasonable opportunity to service or repair said item. TENANT acknowledges that rent will not be withheld unless a written notice has been served on LANDLORD giving LANDLORD a reasonable time to fix said item within the meaning of Civil Code Section 1942. Under no circumstances may TENANT withhold rent unless said item constitutes a substantial breach of the warranty of habitability as stated in Code of Civil Procedure Section 1174.2.

15. PETS: No dog, cat, bird, fish or other domestic pet or animal of any kind may be kept on or about the premises without LANDLORD’S written consent.

16. FURNISHINGS: No liquid filled furniture of any kind may be kept on the premises. If the structure was built in 1973 or later TENANT may possess a waterbed if it be maintained waterbed insurance valued at $100,000 or more. TENANT must furnish LANDLORD with proof of said insurance. TENANT must use bedding that complies with the load capacity of the manufacturer. In addition, TENANT must also be in full compliance with Civil Code Section 1946.3. TENANT shall not install or use any water heater, dryer, or dishwasher that was not already furnished with the unit.

17. INSURANCE: TENANT may maintain a personal property insurance policy to cover any losses sustained to TENANT’S personal property or vehicle. It is acknowledged that LANDLORD does not maintain this insurance to cover personal property damage or loss caused by fire, theft, rain, water overflow, leakage, acts of GOD, and/or any other cause.

It is acknowledged that LANDLORD is not liable for those occurrences. It is acknowledged that TENANT’S insurance policy shall solely indemnify TENANT for any losses sustained. TENANT’S failure to maintain said policy shall be a complete waiver of TENANT’S right to seek damages against LANDLORD for the above stated losses. The parties acknowledge that the premises are not to be considered a security building which would hold LANDLORD to a higher degree of care.

18. TERMINATION OF LEASE/RENTAL AGREEMENT: If this lease is based on a fixed term, pursuant to paragraph 5, then at the expiration of said fixed term this lease shall become a month to month tenancy upon the approval of LANDLORD.

Where said term is a month to month tenancy, either party may terminate this tenancy by the serving of a 30 day written notice.

19. POSSESSION: If premises cannot be delivered to TENANT on the agreed due date to lease, total or partial destruction of the premises, or failure of previous TENANT to vacate, either party may terminate this agreement upon written notice to the other party at their last known address. It is acknowledged that neither party shall have no liability to each other except that all sums paid to LANDLORD will be immediately refunded to TENANT.

20. ABANDONMENT: It shall be deemed a reasonable belief by the LANDLORD that an abandonment of the premises has occurred where the, within the meaning of Civil Code Section 1941.2, where rent has been unpaid for 14 consecutive days and the TENANT has been absent from unit for 14 consecutive days. In that event, LANDLORD may serve written notice pursuant to Civil Code Section 1941.2. If TENANT does not comply with the require- ments of said notice in 18 days, the premises shall be deemed abandoned.

21. WAIVER: LANDLORD’S failure to require compliance with the conditions of this agreement, or to exercise any right provided herein, shall not be deemed a waiver by LANDLORD of such condition or right. LANDLORD’S acceptance of rent with knowledge of any default under agreement by TENANT shall not be deemed a waiver of such default, nor shall it limit LANDLORD’S rights with respect to that or any subsequent right. If it is further agreed between the parties that the payment of rent at any time shall not be a waiver to any UNLAWFUL DETAINER action unless LANDLORD in writing specifically acknowledges that this constitutes a waiver to the UNLAWFUL DETAINER action.
22. VALIDITY/SEVERABILITY: If any provision of this agreement is held to be invalid, such invalidity shall not affect the validity or enforceability of any other provision of this agreement.

23. ATTORNEY FEES: In the event action is brought by any party to enforce any term of this agreement or to recover possession of the premises, the prevailing party shall recover from the other party reasonable attorney fees.

It is acknowledged, between the parties, that jury trials significantly increase the costs of any litigation between the parties. It is also acknowledged that jury trials require a longer length of time to adjudicate the controversy. On this basis, all parties waive their right to have any matter tried by jury trial.

24. NOTICES: All notices to the tenant shall be deemed served upon mailing by first class mail, addressed to the tenant, at the subject premises or upon personal delivery to the premises whether or not TENANT is actually present at the time of said delivery. All notices to the landlord shall be served by mailing first class mail or by personal delivery to the manager’s apartment or:

25. PERSONAL PROPERTY OF TENANT: Once TENANT vacates the premises, all personal property left in the unit shall be stored by the LANDLORD for 18 days. If within that time period, TENANT does not claim said property, LANDLORD may dispose of said items in any manner LANDLORD chooses.

26. ADDITIONAL RENT: All items owed under this lease shall be deemed additional rent.

27. APPLICATION: All statements in TENANT'S application must be true or this will constitute a material breach of this lease.

28. ADDITIONAL TERMS:

29. ENTIRE AGREEMENT: The foregoing agreement, including any attachments incorporated by reference, constitute the entire agreement between the parties and supersede any oral or written representations or agreements that may have been made by either party. Further, TENANT represents that TENANT has relied solely on TENANT’S judgment in entering into this agreement. TENANT acknowledges having been advised to consult with independent legal counsel before entering into this Agreement and has decided to waive such representation and advice. TENANT acknowledges that TENANT has read and understood this agreement and has been furnished a duplicate original.

LANDLORD/AGENT 3/15/07 DATE

TENANT 3/15/07 DATE

TENANT 3/15/07 DATE

NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF THIS AGREEMENT. IF YOU DESIRE, CONSULT WITH AN ATTORNEY BEFORE ENTERING THIS AGREEMENT.

For use in the State of California
COPYRIGHT 1988 THE LAW FIRM OF KATZ AND BLOCK
DENNIS P. BLOCK AND ASSOCIATES
RESIDENTIAL LEASE/RENTAL AGREEMENT

For use in the State of California

PARTIES: LANDLORD

Leanna Richardson

TENANT(S)

Angela Parsons

PROPERTY ADDRESS:

3607 S. Park St., San Pedro, CA

1. RENTAL AMOUNT: Commencing on December 1, 2007, TENANT agrees to pay LANDLORD the sum of $2,500.00 per month in advance on the 1st day of each calendar month. Said rental payment shall be delivered by TENANT to LANDLORD or his designated agent to the following location:

Rent must be actually received by LANDLORD, or designated agent, in order to be considered in compliance with the terms of this agreement.

2. TERM: The premises are leased on the following lease term: (please check one item only) X month to month (OR) until __________ 20__

3. SECURITY DEPOSIT: TENANT shall deposit with landlord the sum of $3,500.00 as a security deposit to secure TENANT'S faithful performance of the terms of this lease. The security deposit shall not exceed two times the monthly rent. After all the TENANTS have vacated, leaving the premises vacant, the LANDLORD may use the security deposit for the cleaning of the premises, any unpaid water and heat to the premises or common area, and any rent or other amounts owed pursuant to the lease agreement or pursuant to Civil Code Section 1959.5.

TENANT may not use said deposit for rent owed during the term of the lease. Within 21 days of the TENANT vacating the premises, LANDLORD shall furnish TENANT a written statement indicating any amounts deducted from the security deposit and returning the balance to the TENANT. If TENANT fails to furnish a forwarding address to LANDLORD, then LANDLORD shall send said statement and any security deposit refund to the leased premises.

4. INITIAL PAYMENT: TENANT shall pay the first month rent of $2,500 -- and the security deposit in the amount of $3,500 -- for a total of $6,000. Said payment shall be made in the form of cash or cashier's check and is all due prior to occupancy.

5. OCCUPANTS: The premises shall not be occupied by any person other than those designated above as TENANT with the exception of the following named persons:

If LANDLORD, with written consent, allows for additional persons to occupy the premises, the rent shall be increased by $150 for each such person. Any person staying 14 days cumulative or longer, without the LANDLORD'S written consent, shall be considered as occupying the premises in violation of this agreement.

6. SUBLETTING OR ASSIGNING: TENANT agrees not to assign or sublet the premises, or any part thereof, without first obtaining written permission from LANDLORD.

7. UTILITIES: TENANT shall pay for all utilities and services supplied to the premises with the following exception:

CONDITION

JPMC: 000376
CONFIDENTIAL
8. PARKING: TENANT shall not (check one) assigned a parking space. If assigned a parking space it shall be designated as space __. TENANT may only park a vehicle that is registered in the TENANT'S name. TENANT may not assign, sublet, or allow any other person to use this space. This space is exclusively used for the parking of passenger automobiles by the TENANT. No other type of vehicle or item may be stored in this space without prior written consent of LANDLORD. TENANT may not wash, repair, or paint in this space or at any other common area on the premises.

Only vehicles that are operational and currently registered in the State of California may park in this space. Any vehicle that is leaking any substance must not be parked anywhere on the premises.

9. CONDITION OF PREMISES: TENANT acknowledges that the premises have been inspected. TENANT acknowledges that said premises have been cleaned and all items, fixtures, appliances, and furnishings are in complete working order. TENANT promises to keep the premises in a neat and sanitary condition and to immediately reimburse landlord for any sums necessary to repair any item, fixture, or appurtenance that needed service due to TENANT'S, or TENANT'S invitee, misuse or negligence.

TENANT shall be responsible for the cleaning or repair to any plumbing fixture where a stoppage has occurred. TENANT shall also be responsible for repair or replacement of the garbage disposal where the cause has been a result of hemos, grease,nite, or any other item which normally causes stoppage of the mechanism.

10. ALTERATIONS: TENANT shall not make any alterations to the premises, including but not limited to installing aircon, lighting fixtures, dishwashers, washing machines, dryers or other items without first obtaining written permission from LANDLORD. TENANT shall not change or install locks, paint, or wallpaper said premises without LANDLORD'S prior written consent. TENANT shall not place placards, signs, or other exhibits in a window or any other place where they can be viewed by other residents or by the general public.

11. LATE CHARGES/DEAD CHECKS: A late charge of 5% of the current rental amount shall be incurred if rent is not paid when due.

If rent is not paid when due and landlord issues a 'Notice To Pay Rent Or Quit', TENANT must tender each or cashier's check only. If TENANT tenders a check, which is dishonored by a banking institution, then TENANT shall only tender cash or cashier's check for all future payments. The cash shall continue until such time as written consent is obtained from LANDLORD. In addition, TENANT shall be liable in the sum of $10 for each check that is returned to LANDLORD because the check has been dishonored.

12. NOISE AND DISRUPTIVE ACTIVITIES: TENANT or his/her guests and invitees shall not disturb, annoy, endanger or inconvenience other tenants of the building, neighbors, the LANDLORD or his agents, or workmen nor violate any law, nor commit or permit waste or nuisance in or about the premises.

Further, TENANT shall not do or keep anything in or about the premises that will obstruct the public spaces available to other residents. Laying or unnecessary littering on the front steps, public balconies or the common hallways that interfere with the convenience of other residents is prohibited.

13. LANDLORD'S RIGHT OF ENTRY: LANDLORD may enter and inspect the premises during normal business hours and upon reasonable advance notice of at least 24 hours to TENANT. LANDLORD is permitted to make all alterations, repairs and maintenance that in LANDLORD'S judgment is necessary to perform. In addition, LANDLORD has the right to enter pursuant to Civil Code Section 1944. If the work performed requires that TENANT temporarily vacate the unit, then TENANT shall vacate for this temporary period upon being served a 7 days notice by LANDLORD. TENANT agrees that in such event that TENANT will be duly compensated by a corresponding reduction in rent for these many days that TENANT was temporarily displaced. If the work to be performed requires the cooperation of TENANT to perform certain tasks, then those tasks shall be performed upon serving 24 hours written notice by LANDLORD.

(EXAMPLE: removing food items from cabinets so that the unit may be sprayed for pests)

JPMC-000377
CONFIDENTIAL

CSOCRICH.002158
14. REPAIRS BY LANDLORD: Where a repair is the responsibility of the LANDLORD, TENANT must notify LANDLORD with a written notice stating what item needs servicing or repair. TENANT must give LANDLORD a reasonable opportunity to service or repair said item. TENANT acknowledges that rent will not be withheld unless a written notice has been served on LANDLORD giving LANDLORD a reasonable time to fix said item within the meaning of Civil Code Section 1944. Under no circumstances may TENANT withhold rent unless said item constitutes a substantial breach of the warranties of habitability as stated in Code of Civil Procedure Section 1714.2.

15. PETS: No dog, cat, bird, fish or other domestic pet or animal of any kind may be kept on or about the premises without LANDLORD'S written consent.

16. FURNISHINGS: No liquid filled furniture of any kind may be kept on the premises, if the structure was built in 1973 or later, TENANT may possess a waterbed if it maintains waterbed insurance valued at $100,000 or more. TENANT must furnish LANDLORD with proof of said insurance. TENANT must use bedding that complies with the load capacity of the manufacturer. In addition, TENANT must also be in full compliance with Civil Code Section 1940.5. TENANT shall not install or use any washer, dryer, or dishwasher that was not already furnished with the unit.

17. INSURANCE: TENANT may maintain a personal property insurance policy to cover any losses sustained to TENANT's personal property or vehicle. It is acknowledged that LANDLORD does not maintain this insurance to cover personal property damage or loss caused by fire, theft, rain, water overflow, leakage, acts of GOD, and/or any other causes.

It is acknowledged that LANDLORD is not liable for these occurrences. It is acknowledged that TENANT's insurance policy shall solely indemnify TENANT for any losses sustained. TENANT's failure to maintain said policy shall be a complete waiver of TENANT's right to seek damages against LANDLORD for the above stated losses. The parties acknowledge that the premises are not to be considered a security building which would hold LANDLORD to a higher degree of care.

18. TERMINATION OF LEASE/RENTAL AGREEMENT: If this lease is based on a fixed term, pursuant to paragraph 2, then at the expiration of said fixed term this lease shall become a month to month tenancy upon the approval of LANDLORD.

Where said term is a month to month tenancy, either party may terminate this tenancy by the serving of a 30 day written notice.

19. POSSESSION: If premises cannot be delivered to TENANT on the agreed date due to loss, total or partial destruction of the premises, or failure of previous TENANT to vacate, either party may terminate this agreement upon written notice to the other party at their last known address. It is acknowledged that either party shall have no liability to each other except that all sums paid to LANDLORD will be immediately refunded to TENANT.

20. ABANDONMENT: It shall be deemed a reasonable belief by the LANDLORD that an abandonment of the premises has occurred where the tenant, within the meaning of Civil Code Section 1951.2, where rent has been unpaid for 14 consecutive days and the TENANT has been absent from unit for 14 consecutive days. In that event, LANDLORD may serve written notice pursuant to Civil Code Section 1951.2. If TENANT does not comply with the requirements of said notice in 18 days, the premises shall be deemed abandoned.

21. WAIVER: LANDLORD'S failure to require compliance with the conditions of this agreement, or to exercise any right provided herein, shall not be deemed a waiver by LANDLORD of such condition or right. LANDLORD'S acceptance of rent with knowledge of any default under agreement by TENANT shall not be deemed a waiver of such default, nor shall it limit LANDLORD'S rights with respect to that or any subsequent right. It is further agreed between the parties that the payment of rent at any time shall not be a waiver to any UNLAWFUL DETAINER action unless LANDLORD in writing specifically acknowledges that this constitutes a waiver to the UNLAWFUL DETAINER action.
22. VALIDITY/SEVERABILITY: If any provision of this agreement is held to be invalid, such invalidity shall not affect the validity or enforceability of any other provision of this agreement.

23. ATTORNEY FEES: In the event action is brought by any party to enforce any terms of this agreement or to recover possession of the premises, the prevailing party shall recover from the other party reasonable attorney fees.

It is acknowledged, between the parties, that jury trials significantly increase the costs of any litigation between the parties. It is also acknowledged that jury trials require a longer length of time to adjudicate the controversy. On this basis, all parties waive their rights to have any matter settled by jury trial.

24. NOTICES: All notices to the tenant shall be deemed served upon mailing by first class mail, addressed to the tenant, at the subject premises or upon personal delivery to the premises whether or not TENANT is actually present at the time of said delivery. All notices to the landlord shall be served by mailing first class mail or by personal delivery to the manager’s apartment or to:

25. PERSONAL PROPERTY OF TENANT: Once TENANT vacates the premises, all personal property left in the unit shall be stored by the LANDLORD for 10 days, if within that time period, TENANT does not claim said property. LANDLORD may dispose of said items in any manner LANDLORD chooses.

26. ADDITIONAL RENT: All items owed under this lease shall be deemed additional rent.

27. APPLICATION: All statements in TENANT’S application must be true or this will constitute a material breach of this lease.

28. ADDITIONAL TERMS:

29. ENTIRE AGREEMENT: The foregoing agreement, including any attachments incorporated by reference, constitute the entire agreement between the parties and supersedes any oral or written representations or agreements that may have been made by either party. Further, TENANT represents that TENANT has relied solely on TENANT’S judgment in entering into this agreement. TENANT acknowledges having been advised to consult with independent legal counsel before entering into this Agreement and has decided to waive such representation and advice. TENANT acknowledges that TENANT has read and understood this agreement and has been furnished a duplicate original.

[Signatures]

LANDLORD/AGENT   TENANT

DATE

DATE

NO REPRESENTATION IS MADE AS TO THE LEGAL VALIDITY OR ADEQUACY OF THIS AGREEMENT. IF YOU DESIRE, CONSULT WITH AN ATTORNEY BEFORE ENTERING THIS AGREEMENT.

For use in the State of California

COPYRIGHT 1996 THE LAW FIRM OF KATZ AND BLOCK
DENNIS P. BLOCK AND ASSOCIATES
COUNTER OFFER

This is a counter offer made by the offeror, [Buyer's Name], to the offeree, [Seller's Name], in accordance with the terms of the original Offer to Sell Real Estate, made on [Date].

1. Parties.
   a. Offeror: [Buyer's Name]
   b. Offeree: [Seller's Name]

2. Property.
   a. Address: [Address]
   b. Description: [Description]

3. Terms of Offer.
   a. Price: [Amount]
   b. Deposit: [Amount]
   c. Financing: [Details]
   d. Closing Date: [Date]

4. Other Terms.
   a. Closing Date: [Date]
   b. Inspection Period: [Period]
   c. Contingencies: [List]

5. Contingencies.
   a. Appraisal Contingency: [Details]
   b. Repair Contingency: [Details]

6. Acknowledgment.
   a. Offeror: [Signature]
   b. Offeree: [Signature]

7. Effective Date.
   a. [Current Date]

8. Confidentiality.
   a. This counter offer is confidential and shall not be disclosed to any third party without the written consent of the offeror and offeree.

[Offeror's Signature]
[Date]

[Offeree's Signature]
[Date]
POLICY OF TITLE INSURANCE ISSUED BY

STEWART TITLE GUARANTY COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS AND STIPULATIONS, STEWART TITLE GUARANTY COMPANY, a Texas corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the Amount of Insurance stated in Schedule A, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title;
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material:
   (a) arising from any improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or
   (b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;
8. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assigns free and clear of all liens;
9. Any assessments for street improvements under construction or completed at Date of Policy not excepted in Schedule B which now have gained or hereafter may gain priority over the lien of the insured mortgage.

The Company will also pay the costs, attorneys’ fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

In witness whereof, Stewart Title Guaranty Company has caused this policy to be signed and sealed by its duly authorized officers as of Date of Policy shown in Schedule A.

Chairman of the Board

President

Visibly signed

Authorized Signatory

STEWART TITLE GUARANTY COMPANY

Alta Loan Policy (10-17-82)
With Alta Endorsement Parts I Coverage

CL-1510-1398252

JPMC-000395
CONFIDENTIAL

CSOC.RICH.002174
1. EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy and the Company will not pay any loss or damage, costs, attorney's fees or expenses which arise by reason of:

(a) ANY law, ordinance or governmental regulation (including but not limited to building and zoning laws, ordinances, or regulations) requiring, regulating or prohibiting the taking of the property described in (i) the nonpayment, theft or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter annexed to the land; (iii) a separation in ownership or change in the dimensions or location of any part of the land or in any part of which the land is or was a part; or (iv) any governmental regulation which may have been issued at or before the time the loss is sustained.

Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(b) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(c) The failure of the land to be used for commercial, industrial, or residential purposes or land that has been affected by any governmental regulation.

(d) The loss of the land for the purpose of taking the property described in (i) the nonpayment, theft or enjoyment of the land; (ii) the character, dimensions or location of any improvement now or hereafter annexed to the land; (iii) a separation in ownership or change in the dimensions or location of any part of the land or in any part of which the land is or was a part; or (iv) any governmental regulation which may have been issued at or before the time the loss is sustained.

(e) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(f) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(g) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(h) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(i) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(j) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(k) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(l) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(m) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(n) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(o) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(p) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(q) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(r) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(s) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(t) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(u) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(v) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(w) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(x) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(y) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

(z) Any governmental regulation not enacted by the County, except to the extent that a notice of the or before the time the loss is sustained.

{1000}
STEWART TITLE GUARANTY COMPANY
STEWART TITLE OF SACRAMENTO
6700 FAIR OAKS BLVD., STE 8, CARMICHAEL, CA 95608
(916) 484-6990
TRANSCODE 3.1B2

SCHEDULE "A"

ORDER NUMBER: 17-003957
DATE OF POLICY: JANUARY 10, 2007
AMOUNT OF INSURANCE: $535,001.00

PREMIUM: $705.98
@ 2:59 P.M.
POLICY NUMBER: [Redacted]
LOAN NUMBER: RICHARDSON, LAURA

1. NAME OF INSURED:
Wells Fargo Bank, A FEDERAL ASSOCIATION

2. THE ESTATE OR INTEREST IN THE LAND WHICH IS ENCUMBERED BY THE INSURED MORTGAGE IS:
A FEE

3. TITLE TO THE ESTATE OR INTEREST IN THE LAND IS VESTED IN:
LAURA RICHARDSON, AN UNMARRIED WOMAN

4. THE INSURED MORTGAGE AND ASSIGNMENTS THEREOF, IF ANY, ARE DESCRIBED AS FOLLOWS:

Trustor: LAURA RICHARDSON, AN UNMARRIED WOMAN
Trustee: California Reconveyance Company, a California corporation
Beneficiary: Wells Fargo Bank, N.A., A Federal Association, which is organized and existing under the laws of The United States of America

5. THE LAND REFERRED TO IN THIS POLICY IS IN THE STATE OF CALIFORNIA, COUNTY OF SACRAMENTO, AND IS DESCRIBED AS FOLLOWS:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

JPMC- 0006395
CONFIDENTIAL
EXHIBIT "A"

Lot 259 as shown on the official "Piot of South Curtis Oaks Subdivision No. 6", filed in the office of the County Recorder of Sacramento County, February 10, 1927 in Book 19 of Maps, Map No. 18.

IPMC-000396
CONFIDENTIAL
SCHEDULE "B"
PART I

THIS POLICY DOES NOT INSURE AGAINST LOSS OR DAMAGE BY REASON OF THE FOLLOWING:

A. General and Special Taxes for the Fiscal Year 2006-2007, and any assessments and charges collected therewith,

1st Installment $451.48 PAID
2nd Installment $451.48 Open - Due February 1, 2007
       Delinquent April 10, 2007

Parcel No. Asst. No. 06232394 Code Area 03-005
Land $16,666.00 Improvements $80,902.00 Exemptions $7,000.00

Included in the above Taxes, in the amount of $67.12, for the Sacto City Lighting & Landscaping.

Included in the above Taxes, in the amount of $27.32, for the City Library Services AD #96-02.

Included in the above Taxes, in the amount of $19.08, for the Sacramento Area Flood Control.

Included in the above Taxes, in the amount of $10.50, for the CSA 1 Lights City Elk Grove Zone 4.

B. The Lien of Special Assessments, assessed pursuant to the procedures of the Melko-Roos Community Facilities Act of 1982 and/or the Landscaping & Lighting Act of 1972, amounts are included and collected with the Taxes shown herein.
PAID CURRENT

C. The Lien of Supplemental Taxes, if any, assessed pursuant to the provisions of Chapter 3.5, Revenue and Taxation Code, Section 75 et seq.
PAID CURRENT

D. Any possible outstanding charges for utility services. Amounts may be obtained by contacting the City and/or County of Sacramento’s Utility Services and Billing Department.
PAID CURRENT

1. Dedications as set forth and shown on the official map of South Curtis Oaks No. 6, in Book 19, at Page 18, as follows:

a. Utility easements over the Westerly 3 feet.
ALTA LOAN POLICY
WITH STREET IMPROVEMENT ASSESSMENT COVERAGE
1334 (REV. 9/07)

SCHEDULE "B"
PART II

IN ADDITION TO THE MATTERS SET FORTH IN PART I OF THIS SCHEDULE, THE TITLE TO THE
ESTATE OR INTEREST IN THE LAND DESCRIBED OR REFERRED TO IN SCHEDULE A IS SUBJECT TO
THE FOLLOWING MATTERS, IF ANY BE SHOWN, BUT THE COMPANY INSURES THAT THESE
MATTERS ARE SUBORDINATE TO THE LIEN OF CHARGE OF THE INSURED MORTGAGE UPON
ESTATE OR INTEREST:

NONE
The insurance afforded by this endorsement is only effective if the land is used or is to be used primarily for residential purposes.

The Company insures the insured against actual loss or damage sustained by reason of lack of priority of the lien of the insured mortgage over:

(a) any environmental protection lien which, at the date of Policy, is recorded in those public records established under state statutes at the date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without knowledge, or filed in the records of the clerk of the United States district court for the district in which the land is located, except as set forth in Schedule B; or

(b) any environmental protection lien provided for by any state statute in effect at the date of Policy, except environmental protection liens provided for by the following state statutes: {NONE}

For the purposes of this paragraph (b), a statute shall be deemed a "state statute" only insofar as it provides for an environmental protection lien arising or resulting from reason of matters other than those listed under "Excluded Matters" below.

EXCLUDED MATTERS

I. plant diseases, pests, or rodents;

II. water drainage or flood control, mining reclamation, waste abatement, or waste buildings (where the applicable statutory provisions do not expressly relate to pollution or to hazardous or toxic wastes or substances);

III. snow or ice removal;

IV. charges, taxes or assessments authorized by any state statute to be imposed by local political subdivisions or districts of the state (except where such charges, taxes or assessments, by express provisions of the applicable statute, relate to pollution or to hazardous or toxic wastes or substances).

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior Endorsements thereon. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior Endorsements, nor does it extend the effective date of the policy and any prior Endorsements, nor does it increase the face amount thereof.

Signed under seal for the Company, but this Endorsement is to be valid only when it bears an authorized countersignature.

STEWART TITLE GUARANTY COMPANY
Sacramento, California 95808

ALTA ENDORSEMENT - FORM S.I (ENVIRONMENTAL PROTECTION LIEN)

JPMC- 000401
CONFIDENTIAL
ENDORSEMENT ATTACHED TO AND MADE A PART
OF MORTGAGEE'S POLICY OF TITLE INSURANCE
SERIAL NUMBER CL-1519-1398252 ISSUED BY
STEWART TITLE
GUARANTY COMPANY
HEREIN CALLED THE COMPANY

Number:               Charge $0-

The Company hereby insures the owner of the indebtedness secured by the insured mortgage against actual loss or damage which the insured shall sustain by reason of the failure of (i) a

SINGLE FAMILY RESIDENCE

known as

3622 WEST CURTIS DRIVE
SACRAMENTO, CALIFORNIA 95818

to be located on the land at Date of Policy, or (ii) the map attached to this policy to correctly show the location and dimensions of the land according to the public records.

This Endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior Endorsement thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior Endorsements, nor does it extend the effective date of the policy and any prior Endorsements, nor does it increase the face amount thereof.

Signed under seal for the Company, but this Endorsement is to be valid only when it bears an authorized countersignature

STEWART TITLE
GUARANTY COMPANY

CARMICHAEL, CALIFORNIA 95608

CLTA FORM 114

JPMC- 006402
CONFIDENTIAL
ENDORSEMENT ATTACHED TO AND MADE A PART
OF MORTGAGEE'S POLICY OF TITLE INSURANCE
SERIAL NUMBER CL-1519-1392852 ISSUED BY
STEWART TITLE
GUARANTY COMPANY
HEREIN CALLED THE COMPANY

Number: [ ] Charge $ 0-

The Company hereby insures the owner of the indebtedness secured by the insured mortgage against actual loss or damage which the insured shall sustain by reason of:

1. The existence of any of the following:
   (a) "covenants", "conditions", or "restrictions" under which the lien of the mortgage referred to in Schedule A can be cut off, subserved, or otherwise impaired;
   (b) Present violations on the land of any enforceable "covenants", "conditions", or "restrictions";
   (c) Except as shown in Schedule B, encroachments of buildings, structures, or improvements located on the land onto adjoining lands, or any encroachments onto the land of buildings, structures or improvements located on adjoining lands.

2. (a) Any future violations on the land of any "covenants", "conditions", or "restrictions" occurring prior to acquisition of title to the estate or interest referred to in Schedule A by the insured, provided such violations result in impairment or loss of the lien of the mortgage referred to in Schedule A, or result in impairment or loss of title to the estate or interest referred to in Schedule A if the insured shall acquire such title in satisfaction of the indebtedness secured by the insured mortgage;
   (b) Ulterior encroachment of the title to the estate or interest referred to in Schedule A by reason of any violations on the land occurring prior to acquisition of title to the estate or interest referred to in Schedule A by the insured, of any "covenants", "conditions", or "restrictions".

3. Damage to existing improvements, including lawns, shrubbery or trees
   (a) Which are located or encroach upon any portion of the land subject to any easement shown in Schedule B, which damage results from the exercise of the right to use or maintain such easement for the purposes for which the same was granted or reserved;
   (b) Resulting from the exercise of any right to use the surface of the land for the extraction or development of the minerals excepted from the description of the land or shown as a reservation in Schedule B.

4. Any final court order or judgment requiring removal from any land adjoining the land of any encroachment shown in Schedule B.

Wherever in this endorsement any or all of the words "covenants, conditions, or restrictions" appear, they shall not be deemed to refer to or include the terms "covenants", "conditions", or "restrictions" contained in any lease.

For purposes of this endorsement, the words "covenants", "conditions", or "restrictions" shall not be deemed to refer to or include any "covenants", "conditions", or "restrictions" relating to environmental protection, except to the extent that a notice of a violation or alleged violation affecting the land has been recorded in the public records or filed as a Notice of Violation as a Notice of Violation in Schedule B.

This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereon. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

[Signature]
STEWART TITLE
GUARANTY COMPANY

[Signature]
STEWART TITLE OF SACRAMENTO

CARMICHAEL, CALIFORNIA 95608

CLTA FOR 100

JPMC- 060403
CONFIDENTIAL

CSOC.RICH.002184
4. DEFENSE AND PROSECUTION OF ACTIONS; DUTY OF INSURED CLAIMANT TO COOPERATE.

(a) After written request by the insured and subject to the options contained in Sections 9 and 10 of this policy, the Company, at its own cost and without unreasonable delay, shall defend for the defense of an insured in litigation in which any third party asserts a claim adverse to the life or interest as insured, but only as to those stated causes of action alleging a defense, lien or encumbrance or other matter insured against by this policy. The Company shall have the right to select counsel of its choice, subject to the right of the insured to object to counsel selected for reasonable causes; and if the insured shall object on those stated causes of action and shall not be liable for and will not pay the fees of any other counsel, the Company will not pay any fees, costs or expenses incurred by the insured in the defense of those causes of action which allege matters not insured against by this policy.

(b) The Company shall have the right, at its own cost, to institute and prosecute any action or proceeding as to any other and which in its opinion may be necessary or desirable to establish the title to the estate or interest or the lien of the insured mortgage, as insured, or to preserve or reduce lien or damage to the insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable hereunder, and shall not hereby waive liability or waive any provision of this policy. If the Company shall exercise its rights under this paragraph, it shall do so diligently.

(c) Whenever the Company shall have brought an action or interposed a defense as required or permitted by the provisions of this policy, the Company may adjust any litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(d) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured shall secure to the Company the right to prosecute or provide defense in the action or proceeding, and all appeals thereon, and permit the Company to use, or act through, the same, the power of the insured for this purpose. Whenever requested by the Company in writing, the insured shall execute any documents, and shall take all other lawful steps which in the opinion of the Company may be necessary or desirable to establish the title of the estate or interest or the lien of the insured mortgage, as insured. If the Company is prejudiced by the failure of the insured to furnish the required cooperation, the Company shall have the options and obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.

5. PROOF OF LOSS OR DAMAGE.

In addition to and after the notices required under Section 3 of these Conditions and Stipulations have been provided the Company, a proof of loss or damage signed and sworn to by the insured claimant shall be furnished to the Company without delay after the insured claimant shall have made the first giving rise to the loss or damage. The proof of loss or damage shall describe the damage, if any, in reasonable terms, in such a manner as to be ascertainable as to the extent and nature thereof, and shall be sworn to by the insured claimant, or in any affidavit or statement by the insured claimant. If the Company is prejudiced by the failure of the insured claimant to provide the required proof of loss or damage, the Company's obligations to the insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such proof of loss or damage.

In addition, the insured claimant may reasonably be required to submit to examination under oath by any authorized representative of the Company and shall produce for examination, inspection and copying, as reasonable times and places as may be designated by any authorized representative of the Company, all records, books, ledgers, checks, correspondence and memoranda, whether bearing a date before or after Date of Policy, which reasonably pertain to the loss or damage. Further, if required by any authorized representative of the Company, the insured claimant shall cooperate with the Company for any authorized representative of the Company to examine, inspect and copy all records, books, ledgers, checks, correspondence and memorandums in the custody of the insured, which are reasonably pertinent to the loss or damage. All information designated as confidential by the insured claimant provided to the Company pursuant to this Section shall not be attached to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the insured claimant to submit for examination under oath, produce any reasonably requested item or grant permission to secure reasonably necessary information from third parties as required in this paragraph, unless prohibited by law or an agreement, shall terminate any liability of the Company under this policy as to that claim.

6. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY.

In case of a claim under this policy, the Company shall have the following additional options:

(a) To Settle or Tender Payment of the Amount of Insurance or to Purchase the Indebtedness.

(1) To pay or tender payment of the amount of insurance under this policy together with any costs, attorney's fees and expenses incurred by the insured claimant, which were authorized by the Company, up to the time of payment or tender of payment and which the Company is obligated to pay, or to purchase the indebtedness secured by the insured mortgage for the amount owing thereon together with any costs, attorney's fees and expenses incurred by the insured claimant which were authorized by the Company up to the time of purchase and which the Company is obligated to pay.

If the Company offers to purchase the indebtedness as herein provided, the owner of the indebtedness shall transfer, assign, and convey the indebtedness and the insured mortgage, together with any collateral security, to the Company upon payment hereof.

Upon the exercise by the Company of either of the options provided for in paragraph (a)(1) or (b), all liability and obligations to the insured under this policy, other than to make the payment required in those paragraphs, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, and the policy shall be surrendered to the Company for cancellation.

(b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.

(1) To pay or otherwise settle with other parties for or in the name of an insured claimant any claim or any part thereof, and to make payment of any costs, attorney's fees and expenses incurred by the insured claimant which were authorized by the Company, up to the time of payment and which the Company is obligated to pay.

(2) To pay or otherwise settle with the insured claimant the loss or damage provided for under this policy, together with any costs, attorney's fees and expenses incurred by the insured claimant which were authorized by the Company, up to the time of payment and which the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in paragraphs (b)(1) or (2), the Company's obligations to the insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

7. DETERMINATION AND EXTENT OF LIABILITY.

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the insured claimant who has suffered loss or damage by reason of matters insured against by this policy and only to the extent herein described.

(a) The Liability of the Company under this policy shall not exceed the limit of

(1) The amount of insurance stated in Schedule A, or, if applicable, the amount of insurance as defined in Section 2(d) of these Conditions and Stipulations;

(2) The amount of the unpaid principal indebtedness secured by the insured mortgage as limited or provided under Section 8 of these Conditions and Stipulations or as reduced under Section 9 of these Conditions and Stipulations, at the time the loss or damage insured against by this policy occurs, together with interest thereon; or

(3) The difference between the value of the insured estate or interest as insured and the value of the insured estate or interest subject to the defect, lien or encumbrance insured against.

(b) In the event the insured has acquired the estate or interest in the manner described in Section 7(a) of these Conditions and Stipulations or has extinguished the title, the liability of the Company shall continue as set forth in Section 7(a) of these Conditions and Stipulations.

(c) The Company will pay only those costs, attorney's fees and expenses incurred in accordance with Section 4 of these Conditions and Stipulations.

JPMC-000404

CONFIDENTIAL

CSOC.RICH.002185
8. LIMITATION OF LIABILITY.

(a) The Company shall not be liable for any claim or action for personal injury or death resulting from the use of the insured mortgage, or for any claim or action based on the negligence of the insured mortgagee, or for any claim or action based on the negligence of any person or organization in the course of the business of the insured.

(b) The Company shall not be liable for any claim or action based on the negligence of any person or organization in the course of the business of the insured.

(c) The Company shall not be liable for any claim or action based on the negligence of any person or organization in the course of the business of the insured.

9. REDUCTION OF INSURANCE REDUCTION OR TERMINATION OF LIABILITY.

(a) Any payment made under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance afforded by this policy until the amount so paid is exhausted.

(b) Any payment made under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance afforded by this policy until the amount so paid is exhausted.

(c) Any payment made under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance afforded by this policy until the amount so paid is exhausted.

10. LIABILITY NONCUMULATIVE.

If the insured acquires title to the real estate which is subject to the terms of this policy, the liability of the insurance company shall be reduced by the amount of any payment made under this policy.

11. PAYMENT OF LOSS.

(a) The payment of loss shall be made without prejudice to the title of the insured under this policy.

(b) The payment of loss shall be made without prejudice to the title of the insured under this policy.

(c) The payment of loss shall be made without prejudice to the title of the insured under this policy.

12. SUBROGATION UPON PAYMENT OR SETTLEMENT.

(a) The Company's rights and interests under this policy shall be held by the insured mortgagee, and the rights of such mortgagee shall be held by the insured mortgagee.

(b) The Company's rights and interests under this policy shall be held by the insured mortgagee, and the rights of such mortgagee shall be held by the insured mortgagee.

(c) The Company's rights and interests under this policy shall be held by the insured mortgagee, and the rights of such mortgagee shall be held by the insured mortgagee.

13. ARBITRATION.

(a) Any claim against the insured or any person or organization in the course of the business of the insured shall be settled by arbitration according to the rules of the American Arbitration Association.

(b) Any claim against the insured or any person or organization in the course of the business of the insured shall be settled by arbitration according to the rules of the American Arbitration Association.

(c) Any claim against the insured or any person or organization in the course of the business of the insured shall be settled by arbitration according to the rules of the American Arbitration Association.

14. NOTICE TO COMPANY.

(a) Notice of any claim against the insured or any person or organization in the course of the business of the insured shall be given to the Company within twenty-four hours after knowledge thereof.

(b) Notice of any claim against the insured or any person or organization in the course of the business of the insured shall be given to the Company within twenty-four hours after knowledge thereof.

(c) Notice of any claim against the insured or any person or organization in the course of the business of the insured shall be given to the Company within twenty-four hours after knowledge thereof.

15. SEVERABILITY.

(a) Any provision of this policy shall be valid and enforceable to the extent permitted by any state or federal law or judicial decision, and the remainder of this policy shall be valid and enforceable to the extent permitted by any state or federal law or judicial decision.

(b) Any provision of this policy shall be valid and enforceable to the extent permitted by any state or federal law or judicial decision, and the remainder of this policy shall be valid and enforceable to the extent permitted by any state or federal law or judicial decision.

(c) Any provision of this policy shall be valid and enforceable to the extent permitted by any state or federal law or judicial decision, and the remainder of this policy shall be valid and enforceable to the extent permitted by any state or federal law or judicial decision.
In accordance with the above referenced application for a policy of title insurance, Stewart Title Guaranty Company hereby issues a form of insurance to the beneficiary of the above referenced application. The insurance is not subject to the terms and conditions of the policy it is issued under unless such terms and conditions are specifically stated in the policy. The policy also contains a description of the items insured as described in the policy it is issued under. The policy is subject to all terms and conditions of the policy as stated in the policy it is issued under.

Stewart Title Guaranty Company


date: 12/31/2000

JPMC- 000406

CONFIDENTIAL
Schedule A

The form of policy of title insurance contracted for this report is:

CLTA STANDARD
ALTA LEASE

The entire interest in the land specified described or referred to in said report is:

A Fee

Title or said estate or interest in the above real estate is vested in:

Mark D. Helm and Charli L. Helm, husband and wife, as the Helm Family Revocable Trust

The legal description in this Report is situated in the State of California, County of San Mateo, City of Foster City, and is described as follows:

See Exhibit "A" attached hereto and made a part hereof.
### Schedule B

At the date hereof, exceptions to coverage in addition to the policies indicated on the previous page of this report were as follows:

A. General State License Taxes for the Fiscal Year 2006-2007, and any assessments and charges collected thereon:
   - 1st Installment $451.48
   - Due Date: December 10, 2006
   - 2nd Installment $451.48
   - Due Date: February 1, 2007

B. Income Tax:
   - Payroll Tax Base: 
   - Rate: 

C. Property Tax:
   - Assessor's No.: 
   - Assessed Value: 
   - Tax Code: 

D. Other Taxes:
   - Assessment: 
   - Tax Rate: 

### Notes:

- The list of Special Assessments, assessed pursuant to the provisions of Chapter 6 of the Code of the County of Los Angeles, includes the following:
- The list of Assessments includes the following:
- The list of Special Assessments includes the following:

---

### JPMC: 006499

CONFIDENTIAL

CSOC.RICH.002190

Thrift: Mark S. Holder and Sharon L. Holder, Husband and Wife as Joint Tenants

Security Address: 4850 N. Lincoln St, Aurora, CO 80011-4819

Legal Description: Lot 180, Block 5, Section 3, Arapahoe County, Colorado


Thrift: Mark S. Holder and Sharon L. Holder, Husband and Wife as Joint Tenants

Security Address: 4850 N. Lincoln St, Aurora, CO 80011-4819

Legal Description: Lot 180, Block 5, Section 3, Arapahoe County, Colorado

4. The terms and conditions of the Trust Agreement under which the trust deed holds title, which Trust is referred to as the "Deed of Trust" herein described herein. A copy of the Trust Agreement is on file in the office of the Trustee.

Note: Any further amendments or addenda to this agreement will be recorded in the Official Records

JPMC-000410
CONFIDENTIAL
Section 17: The property has within the city limits of [City Name], as it existed upon sale is a lot of the area covered by the description of the city limits. The area in question being subject to the city limits of the city.

According to the public records under the recording laws, the construction of the following items is required for the city limits of [City Name]:

- Street Improvement
- Zoning
- Drainage
- Sewerage
- Water supply

The following items are required for the city limits of [City Name]:

- Sanitary sewer system
- Storm sewer system
- Street lighting
- Sidewalks

The following items are required for the city limits of [City Name]:

- Street paving
- Kerb and gutter
- Crosswalks
- Traffic signals

JPMC- 000411
CONFIDENTIAL

CSOC.RICH.002192
Land Title Supplemental Report

This report (including any supplements or amendments thereto) is hereby modified and or supplemented in order to reflect the following additional terms relating to the issuance of an Amendment:

1. ALT 1. Inspection report to follow

2. A survey inspection has been made and no changes will be required. Our ALT 1 Policy will include indemnity No. 113

3. Said and is also known as

5933 West Coast Drive, Sacramento, California 95818

State of California, County of Sacramento, City of Sacramento

JPMC- 000413
CONFIDENTIAL

CSOC.RICH.002194
1420

JPMC-000414
CONFIDENTIAL

CSOC.RICH.002195
In addition to the Exclusions in Schedule B, you are not insured against loss, waste, unauthorized acts, and
omissions regarding premises.

1.omissions, equitable estoppel, and the validity or enforceability of any lien or governmental regulation.

The insured building and sitting therein are free from fire and explosion hazards.

b. Undermining

c. Holdover

d. Environmental protection

This exclusion does not apply to violations or the enforcement of any real estate which appear in the policy requirements or policy dates.

This exclusion does not limit the coverage described in Items 12 and 13 of Coverage Title Risk.

2. The right to take the land by condemnating it, unless:

a. A basis of assessing the right appears in the policy

b. Does the policy state.

c. The policy state and in binding on you if you bought the land without knowing of the taking

3. Title Risk

a. If you are created, allowed, or agreed to by the

b. After any time to pass, and until it is, the policy state...unless they appeared in the state

4. That same is not the case.

c. A lease that affects your use of the policy state – this does not limit the labor and material lost

5. A lease in your name for your title.
EXCEPTIONS (Public Condemnation)

The policy does not extend against loss or damage to the company or its net pay, or against loss or expense which may be sustained by the public interest.

1. The net pay of the company or its net pay, or against loss or expense which may be sustained by the public interest.

2. The net pay of the company or its net pay, or against loss or expense which may be sustained by the public interest.

3. The net pay of the company or its net pay, or against loss or expense which may be sustained by the public interest.

4. The net pay of the company or its net pay, or against loss or expense which may be sustained by the public interest.

5. The net pay of the company or its net pay, or against loss or expense which may be sustained by the public interest.
Uniform Residential Loan Application

**Borrower and Property Information**

**Borrower Name:**

**Property Address:**

**Occupancy:**

**Additional Property Information:**

**Project Name:**

**Mortgage Information**

**Loan Type:**

**Loan Purpose:**

**Loan Position:**

**Mortgagee Name:**

**Underwriter Name:**

**Approval Company Name:**

**Monthly Income:**

**Income:**

**Payment:**

**Qualifying Rate:**

**Risk Assessment:**

**Seller:**

**Contractor:**

**Other:**

---

**JPMC-000422 CONFIDENTIAL**

CSOC.RICH.002203
### Underwriting Worksheet Summary

<table>
<thead>
<tr>
<th>Loan Number:</th>
<th>Property: 3822 Curtis Dr</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address:</td>
<td>Sacramento, CA 95818</td>
</tr>
<tr>
<td>Borrowers:</td>
<td>Laura Richardson</td>
</tr>
<tr>
<td>Underwriter:</td>
<td>Sandra Watson</td>
</tr>
<tr>
<td>Lien Position:</td>
<td>First Mortgage Loan</td>
</tr>
<tr>
<td>Decision Type:</td>
<td></td>
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<tr>
<td>Credit Score:</td>
<td>584</td>
</tr>
<tr>
<td>Loan Amount:</td>
<td>$535,000</td>
</tr>
<tr>
<td>Sales Price/Value:</td>
<td>$535,000 / $536,000</td>
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<tr>
<td>LTV:</td>
<td>100.00% / 100.00%</td>
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<tr>
<td>Property Type:</td>
<td>Single Family</td>
</tr>
<tr>
<td>Loan Purpose:</td>
<td>Purchase</td>
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<tr>
<td>Refinance Description:</td>
<td></td>
</tr>
<tr>
<td>Property Usage:</td>
<td>Primary Residence</td>
</tr>
<tr>
<td>Investor:</td>
<td>Standard</td>
</tr>
<tr>
<td>Salability:</td>
<td></td>
</tr>
</tbody>
</table>

#### Financial Information

- **Total Proposed Monthly Housing Expense (Borrower's Primary Residence):** $4,918.97
- **Total Borrower(s) Income:** $11,220.00
- **Total Debts Included in Ratio:** $177.00
- **Total Debts to be Paid Off:** $0.00
- **Cash Required to Close:** $8,732.70
- **Total Cash Assets:** $41,000.00

<table>
<thead>
<tr>
<th>Ratio Type:</th>
<th>Calculation:</th>
<th>Calculation:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Front End Ratio:</td>
<td>43.84%</td>
<td>$(4,918.97 / 11,220.00)</td>
</tr>
<tr>
<td>Back End Ratio:</td>
<td>45.42%</td>
<td>$(5,095.97 / 11,220.00)</td>
</tr>
<tr>
<td>Occupant Front End Ratio:</td>
<td>65.75%</td>
<td>$(4,918.97 / 11,220.00)</td>
</tr>
<tr>
<td>Occupant Back End Ratio:</td>
<td>68.12%</td>
<td>$(5,095.97 / 11,220.00)</td>
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</table>

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https://bmllos.wamu.net/impact/ContactRatios.do?Report=Y

JPMC-000423
CONFIDENTIAL
01/02/2007

CSOC.RICH.002204
## Washington Mutual

**Long Beach Mortgage**

### CASH SUMMARY FOR PURCHASE
(Purchase Money Loans Only)

**Borrower:** loans Richardson

**Loan Number: 1430**

**Date:** January 05, 2007

<table>
<thead>
<tr>
<th>CREDITOR/DEBTOR</th>
<th>DEBT TYPE</th>
<th>BALANCE</th>
<th>PAYMENT</th>
<th>PAYMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>WELLS FARGO HOME MORTGAGE</td>
<td>352,819.00</td>
<td>0.00</td>
<td>2,475.00</td>
<td></td>
</tr>
<tr>
<td>OPTION ONE MORTGAGE CO</td>
<td>445,103.00</td>
<td>0.00</td>
<td>2,592.00</td>
<td></td>
</tr>
<tr>
<td>CAP ONE BK</td>
<td>44.00</td>
<td>0.00</td>
<td>15.00</td>
<td></td>
</tr>
<tr>
<td>BALLY TOTAL FITNESS</td>
<td>817.00</td>
<td>0.00</td>
<td>20.00</td>
<td></td>
</tr>
<tr>
<td>SIVON RICCI</td>
<td>1,382.00</td>
<td>0.00</td>
<td>15.00</td>
<td></td>
</tr>
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</table>

### MONEY REQ'D TO CLOSE

<table>
<thead>
<tr>
<th>DATE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
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### SUMMARY OF LIQUIDITY

<table>
<thead>
<tr>
<th>DATE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>41,006.00</td>
</tr>
</tbody>
</table>

**Loan Amount:** 575,000.00

**Closing Reserve:** 29,038.20

**Due to Close:**

**Pages 1 - CASH SUMMARY FOR PURCHASE**

---

JPMC-000424

CONFIDENTIAL

CSOC.RICH.002205
Underwriter: Sandra Watson

Credit Profile

Credit Score: 788

FICO: 784 631 535

Credit Score Comment: Using LBM score slightly higher than LBM. Both within same range.

Title: Requesting title from seller. Must be signed by pgl. Purchase contract is in detail. Purchase Price $225k.

414002657W

JPMC-000425
CONFIDENTIAL
<table>
<thead>
<tr>
<th>Income Source</th>
<th>Gross Income</th>
<th>Net Income Calculation</th>
<th>Net Diminution Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income Source</td>
<td>11,268.00</td>
<td>7,687.40</td>
<td>2,365.45</td>
</tr>
<tr>
<td>Borrower: Laura Richardson</td>
<td>Monthly Gross Income: 11,268.00</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Related Employee / Additional Monthly Income for the Related Borrower**

- **State:** 11,268.00
- **Period:** 007
- **Annual:** STATED

**Other Monthly Income**

- Income Type: Total Monthly: 11,268.00
- Tax Exempt: No

**Income Comments:**

- Borrower is newly elected school assembly women. Letter in file reporting income. Annual salary is $11,268.
- 9242 each day assembly is in session which calculates to over 227 days. Income is based on total of $11,268 - $9,000 each. Borrower also has separate marital income needed to support household. No net zero income from City of Long Beach. City Council. Payroll and 401k in file for tax income. This income complements federal gross income of $20,000. Net has been annually self-employed woman for 10 yrs involved.

**DTI**

<table>
<thead>
<tr>
<th>Housing Expenses</th>
<th>Calculations</th>
<th>Debt-to-Income Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Mortgage Pit:</td>
<td>4,227.97</td>
<td>Qualifying Rate Method:</td>
</tr>
<tr>
<td>2nd Mortgage Pit:</td>
<td>0.00</td>
<td>Flat Rate Debt Ratio: 4.34</td>
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<tr>
<td>Loan-to-Value Ratio</td>
<td>180.00%</td>
<td>Back End Debt Ratio: 45.42</td>
</tr>
<tr>
<td>LOVR: 100.00%</td>
<td>Qualifying Rate: 8.200</td>
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</tr>
<tr>
<td>Other: 0.00</td>
<td>Prepayment Savings: 0.00</td>
<td></td>
</tr>
<tr>
<td>Monthly Housinig:</td>
<td>4,916.97</td>
<td></td>
</tr>
<tr>
<td>Max/Family:</td>
<td>177.00</td>
<td></td>
</tr>
<tr>
<td>Debt/Max/Gitigation:</td>
<td>5,065.97</td>
<td></td>
</tr>
</tbody>
</table>

**Income Comments:** Requests for 50% purchase. Apportion to file, APP 50%. Requesting wage support and guarantor to complete monthly income and net zero accounts of $20k. Will complete calculation upon request. 90% exception to be completed. Max is 110% Del. Borrower requires based on file 0, 999 Code of Ethics. Additional income up to $5,000 from City of Long Beach as continuing student to allow for 3% exception and applicable real at 100% income.
### Washington Mutual
Long Beach Mortgage

**CASH SUMMARY FOR PURCHASE**
(Purchase Money Loans Only)

<table>
<thead>
<tr>
<th>CReditORS DEBTs</th>
<th>DATE / NEXT PAY</th>
<th>BALANCE</th>
<th>PAYOFFS</th>
<th>PAYMENTS</th>
</tr>
</thead>
<tbody>
<tr>
<td>WELLS FARGO HOME MORTG</td>
<td>352,819.00</td>
<td>0.00</td>
<td>2,475.00</td>
<td></td>
</tr>
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<td>445,103.00</td>
<td>0.00</td>
<td>2,992.00</td>
<td></td>
</tr>
<tr>
<td>CAP ONE BK</td>
<td>44.00</td>
<td>0.00</td>
<td>15.00</td>
<td></td>
</tr>
<tr>
<td>BALLY TOTAL FITNESS</td>
<td>512.00</td>
<td>0.00</td>
<td>60.00</td>
<td></td>
</tr>
<tr>
<td>XEROX DEFU</td>
<td>1,883.00</td>
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<td>122.00</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MONEY REQ'D TO CLOSE</th>
<th>DATE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Close Payment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title叐</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prepa</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax &amp; Insurance Reserve</td>
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<td></td>
</tr>
</tbody>
</table>

**MINI-SUMMARY**

<table>
<thead>
<tr>
<th>DATE</th>
<th>AMOUNT</th>
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<tbody>
<tr>
<td>40,000.00</td>
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<tr>
<td>1,000.00</td>
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**SUBTOTALS**

<table>
<thead>
<tr>
<th>DATE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>41,000.00</td>
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</tbody>
</table>

**LOAN AMOUNT** 335,001.00

**CASH REMAINING** 20,002.91

**CASH TO CLOSE** 0.00

**CONFIDENTIAL**

JPMC: 000427

CSOC.RICH.002208
**Underwriting or Rate Exception**

**Washington Mutual**
Long Beach Mortgage

<table>
<thead>
<tr>
<th>Date</th>
<th>File Number</th>
<th>Branch</th>
<th>Region</th>
</tr>
</thead>
<tbody>
<tr>
<td>06/05/2007</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reason</th>
<th>Amount</th>
<th>Initial</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Reduction</td>
<td>$35,000.00</td>
<td>Avenue Mortgage Inc</td>
<td></td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Rate Program</th>
<th>Initial Rate</th>
<th>Approved Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2Y</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **Underwriting Exception**

**Description of Exception Requested:**

**Reason and Justification for the Exception:**

- **Length of Employment**

**Description of Exception Requested:**

**Loan Exception Requested:**

- **Requested:** 100.1%

**Reason and Justification for the Exception:**

- **Length of Employment**

**Signature:**

<table>
<thead>
<tr>
<th>Requested By</th>
<th>Approver</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sandra Watson</td>
<td></td>
<td>06/05/2007</td>
</tr>
<tr>
<td>AVDP/VP</td>
<td></td>
<td>06/05/2007</td>
</tr>
<tr>
<td>PVDS/PVP</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**JPMC- 000428**
CONFIDENTIAL
## UNDERWRITING APPROVAL SHEET

### Borrower/Agent: Avenue Mortgage Inc.
- **Loan Officer:** Tami Kamboli
- **Assistant Manager:** Christine Potevski
- **Underwriter:** Stanley Wiesen
- **SIC:**

### Borrower/Prop. Address: 3022 Civic Dr, Sacramento, CA 95811
- **Loan #:**
- **Type of Loan:** Single Family
- **Prop. Type:**
- **Program:** 30-Year ARM
- **As Subscribed (Y/N):** Yes
- **Quota Credit:**

### LTV/CLTV:

### CONDITIONS OF APPROVAL:

- Internal Approval by JPMIC
- Lender Approved

### TOTAL POINTS:

### COMPENSATING FACTORS:

<table>
<thead>
<tr>
<th>Compensating Factor</th>
<th>Total Points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Points Added:</strong></td>
<td><strong>-10.00</strong></td>
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</tbody>
</table>

### CODE EXPLANATIONS:

<table>
<thead>
<tr>
<th>Code</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLA</td>
<td>Closing</td>
</tr>
<tr>
<td>NA</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>X</td>
<td>Exempt</td>
</tr>
<tr>
<td>OCC</td>
<td>Office of Counsel</td>
</tr>
<tr>
<td>PTV</td>
<td>Principal Tax</td>
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<tr>
<td>WVT</td>
<td>Waiver of Tax</td>
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</table>

### JPMC-000429
CONFIDENTIAL

CSOC.RICH.002210
Amended Approval

<table>
<thead>
<tr>
<th>Date</th>
<th>Loan #</th>
<th>Borrower Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 24, 2007</td>
<td></td>
<td>Laura Rutherford</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Broker Name</th>
<th>Broker #</th>
<th>Contact</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avenue Mortgage Inc</td>
<td>829200</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Owner Occupied</th>
<th>Non Owner Occupied</th>
<th>Second Home</th>
<th>Full Doc</th>
<th>Limited Doc</th>
<th>Stated Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Amendment Explanation**

Loan amount and sales price are changing to $535,001 per seller/buyer request.

**Most Recent Approval**

<table>
<thead>
<tr>
<th>Program</th>
<th>Loan Purpose</th>
<th>LTV</th>
<th>CLTV</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Yr ARM</td>
<td>Purchase</td>
<td>5.00</td>
<td>6.60</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rate</th>
<th>Date Rate</th>
<th>Index</th>
<th>Min Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.14%</td>
<td>4.42</td>
<td>5.30%</td>
<td>8.00</td>
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</table>

<table>
<thead>
<tr>
<th>Margin</th>
<th>%</th>
<th>Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.5%</td>
<td></td>
<td>Prepayment: 0.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Prepayment Amount</th>
<th>2 Yrs.</th>
<th>Lender Fees</th>
<th>First Adjuster Cap</th>
<th>Adjustment Cap</th>
<th>Lifetime Cap</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>888.00</td>
<td></td>
<td>2.000</td>
<td>1.000</td>
<td>6.000</td>
</tr>
</tbody>
</table>

**Conditions of Amended Approval**

1. 
2. 
3. 

[Signature] Condor Klassen | Date: 11/4/07

[Signature]                      | Date:  

[Signature]                      | Date:  

[Signature]                      | Date:  

[Signature]                      | Date:  

JPMC-000430
CONFIDENTIAL

CSOC.RICH.002211
# CASH SUMMARY FOR PURCHASE

(Purchase Money Loans Only)

<table>
<thead>
<tr>
<th>CREDITOR/DEBT</th>
<th>DATE</th>
<th>AMOUNT</th>
<th>PAYMENTS</th>
<th>BALANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td>WELLS FARGO HOME MORG</td>
<td></td>
<td>2,475.00</td>
<td>0.00</td>
<td>327,819.00</td>
</tr>
<tr>
<td>OPTION ONE MORTGAGE CO</td>
<td></td>
<td>2,592.00</td>
<td>0.00</td>
<td>445,761.00</td>
</tr>
<tr>
<td>CAP ONE BK</td>
<td></td>
<td>15.00</td>
<td>0.00</td>
<td>44.00</td>
</tr>
<tr>
<td>BALLOON TOTAL INTEREST</td>
<td></td>
<td>20.00</td>
<td>0.00</td>
<td>812.00</td>
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<tr>
<td>XEROX EBCU</td>
<td></td>
<td>133.00</td>
<td>0.00</td>
<td>1,582.00</td>
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</table>

<table>
<thead>
<tr>
<th>QUESTION PERTAINING TO CLOSING</th>
<th>DATE</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Down Payment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title Payment</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Title &amp; Escrow Fee</td>
<td>24,899.99</td>
<td></td>
</tr>
<tr>
<td>Insurance Escrow</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>46,899.99</td>
<td></td>
</tr>
<tr>
<td>SUBTOTAL OF LIQUIDITY</td>
<td>DATE</td>
<td>AMOUNT</td>
</tr>
<tr>
<td>VCP</td>
<td>46,899.99</td>
<td></td>
</tr>
<tr>
<td>TOTAL</td>
<td>46,899.99</td>
<td></td>
</tr>
<tr>
<td>DEBT SECURITY</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>SUB TOTAL</td>
<td>48,899.99</td>
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</tr>
<tr>
<td>TOTAL</td>
<td>48,899.99</td>
<td></td>
</tr>
</tbody>
</table>

**TOTAL** | 48,899.99 |

**LOAN AMOUNT** | 535,000.00 |
**CASH RESERVES** | 16,113.00 |
**REMAIN TO CLOSE** | |

**Purchased From** : CASH SUMMARY FOR PURCHASE

**Terms** : 2.00% Annual Percentage Rate

**Compliance** : 365 Day Compliance

**Appraisal** : **Comparable**

**Occupancy** : 100%

**Total** : 535,000.00

**Cash Reserve** : 16,113.00

**Remaining to Close** : 0.00
## Amended Approval

<table>
<thead>
<tr>
<th>Date</th>
<th>Loan #</th>
<th>Borrower Name</th>
<th>Laura Richardson</th>
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</thead>
<tbody>
<tr>
<td>January 04, 2007</td>
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<table>
<thead>
<tr>
<th>Brief Note</th>
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<table>
<thead>
<tr>
<th>Owner Occupied</th>
<th>Non Owner Occupied</th>
<th>Second Home</th>
<th>Total Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>X</td>
<td></td>
<td></td>
<td>$200000</td>
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<table>
<thead>
<tr>
<th>Appraisal Date</th>
<th>Loan Amount</th>
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<tbody>
<tr>
<td></td>
<td>$200000</td>
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<table>
<thead>
<tr>
<th>Mortgage Rate</th>
<th>Loan Amount</th>
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</thead>
<tbody>
<tr>
<td>4.99%</td>
<td>$200000</td>
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<table>
<thead>
<tr>
<th>Prepayment</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 Yrs</td>
<td>$88,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Payment Cap</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2,000</td>
<td>$88,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Payment Cap</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>$88,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Payment Cap</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>6,000</td>
<td>$88,000</td>
</tr>
</tbody>
</table>

**Conditions of Amended Approval**

1. 
2. 
3. 

**Amended Approval Signed By**

[Signature]

**Date**

11/4/07

**Approval**

JPMC: 000432

CONFIDENTIAL

CSOC.RICH.002213
July 6, 2009

Your house is your home. We want to keep it that way.

We need to talk -- call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

Call us today at 1-866-926-8937 so we can help you turn things around. We'll discuss your current situation (outlined in the enclosed letter) and the options available to you. But we cannot stress enough that the longer you delay calling us, the fewer chances you may have to keep your home.

It will only take a few minutes on the phone - one of our Loan Specialists will work with you to determine the option that best fits your needs. There are several options available - call us now and let us see which one will work best for you.

We are committed to working with you to find a way to help you keep your home, but you must call us immediately at 1-866-926-8937 — the longer you delay, the fewer options you may have.

Homeowner's Assistance Department
Washington Mutual
1-866-926-8937

P. S. The enclosed legal letter outlines in detail, your current situation and the consequences that will occur unless we receive the required financial information from you and can approve you for a modification. Once you call us with the information needed, then we can work together to determine the option that will work best for you. We cannot guarantee that you will be approved, but your only chance of saving your home is by contacting us immediately. Please don't delay - call us now at 1-866-926-8937.

JPMC- 000456
CONFIDENTIAL
July 6, 2009

Laura Richardson
3822 W. Curtis Dr.
Sacramento, CA 95818

NOTICE OF COLLECTION ACTIVITY

RE: 3622 W. Curtis Dr.
Sacramento, CA 95818

Dear Borrower:

The records of Washington Mutual Bank indicate that you have failed to make the required monthly payments under the terms of your Note ("Note") and related Mortgage or Deed of Trust, whichever is applicable ("Security Instrument") since 04/01/2009. As of today's date the total amount due and owing ("Total Amount Due") is:

| Principal & Interest Payments: | $17070.32 |
| Escrow:                       | $2470.44  |
| Late Charges:                 | $1024.20  |
| Outstanding Fees:             | $21.70    |
| Corporate Advance:            | $11.00    |
| Credits:                      | $3819.45  |

Total Amount Due: $16778.21

You may cure this default within thirty (30) days from date of letter. However, the amount that you owe may increase between the date of this letter and the date you reinstate the loan. This is because of interest, late charges, advances and other amounts that may continue to accrue or will be incurred. You will also owe the amount of any monthly or other payments and late charges that may fall due after the date of this letter. Therefore, you may not rely on the amount shown above to be sufficient to cure your loan delinquency after today. It is necessary for you to contact Washington Mutual at the address or telephone number on this letter to verify the exact amount necessary to cure your delinquency and reinstate your loan no more than 24 hours before you make any payment.

Failure to cure the default within the 30-day period may result in Washington Mutual Bank declaring the entire outstanding principal balance, accrued interest and any other fees and charges due under the terms of the Note and Security Instrument to be immediately due ("Acceleration"). If this amount is not immediately paid at such time, Washington Mutual Bank may exercise any and all remedies available under the terms of the Note and Security Instrument and applicable law, including the commencement of foreclosure proceedings which may result in the sale of your property.

After acceleration, you will have the right to assert any grounds you may have to prove the non-existence of a default. You may also reinstate your loan. In addition, you will have the right to any related foreclosure proceedings to assert any defense to acceleration, the foreclosure action and, if applicable, the eventual sale of your property pursuant to a court order or trustee power of sale.

JPMC-000457
CONFIDENTIAL
Your prompt attention to this matter is required. Our goal is to help keep our customers in their homes with payments they can afford. You may contact our office to discuss your account status. The toll free number is 1-866-926-8937. A representative is available from 8 a.m. to 9 p.m. Eastern Time.

You can also find helpful resources and learn about alternatives to foreclosure by visiting our website: http://wwwCHASE.com

An important reminder for all our customers: As stated in the "Questions and Answers for Borrowers about the Homeowner Affordability and Stability Plan" distributed by the Obama Administration, "Borrowers should beware of any organization that attempts to charge a fee for housing counseling or modification of a delinquent loan, especially if they require a fee in advance." Washington Mutual offers loan modification assistance free of charge (i.e., no modification fee required). Please call us immediately at (866) 926-8937 to discuss your options. The longer you delay the fewer options you may have.

Sincerely,
Customer Interaction Department
WaMu

WE ARE A DEBT COLLECTOR.
July 6, 2009

Laura Richardson
917 E Vernon St
Long Beach, CA 90800

Washington Mutual
FLS-7750
PO BOX 44000
Jacksonville, FL 32231-4090

WaMu is becoming CHASE

Your house is your home. We want to keep it that way.

We need to talk -- call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

Call us today at 1-866-926-8937 so we can help you turn things around. We'll discuss your current situation (outlined in the enclosed letter) and the options available to you. But we cannot stress enough that the longer you delay calling us, the fewer chances you may have to keep your home.

It will only take a few minutes on the phone - one of our Loan Specialists will work with you to determine the option that best fits your needs. There are several options available - call us now and let us see which one will work best for you.

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Homeowner’s Assistance Department
Washington Mutual
1-866-926-8937

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NOTICE OF COLLECTION ACTIVITY

RE: [Redacted]
3522 W. Curtis Dr.
Sacramento CA 95818

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<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal &amp; Interest Payments:</td>
<td>$17070.32</td>
</tr>
<tr>
<td>Escrow:</td>
<td>$2470.44</td>
</tr>
<tr>
<td>Late Charges:</td>
<td>$1024.20</td>
</tr>
<tr>
<td>Outstanding Fees:</td>
<td>$27.70</td>
</tr>
<tr>
<td>Corporate Advances:</td>
<td>$11.00</td>
</tr>
<tr>
<td>Credits:</td>
<td>$3819.45</td>
</tr>
<tr>
<td><strong>Total Amount Due:</strong></td>
<td><strong>$16778.21</strong></td>
</tr>
</tbody>
</table>

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After acceleration, you will have the right to assert any grounds you may have to prove the non-existence of a default. You may also reinstate your loan. In addition, you will have the right in any related foreclosure proceedings to assert any defense to acceleration, the foreclosure action and, if applicable, the eventual sale of your property pursuant to a court order or trustee power of sale.

JPMC- 000461
CONFIDENTIAL
Your prompt attention to this matter is required. Our goal is to help keep our customers in their homes with payments they can afford. You may contact our office to discuss your account status. The toll free number is 1-866-926-8937. A representative is available from 8 a.m. to 9 p.m. Eastern Time.

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Sincerely,
Customer Interaction Department
WaMu

WE ARE A DEBT COLLECTOR,
Washington Mutual
FLS-7750
PO BOX 44090
Jacksonville, FL 32231-4090

July 6, 2009

Laura Richardson
3922 W Curtis Dr
Sacramento CA 95818

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Homeowner’s Assistance Department
Washington Mutual
1-866-926-8937

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Washington Mutual
PLS-7730
PO BOX 44090
Jacksonville, FL 32231-4090

July 6, 2009

LAURA RICHARDSON
3622 W CURTIS DR
SACRAMENTO CA 95818

NOTICE OF COLLECTION ACTIVITY

RE: 3622 W Curtis Dr.
Sacramento CA 95818

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<td>Escrow</td>
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</tr>
<tr>
<td>Outstanding Fees</td>
<td>$21.67</td>
</tr>
<tr>
<td>Corporate Advance</td>
<td>$11.00</td>
</tr>
<tr>
<td>Credit</td>
<td>$3819.45</td>
</tr>
<tr>
<td><strong>Total Amount Due</strong></td>
<td><strong>$16778.21</strong></td>
</tr>
</tbody>
</table>

You may cure this default within thirty (30) days from date of letter. However, the amount that you owe may increase between the date of this letter and the date you reinstate the loan. This is because of interest, late charges, advances and other amounts that may continue to accrue or will be incurred. You will also owe the amount of any monthly or other payments and late charges that may fall due after the date of this letter. Therefore, you may not rely on the amount shown above to be sufficient to cure your loan delinquency after today. It is necessary for you to contact Washington Mutual at the address or telephone number on this letter to verify the exact amount necessary to cure your delinquency and reinstate your loan no more than 24 hours before you make any payment.

Failure to cure the default within the 30-day period may result in Washington Mutual Bank declaring the entire outstanding principal balance, accrued interest and any other fees and charges due under the terms of the Note and Security Instrument to be immediately due ("Acceleration"). If this amount is not immediately paid at such time, Washington Mutual Bank may exercise any and all remedies available under the terms of the Note and Security Instrument and applicable law, including the commencement of foreclosure proceedings which may result in the sale of your property.

After acceleration, you will have the right to assert any grounds you may have to prove the non-existence of a default. You may also reinstate your loan. In addition, you will have the right in any related foreclosure proceedings to assert any defense to acceleration, the foreclosure action and, if applicable, the eventual sale of your property pursuant to a court order or trustee power of sale.

JPMC-000465
CONFIDENTIAL

CSOC.RICH.002246
Your prompt attention to this matter is required. Our goal is to help keep our customers in their homes with payments they can afford. You may contact our office to discuss your account status. The toll free number is 1-866-926-8937. A representative is available from 8 a.m. to 9 p.m. Eastern Time.

You can also find helpful resources and learn about alternatives to foreclosure by visiting our website: http://www.Chase.com

An important reminder for all our customers: As stated in the "Questions and Answers for Borrowers about the Homeowner Affordability and Stability Plan" distributed by the Obama Administration, "Borrowers should beware of any organization that attempts to charge a fee for housing counseling or modification of a delinquent loan, especially if they require a fee in advance." Washington Mutual offers loan modification assistance free of charge (i.e., no modification fee required). Please call us immediately at (866) 926-8937 to discuss your options. The longer you delay the fewer options you may have.

Sincerely,
Customer Interaction Department
WaMu

WE ARE A DEBT COLLECTOR.
July 6, 2009

Laura Richardson
717 E Vernon St
Long Beach, CA 90806

Your house is your home. We want to keep it that way.

We need to talk -- call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

Call us today at 1-866-926-8937 so we can help you turn things around. We'll discuss your current situation (outlined in the enclosed letter) and the options available to you. But we cannot stress enough that the longer you delay calling us, the fewer chances you may have to keep your home.

It will only take a few minutes on the phone - one of our Loan Specialists will work with you to determine the option that best fits your needs. There are several options available - call us now and let us see which one will work best for you.

We are committed to working with you to find a way to help you keep your home, but you must call us immediately at 1-866-926-8937 — the longer you delay, the fewer options you may have.

Homeowner's Assistance Department
Washington Mutual
1-866-926-8937

P. S. The enclosed legal letter outlines in detail, your current situation and the consequences that will occur unless we receive the required financial information from you and can approve you for a modification. Once you call us with the information needed, then we can work together to determine the option that will work best for you. We cannot guarantee that you will be approved, but your only chance of saving your home is by contacting us immediately. Please don't delay - call us now at 1-866-926-8937.

JPMC- 000467
CONFIDENTIAL
July 6, 2009

Laura Richardson
717 E Vernon St
Long Beach CA 90806

NOTICE OF COLLECTION ACTIVITY

Re: 3622 W. Curtis Dr.,
Sacramento CA 95818

Dear Borrower:

The records of Washington Mutual Bank indicate that you have failed to make the required monthly payments under the terms of your Note ("Note") and related Mortgage or Deed of Trust, whichever is applicable ("Security Instrument") since 04/01/2009. As of today’s date the total amount due and owing ("Total Amount Due") is:

- Principal & Interest Payments: $17070.32
-Escrow: $2470.44
- Late Charges: $1024.20
- Outstanding Fees: $21.70
- Corporate Advance: $11.00
- Credits: $3819.45

Total Amount Due: $16778.21

You may cure this default within thirty (30) days from date of letter. However, the amount that you owe may increase between the date of this letter and the date you reinstate the loan. This is because of interest, late charges, advances and other amounts that may continue to accrue or will be incurred. You will also owe the amount of any monthly or other payments and late charges that may fall due after the date of this letter. Therefore, you may not rely on the amount shown above to be sufficient to cure your loan delinquency after today. It is necessary for you to contact Washington Mutual at the address or telephone number on this letter to verify the exact amount necessary to cure your delinquency and reinstate your loan no more than 24 hours before you make any payment.

Failure to cure the default within the 30-day period may result in Washington Mutual Bank declaring the entire outstanding principal balance, accrued interest and any other fees and charges due under the terms of the Note and Security Instrument to be immediately due ("Acceleration"). If this amount is not immediately paid at such time, Washington Mutual Bank may exercise any and all remedies available under the terms of the Note and Security Instrument and applicable law, including the commencement of foreclosure proceedings which may result in the sale of your property.

After acceleration, you will have the right to assert any grounds you may have to prove the non-existence of a default. You may also reinstate your loan. In addition, you will have the right in any related foreclosure proceedings to assert any defense to acceleration, the foreclosure action and, if applicable, the eventual sale of your property pursuant to a court order or trustee power of sale.

JPMC 000469
CONFIDENTIAL
Your prompt attention to this matter is required. Our goal is to help keep our customers in their homes with payments they can afford. You may contact our office to discuss your account status. The toll free number is 1-866-926-8937. A representative is available from 8 a.m. to 9 p.m. Eastern Time.

You can also find helpful resources and learn about alternatives to foreclosure by visiting our website: http://www.Chase.com

An important reminder for all our customers: As stated in the "Questions and Answers for Borrowers about the Homeowner Affordability and Stability Plan" distributed by the Obama Administration, "Borrowers should beware of any organization that attempts to charge a fee for housing counseling or modification of a delinquent loan, especially if they require a fee in advance." Washington Mutual offers loan modification assistance free of charge (i.e., no modification fee required). Please call us immediately at (866) 926-8937 to discuss your options. The longer you delay the fewer options you may have.

Sincerely,
Customer Interaction Department
WaMu

WE ARE A DEBT COLLECTOR.

JPMC- 000470
CONFIDENTIAL
WaMu is becoming CHASE

Your house is your home. We want to keep it that way.

We need to talk -- call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

Call us today at 1-866-926-8937 so we can help you turn things around. We'll discuss your current situation (outlined in the enclosed letter) and the options available to you. But we cannot stress enough that the longer you delay calling us, the fewer chances you may have to keep your home.

It will only take a few minutes on the phone - one of our Loan Specialists will work with you to determine the option that best fits your needs. There are several options available - call us now and let us see which one will work best for you.

We are committed to working with you to find a way to help you keep your home, but you must call us immediately at 1-866-926-8937 — the longer you delay, the fewer options you may have.

Homeowner’s Assistance Department
Washington Mutual
1-866-926-8937

P. S. The enclosed legal letter outlines in detail, your current situation and the consequences that will occur unless we receive the required financial information from you and can approve you for a modification. Once you call us with the information needed, then we can work together to determine the option that will work best for you. We cannot guarantee that you will be approved, but your only chance of saving your home is by contacting us immediately. Please don't delay - call us now at 1-866-926-8937.
June 3, 2009

WE ARE A DEBT COLLECTOR

IF YOU ARE IN BANKRUPTCY OR HAVE BEEN DISCHARGED IN BANKRUPTCY, THIS LETTER IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED AS AN ATTEMPT TO COLLECT A DEBT OR AS AN ACT TO COLLECT, ASSESS, OR RECOVER ANY OR ANY PORTION OF THE DEBT FROM YOU PERSONALLY.

JPMC- 000472
CONFIDENTIAL

CSOC.RICH.002253
Your house is your home. We want to keep it that way.

We need to talk -- call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

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Homeowner's Assistance Department
Washington Mutual
1-866-926-8937

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Washington Mutual
FL 5-7750
PO BOX 44090
Jacksonville, FL 32231-4090

June 3, 2009

WaMu is becoming CHASE

Laura Richardson
3622 W Curtis DR
SACRAMENTO CA 95818

Re: [REDACTED]

Avise importante para las personas que hablan español:

Esta notificación es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traducción inmediatamente. Si usted no llama o le responde a Washington Mutual Bank a este número de teléfono toll free at (866) 926-8937 (TDD (904) 281-3935) usted puede perder su casa.

This notice is of great importance since it affects your right to continue living in your home. If you do not understand the contents of this letter, obtain a translation immediately. If you do not contact our office toll free at (866) 926-8937 (TDD (904) 281-3935), you may lose your home.

Dear Laura Richardson:

We want to help you keep your home. If you missed your home loan payments because of a condition beyond your control (such as illness, loss of your job, or some other serious condition that temporarily made it impossible for you to make payments) please let us know, we may be able to offer you alternative options to foreclosure. To get the process started, please contact our homeownership preservation department toll-free 1-866-926-8937. We are also enclosing a Borrower Assistance Form. The Borrower Assistance Form asks you provide financial information to aid in our evaluation of your specific circumstances. It is important for you to complete and return the Borrower Assistance Form as soon as possible.

The Department of Housing and Urban Development (HUD) provides the enclosures titled "Avoiding Foreclosure" which offers helpful information on counseling services available as well as answering many questions commonly asked. Foreclosure is a procedure in which your property is sold through auction to pay the outstanding debt owed on the loan. Therefore, it is important that you read the information carefully; it could assist you in preventing foreclosure.

For additional assistance and resources you should also contact HUD directly to find an approved Housing Counseling Agency closest to you. The toll-free number at HUD is (800)456-4307 (TDD (800)877 8399). A counselor will review your financial situation and may be able to suggest how you can arrange to pay the overdue payment(s) and make timely mortgage loan payments in the future.

Sincerely,

Customer Interaction Center
WaMu

Enclosures: (HUD Pamphlet PA-426H); (WaMu Borrower Assistance Form)

WE ARE A DEBT COLLECTOR

IF YOU ARE IN BANKRUPTCY OR HAVE BEEN DISCHARGED IN BANKRUPTCY, THIS LETTER IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED AS AN ATTEMPT TO COLLECT A DEBT OR AS AN ACT TO COLLECT, ASSESS, OR RECOVER ALL OR ANY PORTION OF THE DEBT FROM YOU PERSONALLY.

JPMC- 000474
CONFIDENTIAL

CSOC.RICH.002255
WaMu is becoming CHASE

Your house is your home. We want to keep it that way.

We need to talk -- call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

Call us today at 1-866-926-8937 so we can help you turn things around. We'll discuss your current situation (outlined in the enclosed letter) and the options available to you. But we cannot stress enough that the longer you delay calling us, the fewer chances you may have to keep your home.

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Homeowner's Assistance Department
Washington Mutual
1-866-926-8937

P. S. The enclosed legal letter outlines in detail, your current situation and the consequences that will occur unless we receive the required financial information from you and can approve you for a modification. Once you call us with the information needed, then we can work together to determine the option that will work best for you. We cannot guarantee that you will be approved, but your only chance of saving your home is by contacting us immediately. Please don't delay - call us now at 1-866-926-8937.
June 9, 2009

LAURA RICHARDSON
717 S VERNON ST
LONG BEACH, CA 90806

Re: [Handwritten]

Aviso importante para las personas que hablan español:

Esta notificación es de suma importancia, pues afecta sus derechos a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traducción inmediatamente. Si usted no llama o le responde a Washington Mutual Bank a este número de teléfono toll free at (866) 926-8937 [TDD (904) 281-3935] usted puede perder su casa.

This notice is of great importance since it affects your right to continue living in your home. If you do not understand the contents of this letter, obtain a translation immediately. If you do not contact our office toll free at (866) 926-8937 [TDD (904) 281-3935], you may lose your home.

Dear Laura Richardson:

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For additional assistance and resources you should also contact HUD directly to find an approved Housing Counseling Agency closest to you. The toll-free number at HUD is (800)569-4387 [TDD (800)877-8359]. A counselor will review your financial situation and may be able to suggest how you can arrange to pay the overdue payment(s) and make timely mortgage loan payments in the future.

Sincerely,

Customer Interaction Center
WaMu

Enclosures: (HUD Pamphlet PA-436H); (WaMu Borrower Assistance Form)

WE ARE A DEBT COLLECTOR

IF YOU ARE IN BANKRUPTCY OR HAVE BEEN DISCHARGED IN BANKRUPTCY, THIS LETTER IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED AS AN ATTEMPT TO COLLECT A DEBT OR AS AN ACT TO COLLECT, ASSESS, OR RECOVER ALL OR ANY PORTION OF THE DEBT FROM YOU PERSONALLY.

JPMC-000476
CONFIDENTIAL

CSOC.RICH.002257
Your house is your home. We want to keep it that way.

We need to talk -- call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

Call us today at 1-866-926-8937 so we can help you turn things around. We'll discuss your current situation (outlined in the enclosed letter) and the options available to you. But we cannot stress enough that the longer you delay calling us, the fewer chances you may have to keep your home.

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We are committed to working with you to find a way to help you keep your home, but you must call us immediately at 1-866-926-8937 — the longer you delay, the fewer options you may have.

Homeowner's Assistance Department
Washington Mutual
1-866-926-8937

P. S. The enclosed legal letter outlines in detail, your current situation and the consequences that will occur unless we receive the required financial information from you and can approve you for a modification. Once you call us with the information needed, then we can work together to determine the option that will work best for you. We cannot guarantee that you will be approved, but your only chance of saving your home is by contacting us immediately. Please don't delay - call us now at 1-866-926-8937.

JPMC-000477
CONFIDENTIAL
June 9, 2009

LaWA

LAURA RICHARDSON
3622 W CURTIS DR
SACRAMENTO, CA 95818

Re: [Redacted]

Avise importante para las personas que hablan espanol:

Esta notica es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entienden el contenido de esta carta, obtenga una traducción inmediatamente. Si usted no llama o le responde a Washington Mutual Bank a este número de teléfono toll free at (866) 926-8937 [TDD (904) 281-3933] usted puede perder su casa.

This notice is of great importance since it affects your right to continue living in your home. If you do not understand the contents of this letter, obtain a translation immediately. If you do not contact our office toll free at (866) 926-8937 [TDD (904) 281-3933], you may lose your home.

Dear Laura Richardson:

We want to help you keep your home. If you missed your home loan payments because of a condition beyond your control (such as illness, loss of your job, or some other serious condition that temporarily made it impossible for you to make payments) please let us know, we may be able to offer you alternative options to foreclosure. To get the process started, please contact our homeownership preservation department toll-free 1-866-926-8937. We are also enclosing a Borrower Assistance Form. The Borrower Assistance Form asks you provide financial information to aid in the evaluation of your particular circumstances. It is important for you to complete and return the Borrower Assistance Form as soon as possible.

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For additional assistance and resources you should also contact HUD directly to find an approved Housing Counseling Agency closest to you. The toll free number at HUD is (800)569 4287 [TDD (800)377-6553]. A counselor will review your financial situation and may be able to suggest how you can arrange to pay the overdue payment(s) and make timely mortgage loan payments in the future.

Sincerely,

Customer Interaction Center

WaMu

Enclosures: (HUD Pamphlet PA-4263); (WaMu Borrower Assistance Form)

WE ARE A DEBT COLLECTOR

IF YOU ARE IN BANKRUPTCY OR HAVE BEEN DISCHARGED IN BANKRUPTCY, THIS LETTER IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED AS AN ATTEMPT TO COLLECT A DEBT OR AS AN ACT TO COLLECT, ASSESS, OR RECOVER ALL OR ANY PORTION OF THE DEBT FROM YOU PERSONALLY.

JPMC- 000478
CONFIDENTIAL

CSOC.RICH.002259
Washington Mutual
Mall Stop: JAXA2031
P.O. Box 44000
Jacksonville, FL 32231-4090

March 2, 2009

LAURA RICHARDSON
1832 W CURTIS DR
SACRAMENTO CA 95810

Your house is your home. We want to keep it that way.

We need to talk – call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

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Homeowner’s Assistance Department
Washington Mutual
1-866-926-8937

P. S. The enclosed legal letter outlines in detail, your current situation and the consequences that will occur unless we receive the required financial information from you and can approve you for a modification. Once you call us with the information needed, then we can work together to determine the option that will work best for you. We cannot guarantee that you will be approved, but your only chance of saving your home is by contacting us immediately. Please don’t delay - call us now at 1-866-926-8937.

JPMC-000479
CONFIDENTIAL
March 2, 2009

LAURA RICHARDSON
717 E VERNON ST
LONG BEACH CA 90806

Your house is your home. We want to keep it that way.

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Homeowner's Assistance Department
Washington Mutual
1-866-926-8937

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JPMC-000480
CONFIDENTIAL
March 2, 2009

Washington Mutual
HOME LOANS

NOTICE OF COLLECTION ACTIVITY

RE: 3622 W Curtis Dr.
Sacramento CA 95818

Dear Borrower:

The records of Washington Mutual Bank indicate that you have failed to make the required monthly payments under the terms of your Note ("Note") and related Mortgage or Deed of Trust, whichever is applicable ("Security Instruments") since 01/01/2009. As of today's date the total amount due and owing ("Total Amount Due") is:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal &amp; Interest Payments</td>
<td>$8535.16</td>
</tr>
<tr>
<td>Escrow</td>
<td>$169.48</td>
</tr>
<tr>
<td>Late Charges</td>
<td>$512.10</td>
</tr>
<tr>
<td>Outstanding Fees</td>
<td>$0.00</td>
</tr>
<tr>
<td>Corporate Advances</td>
<td>$0.00</td>
</tr>
<tr>
<td>Credits</td>
<td>$0.00</td>
</tr>
<tr>
<td><strong>Total Amount Due</strong></td>
<td><strong>$9216.74</strong></td>
</tr>
</tbody>
</table>

You may cure this default within thirty (30) days from date of letter. However, the amount that you owe may increase between the date of this letter and the date you reinstate the loan. This is because of interest, late charges, advances and other amounts that may continue to accrue or will be incurred. You will also owe the amount of any monthly or other payments and late charges that may fall due after the date of this letter. Therefore, you may not rely on the amount shown above to be sufficient to cure your loan delinquency after today. It is necessary for you to contact Washington Mutual at the address or telephone number on this letter to verify the exact amount necessary to cure your delinquency and reinstate your loan no more than 24 hours before you make any payment.

Failure to cure the default within the 30-day period may result in Washington Mutual Bank declaring the entire outstanding principal balance, accrued interest and any other fees and charges due under the terms of the Note and Security Instrument to be immediately due ("Acceleration"). If this amount is not immediately paid at such time, Washington Mutual Bank may exercise any and all remedies available under the terms of the Note and Security Instrument and applicable law, including the commencement of foreclosure proceedings which may result in the sale of your property.

After acceleration, you will have the right to assert any grounds you may have to prove the non-existence of a default. You may also reinstate your loan. In addition, you will have the right in any related foreclosure proceedings to assert any defense to acceleration, the foreclosure action and, if applicable, the eventual sale of your property pursuant to a court order or trustee power of sale.

Your prompt attention to this matter is required. Our goal is to help keep our customers in their homes with payments they can afford. You may contact our office to discuss your account status. The toll free number is 1-866-926-8937. A representative is available from 8 a.m. to 9 p.m. Eastern Time.

You can also find helpful resources and learn about alternatives to foreclosure by visiting our website: http://www.wamu.com/wamucares

Sincerely,
Customer Interaction Department
WaMu

WE ARE A DEBT COLLECTOR.

JPMC-009481
CONFIDENTIAL

CSOC.RICH.002262
Your house is your home. We want to keep it that way.

We need to talk -- call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

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Homemnower's Assistance Department
Washington Mutual
1-866-926-8937

P. S. The enclosed legal letter outlines in detail, your current situation and the consequences that will occur unless we receive the required financial information from you and can approve you for a modification. Once you call us with the information needed, then we can work together to determine the option that will work best for you. We cannot guarantee that you will be approved, but your only chance of saving your home is by contacting us immediately. Please don't delay - call us now at 1-866-926-8937.

JPMC- 000482
CONFIDENTIAL
February 3, 2009

WASHINGTON MUTUAL
HOME LOANS

LAURA RICHARDSON
717 E VERNON ST
LONG BEACH CA 90808

Re: [blank]

Aviso importante para las personas que hablan español:

Esta notificación es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traducción inmediatamente. Si usted llama a le responde a Washington Mutual Bank a este número de teléfono toll free at (866) 926-8937 (TDD (904) 281-3935) usted puede perder su casa.

This notice is of great importance since it affects your right to continue living in your home. If you do not understand the contents of this letter, obtain a translation immediately. If you do not contact our office toll free at (866) 926-8937 (TDD (904) 281-3935), you may lose your home.

Dear Laura Richardson:

We want to help you keep your home. If you missed your home loan payments because of a condition beyond your control (such as illness, loss of your job, or some other serious condition that you are unable to control), please let us know, we may be able to offer you alternative options to foreclosure. To get the process started, please contact our homeownership preservation department toll-free 1-866-926-8937. We are also enclosing a Borrower Assistance Form. The Borrower Assistance Form asks you provide financial information to aid in our evaluation of your specific circumstances. It is important for you to complete and return the Borrower Assistance Form as soon as possible.

The Department of Housing and Urban Development (HUD) provides the enclosure titled "Avoiding Foreclosure" which offers helpful information on counseling services available as well as answering many questions commonly asked. Foreclosure is a procedure in which your property is sold through auction to pay the outstanding debt owed on the loan. Therefore, it is important that you read the information carefully; it could assist you in preventing foreclosure.

For additional assistance and resources you should also contact HUD directly to find an approved Housing Counseling Agency closest to you. The toll free number at HUD is (888) 656 1267 (TDD (800) 787 6599). A counselor will review your financial situation and may be able to suggest how you can arrange to pay the overdue payment(s) and make timely mortgage loan payments in the future.

Sincerely,

Customer Interaction Center
WaMu

Enclosures: (HUD Pamphlet PA-426H); (WaMu Borrower Assistance Form)

WE ARE A DEBT COLLECTOR

IF YOU ARE IN BANKRUPTCY OR HAVE BEEN DISCHARGED IN BANKRUPTCY, THIS LETTER IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED AS AN ATTEMPT TO COLLECT A DEBT OR AS AN ACT TO COLLECT, ASSESS, OR RECOVER ALL OR ANY PORTION OF THIS DEBT FROM YOU PERSONALLY.

JPMC- 000483
CONFIDENTIAL

CSOC.RICH.002264
February 3, 2009

Laura Richardson
3522 W Curtis Dr
Sacramento CA 95818

Washington Mutual
HOME LOANS

Your house is your home. We want to keep it that way.

We need to talk – call 1-866-926-8937 today.

You are going through tough times - we can help. In fact, we believe your home loan may be eligible for a loan modification program - we may be able to change the term of your loan, the interest rate, and maybe even the principal due date, to reduce the monthly payment to an amount you can afford.

Call us today at 1-866-926-8937 so we can help you turn things around. We'll discuss your current situation (outlined in the enclosed letter) and the options available to you. But we cannot stress enough that the longer you delay calling us, the fewer chances you may have to keep your home.

It will only take a few minutes on the phone - one of our Loan Specialists will work with you to determine the option that best fits your needs. There are several options available - call us now and let us see which one will work best for you.

We are committed to working with you to find a way to help you keep your home, but you must call us immediately at 1-866-926-8937 — the longer you delay, the fewer options you may have.

Homeowner's Assistance Department
Washington Mutual
1-866-926-8937

P.S. The enclosed legal letter outlines in detail, your current situation and the consequences that will occur unless we receive the required financial information from you and can approve you for a modification. Once you call us with the information needed, then we can work together to determine the option that will work best for you. We cannot guarantee that you will be approved, but your only chance of saving your home is by contacting us immediately. Please don't delay - call us now at 1-866-926-8937.

JPMC-000484
CONFIDENTIAL
February 3, 2009

Washington Mutual
HOME LOANS

LAURA RICHARDSON
3822 W CURTIS DR
SACRAMENTO CA 95818

Re: [Redacted]

Aviso importante para las personas que hablan espanol:
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Dear Laura Richardson:

We want to help you keep your home. If you missed your home loan payments because of a condition beyond your control (such as illness, loss of your job, or some other serious condition that temporarily made it impossible for you to make payments) please let us know, we may be able to offer you alternative options to foreclosure. To get the process started, please contact our homeownership preservation department toll-free 1-866-926-8937. We are also enclosing a Borrower Assistance Form. The Borrower Assistance Form asks you provide financial information to aid in our evaluation of your specific circumstances. It is important for you to complete and return the Borrower Assistance Form as soon as possible.

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For additional assistance and resources you should also contact HUD directly to find an approved Housing Counseling Agency closest to you. The toll-free number at HUD is (800)569-4207 [TDD (900)877-8539]. A counselor will review your financial situation and may be able to suggest how you can arrange to pay the overdue payment(s) and make timely mortgage loan payments in the future.

Sincerely,

Customer Interaction Center
WaMu

Enclosures: (HUD Pamphlet PA-426H); (WaMu Borrower Assistance Form)

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JPMC-000485
CONFIDENTIAL.
CONSOLIDATED NOTES LOG 05/22/08 13:49:28

L: RICHARDS  L:R P:A B: R: DUE 08/01/07 TYPE CCNV. RES. ARM
AKA X ARM X ASM X BLN X BRK X CEN X COL X ELC X FOR X HAZ X HMT X
MIP X FIF X PFS X REG X SER X TAX X TSK X DATE SELECT: #8FLY# PRINT:

--------------------** PFS FOR MORE --------------------**

FOR 041603 #94 USER HAS ENDED THE HOLD. HOLD END DATE: 04/1
6/2008. HOLD TYPE: LOSS MITIGATION WORKOUT

TSK 041609 #49 PROCEED
FOR 041509 #69 PROCEED
FOR 041099 #85 EXECUTIVE ISSUE**EMAIL ED REINSTATEMENT FIGURES
TO USE

COL 04C808 MED CALLED BORR HW HN# LMTC .............JANICE01349
FOR 04C408 #9U LOSS MITIGATION WORKOUT HOLD OPENED: 4/4/2008

FOR 04C408 #9U RYAN FACUBAS - CONT. OR 60 DAYS TO ALLOW THE BO
RROWER TO REINSTATE THE LOAN. SHE IS A PROMINENT P
OLITICAL FIGURE. STATUS: ACTIVE, AWAITING APPROVAL
HOLD START: 4/4/2008

FOR 04C408 #9U RYAN FACUBAS SYSTEM UPDATED FOR THE FOLLOWING EVE
MT: USER HAS PLACED THE FILE ON HOLD. HOLD REASON:
LOSS MITIGATION WORKOUT. HOLD COMMENTS: DESTINY W
HITHEAD, FIDELITY CLOSED BY: N.A. REVIEWED BY:
N.A. REVIEWED: 6.A. PROJECTED END: N.A. DAYS 0

JPMC-000486
CONFIDENTIAL
CONSOLIDATED NOTES LOG 05/22/08 13:49:38

FOR 3434CB 07U PNR: 0 COMMENTS: FROM: DOLAN, ALLISON A. MAILTO:
ALLISON.DOLAN@AMJ.NET SENT: THURSDAY, APRIL 03,
2008 5:03 PM TO: HCLDFCL@INFOS.NET SUBJECT: DUE*
LAURA RICHARDS LOAN ( ) IMPORTANCE: HIGH
PLEASE PLACE THE ABOVE LOAN ON FORECLOSURE HOLD F

FOR 0404CB 07U RYAN PACUBAS SYSTEM UPDATED FOR THE FOLLOWING EVENT:
USER HAS APPROVED THE HOLD. HOLD TYPE: LOSS MITIGATION WORKOUT. STATUS: ACTIVE, APPROVED.

FOR 0404CB 07U RYAN PACUBAS SYSTEM UPDATED FOR THE FOLLOWING EVENT:
USER HASENDED THE ISSUE ASSOCIATED WITH THIS LOAN. ISSUE TYPE: HOLD FC. COMMENTS: HOLD FC.

FOR 0404CB 07U RYAN PACUBAS USER HAS COMPLETED THE SALE SCHEDULED FOR DATA FORM WITH THE FOLLOWING ENTRIES:
PRIVIOUS SALE DATE: 4/7/2008 SALE POSTPONEMENT REASON: LOSS MITIGATION

FOR 0404CB 07U RYAN PACUBAS SYSTEM UPDATED FOR THE FOLLOWING EVENT:
USER HAS APPROVED THE ISSUE. ISSUE TYPE: HOLD.
CONSOLIDATED NOTES LOG

05/22/08  13:49:50

L  RICHARDS  L:R  F:  A  B:  R:  DUE 08/01/07  TYPE CONV.  RES.  ARM
ANA  ARM  ASC  BLW  BVK  CON  COL  ELC  FOR  HAZ  JMT  
MIP  PIT  PWT  PTE  RSS  TCR  TCH  X  DATE SELECT:  MM/DD/YY  PRINT:

---------------------------------------------------------------------

FCR 1440408 8VU  LOAN #:  1  IMPORTANCE:  HIGH  PLEASE  PLACE
THE  ABOVE  LOAN  ON  FORECLOSURE  HOLD  FOR  30  DAYS  TO
ALLOW  THE  BORROWER  TO  REINSTATE  THIS  LOAN.  THE  BORROWER  IS  A
PROMINENT  POLITICAL  FIGURE.  STATUS:  ACTIVE

FCR 1440408 8VU  PETER RHODEN  SYSTEM  UPDATED  FOR  THE  FOLLOWING
EVENT:  USER  HAS  ENDED  THE  ISSUE  ASSOCIATED  WITH  THIS
LOAN.  ISSUE  TYPE:  REINSTATEMENT QUOTE REQUEST.  COMMENTS:
REINSTATEMENT  GOOD  THROUGH  04-07-08  UPLOAD
D  INTO  MIE...

FCR 1440408 8VU  PETER RHODEN  USER  HAS  COMPLETED  THE  FIO1
REINSTATED DATA FORM WITH THE FOLLOWING ENTRIES:
GOOD THROUGH DATE: 01-07-08
SPECIAL INSTRUCTIONS:

FCR 1440408 8VU  PETER RHODEN  A FEES AND COSTS REQUEST HAS BEEN EN-
TERED FOR THIS LOAN BY PETER RHODEN, GOOD THROUGH
4/7/2008

FCR 1440408 8VU  ALLISON DOLAN  SYSTEM  UPDATED  FOR  THE
FOLLOWING  EVENT:  USER  HAS  CREATED  A  PROCESS-LEVEL  ISSUE  FOR  TH
From: HoldFCL@Fafs.net
Sent: Thursday, April 03, 2008 5:04 PM
To: Dolan, Allison A.
Subject: RF: OTP** Laura Richardson Loan

This will acknowledge receipt of your email request that a foreclosure be stopped, put on hold, or sale date postponed. Please be advised that if such email request is being submitted less than forty-eight (48) business hours prior to the scheduled sale, you must contact either Destiny Whitehead (dwhitehead@whitenoise) at (904) 470-5909 or Reginald Lynch (reginald.lynch@whitenoise) at (904) 470-3600 to alert Fidelity to the time sensitive nature of your request. For escalated matters please contact Michael Caro at (904) 470-3600. Thank you.

The information contained in this message is proprietary. If you are not the intended recipient, please: (i) delete the message and all copies; (ii) do not disclose, distribute or use the message in any manner; and (iii) notify the sender immediately. In addition, please be aware that any message addressed to our domain is subject to archiving and review by persons other than the intended recipient. Thank you.

1

JPMC-000489
CONFIDENTIAL

CSOC.RICH.002270
Hi Rosie-
Here is the Reinstatement figures for this loan. Do you want me to also fed-ex it to the borrower?

Thank you!

Allison Dolan

Allison – will you please take care of this asap?? The PCL sales is scheduled 4/7.

Thank you,

Tasha Siedzik
Loan Servicing Department Manager
Default Executive Response, CARE Team, Research Support
Customer Interaction Center

Washington Mutual
7255 Baymeadows Way, JAXA 1000
Jacksonville, FL 32256
904/886-6108 direct, 886/271-7346 fax
Tasha.siedzik@wamu.net

The Elite Group

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Alvarez, Rosalva R.
Sent: Thursday, April 03, 2008 4:25 PM
To: GM Default Executive Response
Hello,

I am hoping that you can assist me with this Congressional complaint. I have called and left a message on her cell phone for her to call me. The situation as Jon describes it below is that the customer is attempting to bring the loan current. She is looking to obtain a reinstatement figure and prevent foreclosure. Can you please assist me with that?

Thanks.

Rosie Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank
(800) 225-5497 Opt. 1 Ext. 467
Fax (206) 965-3062

From: Owen, Jan L.
Sent: Thursday, April 03, 2008 10:50 AM
To: Smith, Kimberly; GM QSM DTE
Subject: Ladies

Congresswoman Laura Richardson

Loan [ ]
Property address: 3622 W. Curtis Drive
Sacramento, CA 95818

Has called. She is attempting to reinstate her loan as she indicates she has the money and would like to stay with the payment plan she had before she had her problems. I understand from her that her problems began when she starting running for Congress once she had just won the state assembly seat. The Congressional district she represents is San Pedro and Long Beach, CA. She believes there will be a foreclosure sale on the above referenced property on April 7, 2008. She wants to keep the house and again has indicated she has the $3 to pay the arrears and to pay this loan.

This one is sensitive. Contact numbers are: 552-7051 cell, 202-225-7924 Congressional office, 310-538-1100- District office in CA. Please keep me posted. Thanks, J

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
916-553-5691
916-525-4717 fax
jan.owen@wamu.net

JPMC- 000491
CONFIDENTIAL
Dolan, Allison A.

From: Alvarez, Rosalva R.
Sent: Saturday, April 12, 2008 2:33 AM
To: Dolan, Allison A.; Biedzik, Tasha A.
Cc: Alpigini, Erin E.
Subject: RE: DTE** Laura Richardson Loan 

Follow Up Flag: Follow up
Flag Status: Red

Hello Allison,

Yes please send this to her via overnight on Monday.

Thank you,

Rosie Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank
(800) 225-5497 Opt. 1 Ext. 467
Fax (206) 948 3082

"I long to accomplish great and noble tasks, but it is my chief duty to accomplish humble tasks as though they were great and noble. The world is moved along, not only by the mighty strokes of its heroes, but also by the aggregate of the tiny pushing of each honest worker." - Helen Keller

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From: Dolan, Allison A.
Sent: Thursday, April 10, 2008 1:15 PM
To: Biedzik, Tasha A.; Alvarez, Rosalva R.
Cc: Alvarez, Rosalva R.; Alpigini, Erin E.
Subject: RE: DTE** Laura Richardson Loan 

Hi Rosie-

Here is the reinstatement figures for this loan. Do you want me to also fed-ex it to the borrower?
Thank you!

Allison Dolan << File: reinstatement Figures w o Fees[1].pdf >>

From: Siedzik, Tasha A.
Date: Thursday, April 03, 2008 1:09 PM
To: Dolan, Allison A.
Cc: Alvarez, Rosalva R.; Alipigni, Erin E.; Siedzik, Tasha A.
Subject: PWR: DTE*** Laura Richardson Loan
Importance: High

Allison – will you please take care of this asap??? The PCL sales is scheduled 4/7.

Thank you,

Tasha Siedzik
Loan Servicing Department Manager
Default Executive Response, CARE Team, Research Support
Customer Interaction Center

Washington Mutual
7255 Baymeadows Way, JAXA3000
Jacksonville, FL 32256
904/886-6108 direct, 886/271-7346 fax
Tasha.siedzik@wamu.net

<< OLE Object: Picture (Metafile)>>

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

Hello,

I am hoping that you can assist me with this Congressional complaint. I have called and left a message on her cell phone for her to call me. The situation as Jan describes it below is that the customer is attempting to bring the loan current. She is looking to obtain a reinstatement figure and prevent foreclosure. Can you please assist me with that?

Thanks,

Rosalva Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank

JPMC-000493
CONFIDENTIAL

CSOC.RICH.002274
From: Owen, Jan L.
Sent: Thursday, April 03, 2008 10:50 AM
To: Smith, Kimberly; GM QSM DTE
Subject: Ladies

Congresswoman Laura Richardson
Loan #:  
Property address: 3522 W. Curtis Drive
Sacramento, CA 95818

Has called. She is attempting to reinstate her loan as she indicates she has the money and would like to stay with the payment plan she had before she had her problems. I understand from her that her problems began when she starting running for Congress once she had just won the state assembly seat. The Congressional district she represents is San Pedro and Long Beach, CA. She believes there will be a foreclosure sale on the above referenced property on April 7, 2008. She wants to keep the house and again has indicated she has the $5 to pay the arrears and to pay this loan.

This one is sensitive. Contact numbers are: 562-706-2136 (cell), 202-225-7524 Congressional office, 310-538-1190 District office in CA. Please keep me posted. Thanks, J

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
916-653-4961
916-325-4717 fax
jan.owen@asmu.net

JPMC- 000494
CONFIDENTIAL

CSOC.RICH.002275
The Elite Group
BE RECOGNIZED

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Dolan, Allison A.
Sent: Thursday, April 03, 2008 5:12 PM
To: Siedzik, Tasha A.
Cc: Alvarez, Rosalva R.; Alpigini, Erin E.
Subject: RE: DTE** Laura Richardson Loan #

I have submitted the foreclosure hold for 60 days. Also, I emailed Fidelity to get the reaffirmation figures good thru 4/30/08 as a rush. I should have them by 4/5 tomorrow.

Thanks,
Allison Dolan

From: Siedzik, Tasha A.
Sent: Thursday, April 03, 2008 4:59 PM
To: Dolan, Allison A.
Cc: Alvarez, Rosalva R.; Alpigini, Erin E.
Subject: FW: DTE** Laura Richardson Loan #
Importance: High

Allison – will you please take care of this asap??? The FCL sales is scheduled 4/7.
Thank you,

Tasha Sledzik
Loan Servicing Department Manager
Default Executive Response, CARE Team, Research Support
Customer Interaction Center

Washington Mutual
7255 Baymeadows Way, JAXA3000
Jacksonville, FL 32256
904/886-6108 direct, 886/271-7346 fax
Tasha.sledzik@wamu.net

<< OLE Object: Picture (Metafile)>>

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From: Alvarez, Rosalva R.
Sent: Thursday, April 03, 2008 4:25 PM
To: GM Default Executive Response
Cc: Algimis, Erin E.; Sledzik, Tasha A.
Subject: DTE** Laura Richardson Loan #1
Importance: High

Hello,

I am hoping that you can assist me with this Congressional complaint. I have called and left a message on her cell phone for her to call me. The situation as Jan describes it below is that the customer is attempting to bring the loan current. She is looking to obtain a reinstatement figure and prevent foreclosure. Can you please assist me with that?

Thanks,

Rosie Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank
(800) 225-5497 Opt. 1 Ext. 467
Fax (206) 965-3062

From: Owen, Jan L.
Sent: Thursday, April 03, 2008 10:50 AM
To: Smith, Kimberly; GM QCM DTE
Subject: Ladies

Congresswoman Laura Richardson
Loan #: 
Property address: 3622 W. Curtis Drive
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would like to stay with the payment plan she had before she had her problem. I understand from
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Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
916-353-4217
916-325-4217 fax
jan.owen@enumu.net
Dolan, Allison A.

From: Terr.Walker@frnt.net
Sent: Friday, April 04, 2008 12:24 PM
To: Dolan, Allison A.  
Subject: RE: Richardson**reinstatement

Allison this is a Wamu Subprime loan issue would have to be raised on PM do you have access to Fidelity Process Management system?

Terri Walker  
Supervisor, Financial Support  
FIS Foreclosure Solutions, Inc.  
A Division of FIS Default Solutions  
Phone: (904) 470-7798

From: Dolan, Allison A. [mailto:allison.dolan@wamu.net]

Gents Thursday, April 03, 2008 5:00 PM
To: Terr.Walker
Subject: Richardson**reinstatement
Importance: High

Hi Terri-

Happy Almost Friday!!

Can I please get reinstatement figures for this loan as soon as possible? We need them good thru April 30 and it can include all fees and costs due.

Thank you! I appreciate you!

Allison Dolan  
Fulfillment Specialist  
Default Correspondence and Support Center

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<table>
<thead>
<tr>
<th>Date</th>
<th>Field 1</th>
<th>Field 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/01/60</td>
<td>Field 3</td>
<td>Field 4</td>
</tr>
<tr>
<td>02/02/60</td>
<td>Field 5</td>
<td>Field 6</td>
</tr>
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</tr>
<tr>
<td>04/04/60</td>
<td>Field 9</td>
<td>Field 10</td>
</tr>
</tbody>
</table>

**Note:** The table contains numeric and text fields with specific dates.
1.

Written By: Mason Segars, WAMU Umbrella
Date: 6/12/2009 12:47:00 PM
Type: Intercom
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:

2.

Written By: Karine Arias, California Re-Con
Date: 6/3/2009 4:18:00 PM
Type: Intercom
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:

3.

Written By: Robert Perry, Fidelity
Date: 6/3/2009 7:23:00 AM
Type: Intercom
Process: FC_Sale_Rescinded
Borrower: RICHARDSON
Note:

4.

Written By: Melissa Ott, Fidelity
Date: 6/2/2009 3:57:09 PM
Type: Intercom
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:

--- Forwarded Message ---


JPMC- 000592
CONFIDENTIAL
Sent: 6/2/2009 11:28:00 AM
From: Shadrin Herring
To: Melissa Ott
CC:
Subject: Fw: status of loan

Message:
Good afternoon,
Please read the previous intercom and advise.
Thanks

--- Forwarded Message ---

Sent: 6/2/2009 11:08:00 AM
From: Karina Artes
To: Shadrin Herring
CC:
Message Type: General Vendor: 723397ca
Subject: status of loan

Message:
Please advise the status of the loan. Are we proceeding with foreclosure and scheduled a new sale date or does this loan need to be on some type of hold. Please advise.

5.

Written By: Melissa Ott, Fidelity
Date: 6/2/2009 3:24:03 PM
Type: Intercom
Process: FC_CA_Other_BO_
Borrower: RICHARDSON
Note:

6.

Written By: antoine rkl, California Re-Con
Date: 6/2/2009 3:53:00 PM
Type: Auto Note
Process: FC_Stop
Borrower: RICHARDSON
Note:
User has closed the file. Close Reason: Process Complete

7.

Written By: antoine rkl, California Re-Con
Date: 6/2/2009 3:53:00 PM
Type: Event Update
Process: FC_Stop
Borrower: RICHARDSON
Note:

JPMC-000593
CONFIDENTIAL

https://fidesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj3IzITmT59cLe... 09/21/2009

CSOC.RICH.002374
8.
Written By: Fidelity AutoProc, Fidelity
Date: 6/2/2009 2:17:00 PM
Type: Issue
Process: FC_Sale_Reinstated
Borrower: RICHARDSON
Note: System updated for the following event: User has ended the issue associated with this loan. Issue Type: FC Stop - Reinstated. Comments: Stop FC.

9.
Written By: Fidelity AutoProc, Fidelity
Date: 6/2/2009 2:17:00 PM
Type: Issue
Process: FC_Sale_Reinstated
Borrower: RICHARDSON
Note: System updated for the following event: User has approved the issue. Issue type: FC Stop - Reinstated. Status: Active. Approved.

10.
Written By: Fidelity AutoProc, Fidelity
Date: 6/2/2009 2:17:00 PM
Type: New Process
Process: FC_Stop
Borrower: RICHARDSON
Note: Process opened 6/2/2009 by user Fidelity AutoProc.

11.
Written By: Fidelity AutoProc, Fidelity
Date: 6/2/2009 2:16:00 PM
Type: Event Update
Process: FC_Sale_Reinstated
Borrower: RICHARDSON
Note: User has updated the system for the following event: Sale Scheduled For. User changed date completed from 12/25/2007 12:00:00 AM to incomplete. Remarks: Requested via issue

12.
Written By: Fidelity AutoProc, Fidelity
Date: 6/2/2009 2:16:00 PM
Type: Auto Note
Process: FC CA Other: BO...
13.

Written By: Robert Perry, Fidelity
Date: 6/2/2009 1:50:00 PM
Type: Issue
Process: FC_Sale_Reserved
Borrower: RICHARDSON
Note:
System updated for the following event: User has created a Process-Level Issue for this loan. Issue Type: FC Stop - Reinstated. Issue Comments: PER MAMU PAYOFF/REI REPORT 6/2/09 LOAN REINSTATED
Status: Active

14.

Written By: Shadrin Herring, Fidelity
Date: 6/2/2009 11:28:30 AM
Type: Intercom
Process: FC, CA, Other_BO
Borrower: RICHARDSON
Note:
--- Forwarded Message ---
Sent: 6/2/2009 11:08:00 AM
From: Karina Arias
To: Shadrin Herring
CC:
Message Type: General Vendor: 723397ca
Subject: status of loan
Message:
Please advise the status of the loan. Are we proceeding with foreclosure and scheduled a new sale date or does this loan need to be on some type of hold. Please advise.

15.

Written By: Shadrin Herring, Fidelity
Date: 6/2/2009 11:24:00 AM
Type: Intercom
Process: FC, CA, Other_BO
Borrower: RICHARDSON
Note:
16.
Written By: Karine Arlas, California Re-Con
Date: 6/2/2009 11:09:00 AM
Type: Reprojection
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: System updated for the following event: User has reprojected the step Sale Scheduled For to 6/9/2009. Reason: Other.
Comments: Waiting for status of loan.
Status: Active, awaiting approval.

17.
Written By: Karine Arlas, California Re-Con
Date: 6/2/2009 11:08:30 AM
Type: Intercom
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: Intercom message / Sent: 6/2/2009 11:08:06 AM / From: Karine Arlas / To: Herrin,Shadder / CC: / Intercom Type: General Update / Subject: status of loan / Message: Please advise the status of the loan, Are we proceeding with foreclosure and scheduled a new sale date or does this loan need to be on some type of hold. Please advise.

18.
Written By: Huey-Jen Chiu, California Re-Con
Date: 6/2/2009 10:45:50 AM
Type: Event Update
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: User has updated the system for the following event: Assignment Requested, completed on 12/13/2007

19.
Written By: Huey-Jen Chiu, California Re-Con
Date: 6/2/2009 10:45:00 AM
Type: DFS
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: User has completed the Assignment Requested data form with the following entries:
Review of TSG indicates Assignment Requested: false

20.
Written By: Fernando Lopez, California Re-Con
Date: 6/2/2009 9:21:00 AM
Type: Event Update
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientIdID=Fbj3H1TmT59cLe... 09/21/2009

CSOC.RICH.002377
21.

Written By: Shadrin Herron, Fidelity
Date: 6/1/2009 7:59:00 PM
Type: Auto Note
Process: TC_Sale_Resolved
Borrower: RICHARDSON
Note:
User has closed the file. Close Reason: Process Complete

22.

Written By: Shadrin Herron, Fidelity
Date: 6/1/2009 7:59:00 PM
Type: Event Update
Process: TC_Sale_Resolved
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Client Notified - Systems Updated, completed on 6/1/2009

23.

Written By: Shadrin Herron, Fidelity
Date: 6/1/2009 7:57:00 PM
Type: Event Update
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Notify Investor of Sales Results. User changed date completed from 6/8/2009 to incomplete. Reason: has been rejected due to client request.

24.

Written By: Shadrin Herron, Fidelity
Date: 6/1/2009 7:57:00 PM
Type: Event Update
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Sale Held. User changed date completed from 5/7/2008 to incomplete. Reason: has been rescinded due to client request.

25.

Written By: Shadrin Herron, Fidelity
Date: 6/1/2009 7:57:00 PM
Type: Event Update
Process: FC_CA_Other_BO
Borrower: RICHARDSON

JPMC: 000597
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https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientIdID=FbjJlHz1TmT59cLc... 09/21/2009
Note:
User has updated the system for the following event: Sale Scheduled For. User changed date completed from 5/7/2008 to incomplete. Reason: has been rescinded due to client request

26.
Written By: Shadrin Herring, Fidelity
Date: 6/1/2009 7:56:00 PM
Type: DDA
Process: FC_CA_Other_B10
Borrower: RICHARDSON
Note:
User has completed the Sale Scheduled For data form with the following entries:
Previous Sale Date: 05/07/2008
Sale Postponement Reason: Client Request

27.
Written By: Shadrin Herring, Fidelity
Date: 6/1/2009 7:56:00 PM
Type: Restart Process
Process: FC_Ca_Other_B10
Borrower: RICHARDSON
Note:
The user has re-opened the process.

28.
Written By: Shadrin Herring, Fidelity
Date: 6/1/2009 7:56:00 PM
Type: Foreclosure
Process: FC_Sale_Rescinded
Borrower: RICHARDSON
Note:
From: Shadrin Herring
Sent: Monday, June 01, 2009 9:56 PM
To: 'alexander.mack@wamu.net'; 'ashey.lucynski.u2319648@wamu.net'; 'Christina.ScolantiKas@wamu.net'; 'Shadrin.Herring@wamu.net'; 'Richard.Egan@wamu.net'; 'tina.easton@wamu.net'; 'united.lender.oversight@wamu.net'; 'WPM'; 'PSCALA@wamu.net'; 'tservice.cancelations@wamu.net'; 'Maria.Judikj@wamu.net'; 'Jackie.Acevedo@wamu.net'; 'Jacqueline.Feliciano@wamu.net'; 'juneقانون@wamu.net'; 'msuk.chang@wamu.net'; 'richard.a.padgett@wamu.net'; 'sandra.schroeder@wamu.com'; 'serenr.woter@wamu.net'; 'tracy.bettis@wamu.net'; 'vahn.dang@wamu.net'
Subject: Rescinded Sale: WAMU SHLS{[ ]}[ ] INV/CAT: 041458 WASHINGTON MUTUAL INV LOAN#1[ ][ ] RICHARDSON / California

Please be advised that the sale held, 5/7/2008, has been rescinded due to client request. Sale has already been rescinded per attorney's office. Please update system to reflect rescission

The sale resiudion process is now completed

29.
Written By: Deliss Utin, Calabrese Re-Len
Date: 6/1/2009 1:10:00 PM
JPMC- 800598
CONFIDENTIAL

https://findesxtop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=FbjB3z17m759cLe... 09/21/2009

CSOC.RICH.002379
60.

Written By: Dallas Ochoa, California Re-Con
Date: 6/1/2009 1:18:00 PM
Type: DDF
Process: FC_Sale_Rescinded
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Sale Rescission Completed, completed on 6/1/2009

31.

Written By: Dallas Ochoa, California Re-Con
Date: 6/1/2009 1:18:00 PM
Type: Event Update
Process: FC_Sale_Rescinded
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Attorney Received Instructions to Rescind Sale, completed on 6/1/2009

32.

Written By: Shadrin Harring, Fidelity
Date: 6/1/2009
Type: DDF
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
User has cleared the following values from the Data Form:
- Sale Comments: Sold to 3rd party; 2700 American River Drive #120; Sacramento, CA 95864
- Property Sold To: 3rd Party Sale
- Servicer Max Bid Amount: 388000.00
- Successful Bid Amount: 388000.00

33.

Written By: Shadrin Harring, Fidelity
Date: 6/30/2009 9:56:00 AM
Type: Event Update
Process: FC_Sale_Rescinded
Borrower: RICHARDSON
Note:
User has updated the system for the following event: FNFS Notified of Sale to be Rescinded, completed on 6/30/2009

https://fisdocs.top/LPS/ProcMan_NotesPrint.aspx?ClientFileId=FbjjNz1TmTS9dLc... 09/21/2009

JPMC-000509
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34.
Written By: Shadrin Herring, Fidelity
Date: 5/30/2009 9:56:56 AM
Type: RDF
Process: FC_Sale_Recinded
Borrower: RICHARDSON
Note:
User has completed the NotifiedSaleRecinded data form with the following entries:
Request for Sale Rescission: Client Request

35.
Written By: Shadrin Herring, Fidelity
Date: 5/30/2009 9:55:30 AM
Type: Foreclosure
Process: FC_Sale_Recinded
Borrower: RICHARDSON
Note:
From: Shadrin Herring
Sent: Saturday, May 30, 2009 10:25 AM
To: Alexander, mark@awan.net; jessica.lucy@awan.net; Christina.Soulis@awan.net; Elaine.mctadden@awan.net; elizabeth.eaton@awan.net; gmp@awan.net; gmp cancellations@awan.net; jacqueline.ferliccione@awan.net; jenny.perez@awan.net; mikel.chen@awan.net; nicole.walsh@awan.net; Sandra.strong@awan.net; vehere@awan.net; vehere.carter@awan.net; vehere.healthy@awan.net; vehere.healthy@awan.net
Subject: Recinded Sale: WAMU SHLS 1

RICHARDSON / Creditors
Please be advised that the sale held, 5/7/2009, is being rescinded due to client request. Sale has already been rescind per attorney's office. Please update system to reflect rescission. LPS is currently monitoring the process and following up with council to obtain confirmation that the sale rescission has been completed. You will be notified again once the sale rescission process has been completed.

Please rescind the Trustee's Deed upon Sale, as we will not be attempting to validate the sale.

REQ:
1. Please delete the loan from the Reo worksheet.
2. Please re-establish the impound account (if applicable).
3. Please re-establish the investor number (if applicable).
4. Please re-establish the recoverable advances to Reo team (asset loan only).

Loss Mitigation (If Recinded due to Loss Mitigation Only)
1. Activate Loss Mitigation worksheet.
2. Ensure the Mon Code is in W Status.
3. Ensure a Loss Mitigation Processor is Assigned

Escrow Management:
By copy of this memo, Insurance Accounting is to re-establish the Hazard Insurance Policy as of the acquisition date. By copy of this memo, Disbursement Services is to cancel the escrow service contract. If this loan carries a PMI, MCI, or Tax Impound Trailer, please re-establish the Trailer and resume activity.

36.
Written By: Jennifer Grof, WAMU 11th/Inland
JPMC- 000600
CONFIDENTIAL
https://clusterdesk.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj131z1TmTS9cLc... 09/21/2009

Confidential
Notes

Date: 5/29/2009 2:02:00 PM
Type: Intercom
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:

37.

Written By: Leesa Barlow, Fidelity
Date: 5/29/2009 11:44:00 AM
Type: Intercom
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:

38.

Written By: Leesa Barlow, Fidelity
Date: 5/29/2009 11:13:00 AM
Type: Issue
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
System updated for the following event: User has ended the issue associated with this loan. Issue Type: Safe Rescinded. Comments: Rescinded safe process has been launched.

29.

Written By: Mason Segers, WAMU Umbrella
Date: 5/28/2009 1:22:00 PM
Type: Issue
Process: FC_Safe_Rescinded
Borrower: RICHARDSON
Note:
Process opened 5/28/2009 by user Mason Segers.

40.

Written By: Mason Segers, WAMU Umbrella
Date: 5/28/2009 1:22:00 PM
Type: Issue
Process: Posting Instructions
Borrower: RICHARDSON
Note:
System updated for the following event: User has approved the issue. Issue type: Safe Rescinded. Status: Active. Approved.

41.

JPNC- 000601
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https://fisdesktop.com/LPS/ProeMan_NotesPrint.aspx?ClientFileID=Fbj3lt1TmT59cIe... 09/21/2009

CSOC.RICH.002382
System updated for the following event: User has created a Process-Level Issue for this loan. Issue Type: Sale Rescinded. Issue Comments: Sale has already been rescinded per attorney's office. Please update system to reflect rescission. Status: Active

Written By: Dennis Hale, Fiduciary
Date: 8/15/2008 11:21:00 AM
Type: Event Update
Process: Posting Instructions
Borrower: RICHARDSON
Note: User has updated the system for the following event: Confirmed Funds Posted, completed on 8/15/2008

Written By: Dennis Hale, Fiduciary
Date: 8/15/2008 11:21:00 AM
Type: Event Update
Process: Posting Instructions
Borrower: RICHARDSON
Note: User has updated the system for the following event: Write Off Review, completed on 8/15/2008

Written By: Dennis Hale, Fiduciary
Date: 8/15/2008 11:21:00 AM
Type: Event Update
Process: Posting Instructions
Borrower: RICHARDSON
Note: User has updated the system for the following event: Client System Modified, completed on 8/15/2008

https://fisdesktop.com/LPS/ProcmNotesPrint.aspx?ClientFileID=Fbjl3l1TmT59cLe... 09/21/2009

CSOC.RICH.002383
46.
Written By: Dennis Hale, Fidelity
Date: 8/19/2008 11:21:00 AM
Type: Event Update
Process: Posting Instructions
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Notification Received, completed on 8/19/2008.

47.
Written By: Dennis Hale, Fidelity
Date: 8/19/2008 11:28:00 AM
Type: DDF
Process: Posting Instructions
Borrower: RICHARDSON
Note:
User has completed the WriteOffReview data form with the following entries:
: Rejected
:
:

48.
Written By: Dennis Hale, Fidelity
Date: 8/19/2008 11:29:00 AM
Type: DDF
Process: Posting Instructions
Borrower: RICHARDSON
Note:
User has completed the WriteOff data form with the following entries:
: No
:
:

49.
Written By: Dennis Hale, Fidelity
Date: 8/19/2008 11:29:00 AM
Type: New Process
Process: Posting Instructions
Borrower: RICHARDSON
Note:
Process opened 8/19/2008 by user Dennis Hale.

50.
Written By: Lisa McFall, Fidelity

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj3H1TmTS9eLe... 09/21/2009

JPDC- 000603
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CSOC.RICH.002384
51.

Written By: Lisa McKeehin, Fidelity
Date: 5/27/2008 10:07:00 AM
Type: Event Update
Process: 3rdPty_CA_Other_Other_
Borrower: RICHARDSON
Note:
User has closed the file. Close Reason: Process Complete

52.

Written By: Karime Arias, California Re-Con
Date: 5/19/2008 6:59:00 PM
Type: Event Update
Process: 3rdPty_CA_Other_Other_
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Third Party Funds Received and Applied by Client, completed on 5/27/2008

53.

Written By: Belinda Quiñones, California Re-Con
Date: 5/12/2008 4:11:00 PM
Type: DDF
Process: 3rdPty_CA_Other_Other_
Borrower: RICHARDSON
Note:
User has completed the FS_FundsRcd data form with the following entries:

- **COMMENTS**: 3rd party proceeds ok #520 03/07/09 - $300,000.00 1st to named default cash
- **TRACKING NUMBER**: 7910-6426-4931
- **CHECK AMOUNT**: 338,000.01
- **Principal**: 
- **Interest**: 
- **Escrow**:  
- **Other (Specify)**: 
- **Outstanding Attorney Fees/Costs**: 
- **Amortizable Ally Fees/Costs**: 
- **COMMENTS**: 

54.

Written By: Rebecca Verdeja, Fidelity
Date: 5/12/2008 12:12:00 PM
Type: Auto Note

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj3lz1TmT59cLe... 09/21/2009
55.
Written By: Rebecca Vendejo, Fidelity
Date: 5/12/2008 12:43:00 PM
Type: Event Update
Process: Sale_Audit
Borrower: RICHARDSON

User has updated the system for the following event: Sale Audit Completed, completed on 5/12/2008

56.
Written By: Rebecca Vendejo, Fidelity
Date: 5/12/2008 12:43:00 PM
Type: DDF
Process: Sale_Audit
Borrower: RICHARDSON

Note:
User has completed the SaleAuditDDT data form with the following entries:
Audit Results: In Compliance with Delays
Number of Days Outside of Compliance: 0
"Other" Out of Standard Reason: 

57.
Written By: Rebecca Vendejo, Fidelity
Date: 5/12/2008 12:42:00 PM
Type: New Process
Process: Sale_Audit
Borrower: RICHARDSON

Note:
Process opened 5/12/2008 by user Rebecca Vendejo.

58.
Written By: Rebecca Vendejo, Fidelity
Date: 5/12/2008 12:42:00 PM
Type: Hold
Process: FC_CA.Other_BO
Borrower: RICHARDSON

Note:
User has added 21 prior hold days to this process. Hold Comments: 4/7/08 sale was cancelled due to miss mt, new sale date set for 5/7/08

59.

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=8bj3HITJmqT99cLe... 09/21/2009
60.

Written By: Lucine Lynch, Fidelity
Date: 5/11/2008 6:43:00 AM
Type: Auto Note
Process: FC_CA.Other_BO
Borrowers: RICHARDSON
Note:
Front: Lucine Lynch
Sent: Thursday, May 08, 2008 7:48 AM
To: 'Brian.Olson@wamu.net'; 'Jen.Qian@wamu.net'; 'Keara.jackson@wamu.net'; 'Marcus.lauriea@wamu.net';
'tracieacquisto@wamu.net'; 'van.dongen@wamu.net'
Subject: 05/07/2008 sale held results loan

INV/CAT: A20 250 WASHINGTON MUTUAL BANK INV LOAN: 05/07/2008 sale held results loan

Sale Comments: Sold to 3rd party - Jim Turk - 3600 American River Drive #135, Sacramento, CA 95864 - P#1
Property Sold To: 3rd Party Sale
Servicer Max Bid Amount: $388,000.00
Success/Inf Bid Amount: $388,000.00
MORTGAGEE: LAURA RICHARDSON

61.

Written By: Lucine Lynch, Fidelity
Date: 5/9/2008 6:45:00 AM
Type: Auto Note
Process: FC_CA.Other_BO
Borrowers: RICHARDSON
Note:
User has closed the File: Close Reason: Process Complete

62.

Written by: Lucine Lynch, Fidelity
Date: 5/9/2008 6:46:00 AM
Type: Event Update
Process: FC_CA.Other_BO
Borrowers: RICHARDSON
Note:
User has updated the system for the following event: 1099A Complete, completed on 5/9/2008

63.

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileD=Fbj3Iz1TmT59cLe...
09/21/2009
64.
Written By: anthony cabral, California Re-Con
Date: 5/7/2008 5:30:00 PM
Type: Event Update
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: User has updated the system for the following event: Sale Hold, completed on 5/7/2008

65.
Written By: anthony cabral, California Re-Con
Date: 5/7/2008 5:30:00 PM
Type: DDF
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: User has completed the FIC_SalesLogCA_Other_BO data form with the following entries:
Sale Comments: Sold to 3rd party - Jim York - 3600 American River Drive #135, Sacramento, CA 95864 - Ph
Property Sold To: 3rd Party Sale
Servicer Max Bid Amount: 388000.00
Successful Bid Amount: 388000.01

66.
Written By: anthony cabral, California Re-Con
Date: 5/7/2008 5:30:00 PM
Type: New Process
Process: JPMPC_CA_Other_Other...
Borrower: RICHARDSON
Note: Process opened 5/7/2008 by user anthony cabral.

67.
Written By: Fidelity AutoProc, Fidelity
Date: 4/20/2008 3:56:00 PM
Type: Auto Note
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note: User has closed the file. Close Reason: Process Complete

JPMMC. 0006047
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https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fhj3iz1TmT59cLe...
09/21/2009

CSOC.RICH.002388
68.
Written By: Fidelity AutoProc, Fidelity
Date: 4/29/2008 2:05:08 PM
Type: Event Update
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note: User has updated the system for the following event: Bidding Instructions Received By Attorney, completed on 4/29/2008

69.
Written By: Fidelity AutoProc, Fidelity
Date: 4/29/2008 2:04:02 PM
Type: Event Update
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note: User has updated the system for the following event: Bidding Instructions To Attorney, completed on 4/29/2008

70.
Written By: Fidelity AutoProc, Fidelity
Date: 4/29/2008 2:02:33 PM
Type: New Image Comment
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note: Foreclosure - Bidding Instructions (NEI ID: ) sent to California Reconveyance Company at 4/29/2008 1:54:29 PM by Maite Nollette

71.
Written By: Fidelity AutoProc, Fidelity
Date: 4/29/2008 2:02:00 PM
Type: New Image Comment
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note: Foreclosure - Bidding Instructions (NEI ID: ) sent to California Reconveyance Company at 4/29/2008 1:50:16 PM by Eric Houston

72.
Written By: Eric Houston, Fidelity
Date: 4/29/2008 1:50:00 PM
Type: Foreclosure
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note: Please bid $388,000


JPMC: 000688
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CSOC.RICH.002389
FROM: Eric Houston, Fidelity
Sent: Monday, April 27, 2009 3:50 PM
To: GM FC Subprime Bids
Subject: TEST_LJ_WASH_Dates 3_17_nclemons.xls sale date 5/7/09 SHLS CA

Please provide bidding instructions for FC sale.

73.

Written By: Eric Houston, Fidelity
Date: 4/29/2009 1:50:30 PM
Type: Event Update
Process: RID_ALL_Other_BO
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Bid Approved, completed on 4/29/2009

74.

Written By: Eric Houston, Fidelity
Date: 4/29/2009 2:30:00 PM
Type: Foreclosure
Process: RID_ALL_Other_BO
Borrower: RICHARDSON
Note:
Bid sent to warmus/subprime for approval

75.

Written By: Nylsa Cerron, Fidelity
Date: 4/29/2009 10:05:00 AM
Type: Event Update
Process: RID_ALL_Other_BO
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Bid Calculation Completed, completed on 4/29/2009

76.

Written By: Nylsa Cerron, Fidelity
Date: 4/29/2009 10:19:00 AM
Type: RNF
Process: RID_ALL_Other_BO
Borrower: RICHARDSON
Note:

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbji31ztTmT59cLe... 09/21/2009

CSOC.RICH.002390
User has completed the BidCalc: Completed data form with the following entries:
Approval Needed By: Client
Comment: waiting to be sent to client for approval

77.

Written By: Nyla Clements, Fidelity
Date: 4/26/2008 10:49:00 AM
Type: DDF
Process: Bid_ALL_Other_BO
Borrower: Richardson

Note:
User has edited the BidCalc:Completed data form with the following entries:
- Comment: waiting to be sent to client for approval

78.

Written By: Nyla Clements, Fidelity
Date: 4/28/2008 10:05:00 AM
Type: DDF
Process: Bid_ALL_Other_BO
Borrower: Richardson

Note:
User has edited the BidCalc:Completed data form with the following entries:
- Approval Issued By: Client

79.

Written By: Nyla Clements, Fidelity
Date: 4/23/2008 9:49:00 AM
Type: DDF
Process: Bid_ALL_Other_BO
Borrower: Richardson

Note:
User has completed the BidCalc:Completed data form with the following entries:
Approval Needed By: Prop Preservation
Comment: ppfigs requested

80.

Written By: Huey-Jan Chu, California Re-Con
Date: 4/17/2008 9:55:00 AM
Type: Event Update
Process: Bid_ALL_Other_BO
Borrower: Richardson

Note:
User has updated the system for the following event: Attorney Fees/Costs and Defint Taxes Through Sale, completed on 4/17/2008.AutoClose from DDF

81.

JPMC- 000610
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https://filesdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbjlj3rzTmT59cLe... 09/21/2009

CSOC.RICH.002391
82.

Written By: Sotheby Pan, Fidelity
Date: 4/17/2008 9:40:00 AM
Type: Auto Note
Process: FPO_Ordered_Other_Other
Borrower: RICHARDSON
Note: User has closed the file. Close Reason: Process Complete

83.

Written By: Sotheby Pan, Fidelity
Date: 4/17/2008 9:40:00 AM
Type: Event Update
Process: FPO_Ordered_Other_Other
Borrower: RICHARDSON
Note: User has updated the system for the following event: BPO Ordered, completed on 4/17/2008

84.

Written By: Sotheby Pan, Fidelity
Date: 4/17/2008 9:40:30 AM
Type: DDF
Process: FPO_Ordered_Other_Other
Borrower: RICHARDSON
Note: User has completed the F94 Valuation Data form with the following entries:
: No valuation necessary

85.

Written By: Colleen Inly, California Re-Con
Date: 4/16/2008 4:41:30 PM
Type: New Process
Process: FPO_Ordered_Other_Other
Borrower: RICHARDSON
Note: Process opened 4/15/2008 by user Colleen Inly.

86.

JPMC-000611
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https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj13Hz1TmT59cLe... 09/21/2009

CSOC.RICH.002392
87.

Written By: Colleen Inby, California Re-Con
Date: 4/16/2008 4:41:00 PM
Type: Event Update
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Sale Scheduled For, completed on 5/7/2008

88.

Written By: Fidelity AutoProc, Fidelity
Date: 4/16/2008 4:26:00 PM
Type: New Image Comment
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
Foreclosure (NIE ID: e3a05a) picked up by firm California Reconvene Company at 4/15/2008 4:15:14 PM by Huey-Jen Chiu

89.

Written By: Fidelity AutoProc, Fidelity
Date: 4/16/2008 3:42:00 PM
Type: New Image Comment
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
Foreclosure (NIE ID: e3a05a) sent to California Reconvene Company at 4/16/2008 3:33:38 PM by Automated Tasks

90.

Written By: Carlos Benal, California Re-Con
Date: 4/16/2008 2:53:00 PM
Type: Auto Note
Process: FC_Proceed
Borrower: RICHARDSON
Note:
User has closed the file. Close Reason: Process Complete

91.

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=FhJl3lz1TmTS9eLc... 09/21/2009

JPMC-000612
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92.
Written By: Ryan Pacubas, Fidelity
Date: 4/16/2008 2:14:00 PM
Type: Auto Note
Process: FC_Proceed
Borrowers: RICHARDSON
Note: Intercom message read.
Message Subject: Hold Request.
Read By: Ryan Pacubas, Fidelity
Time Read: 4/16/2008 2:14:06 PM

93.
Written By: Tracey Hovland, Fidelity
Date: 4/16/2008 1:18:00 PM
Type: Foreclosure
Process: FC_Proceed
Borrowers: RICHARDSON
Note: Proceed with WAMU 9000 task

94.
Written By: Tracey Hovland, Fidelity
Date: 4/16/2008 1:18:00 PM
Type: Event Update
Process: FC_Proceed
Borrowers: RICHARDSON
Note: User has updated the system for the following event: Advised Counsel to Proceed with foreclosure, completed on 4/16/2008

95.
Written By: Tracey Hovland, Fidelity
Date: 4/16/2008 1:18:00 PM
Type: New Process
Process: FC_Proceed
Borrowers: RICHARDSON
Note: Process opened 4/16/2008 by user Tracey Hovland.
96.

**Written By:** Fidelity AutoProc, Fidelity
**Date:** 4/16/2008 1:17:00 PM
**Type:** Reprojection
**Process:** FC_CA_Other_BO_
**Borrower:** RICHARDSON

**Notes:**
Shel: Active, approval not required.

97.

**Written By:** Tracy Havland, Fidelity
**Date:** 4/16/2008 1:17:01 PM
**Type:** Intercom
**Process:** FC_CA_Other_BO_
**Borrower:** RICHARDSON

**Notes:**
Intercom Message: / Sent: 4/16/2008 1:17:01 PM / From: Tracy Havland, Fidelity / To: Ryan Pecatue (Fidelity) / CC: / Message Type: Stop/Hold Action / Subject: Hold Request / Message: System updated for the following event: User has ended the hold. Hold End Date: 04/16/2008. Hold type: Loss Mitigation Workout

98.

**Written By:** Tracy Havland, Fidelity
**Date:** 4/16/2008 1:17:02 PM
**Type:** Hold
**Process:** FC_CA_Other_BO_
**Borrower:** RICHARDSON

**Notes:**
System updated for the following event: User has ended the hold. Hold End Date: 04/16/2008. Hold type: Loss Mitigation Workout

99.

**Written By:** Destiny Whitehead, Fidelity
**Date:** 4/16/2008 1:17:03 PM
**Type:** Auto Note
**Process:** FC_CA_Other_BO_
**Borrower:** RICHARDSON

**Notes:**
Intercom message read.
Message Subjects: Issue Request.
Read by: Destiny Whitehead, Fidelity
Time Read: 4/16/2008 1:17:03 PM

100.

**Written By:** Huyn-Jen Chou, California Re-Con

https://fisdesktop.com/IPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj31z1TmT59cLe...

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CSOC.RICH.002395
101.
Written By: Huey Jen Chu, California Re-Con
Date: 4/1/2008 3:39:00 PM
Type: Event Update
Process: FC_Hold
Borrower: RICHARDSON
Note: User has updated the system for the following event: Attorney Closed File on Hold, completed on 4/1/2008

102.
Written By: Ryan Pacubas, Fidelity
Date: 4/1/2008 3:27:00 PM
Type: Event Update
Process: FC_Hold
Borrower: RICHARDSON
Note: User has updated the system for the following event: Attorney Notified to Place File on Hold, completed on 4/1/2008

103.
Written By: Ryan Pacubas, Fidelity
Date: 4/1/2008 3:26:00 PM
Type: Hold
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: System updated for the following event: User has approved the hold. Hold type: Loss Mitigation Workout. Status: Active, Approved.

104.
Written By: Ryan Pacubas, Fidelity
Date: 4/1/2008 3:20:00 PM
Type: Hold
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: System updated for the following event: User has placed the file on hold. Hold Reason: Loss Mitigation Workout. Hold comments: esany nonsense, nearing closing by: n/a
Reviewed By: n/a. Reviewed: n/a.
Projected End: n/a.
Days Open: 0
Comments From: Sarah, Allien A. [mailto:Aaron.doban@wamu.net] Sent: Thursday, April 03, 2008 6:13 PM To:
Subject: DTE** Laura Richardson Loan [ ] [ ] Importance: High Please place the above loan on

https://fisidesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj31zI1mT59cLe... 09/21/2009
foreclosure held for 60 days to allow the borrower to reinstate the loan. She is a prominent political figure. Status: Active, awaiting approval. Hold Start: 4/4/2008

105.

Written By: Ryan Pacubas, Fidelity
Date: 4/4/2008 2:26:00 PM
Type: Event Update
Process: FC_CA.Other_BO_
Borrower: RICHARDSON
Note:
Days Open: 9
Comments: From: Dolen, Allison A. [melliafalcon@comcast.com] Sent: Thursday, April 03, 2008 6:03 PM To: HoldFCCLA@FHFA.net Subject: DTE** Laura Richardson Loan (#___.___.__) Importance: High Please place the above loan on foreclosure hold for 60 days to allow the borrower to reinstate the loan. She is a prominent political figure.

106.

Written By: Ryan Pacubas, Fidelity
Date: 4/4/2008 3:26:00 PM
Type: DBF
Process: FC_CA.Other_BO_
Borrower: RICHARDSON
Note:
User has completed the Sale Scheduled For data form with the following entries:
Previous Sale Date: 4/7/2008
Sale Postponement Reason: Loss Mitigation

107.

Written By: Ryan Pacubas, Fidelity
Date: 4/4/2008 3:26:00 PM
Type: Issue
Process: FC_CA.Other_BO_
Borrower: SFRWJAVK89181
Note:
System updated for the following event: User has ended the issue associated with this loan. Issue Type: Hold FC.
Comments: Hold FC.

108.

Written By: Ryan Pacubas, Fidelity
Date: 4/4/2008 3:25:00 PM
Type: New Process
Process: FC_MRTD
Borrower: RICHARDSON
Note:

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109.

Written By: Ryan Pucelas, Fidelity
Date: 4/4/2008 2:20:09 PM
Type: Issue
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
System updated for the following event: User has approved the issue. Issue type: Hold FC. Status: Active, Approved.

110.

Written By: Karine Arias, California Re-Con
Date: 4/4/2008 2:23:09 PM
Type: Auto Note
Process: REIN_Request
Borrower: RICHARDSON
Note:
User has closed the file. Close Reason: Process Complete

111.

Written By: Karine Arias, California Re-Con
Date: 4/4/2008 2:23:09 PM
Type: Event Update
Process: REIN_Request
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Reinstatement Letter Sent to Requestor and Added into NSE, completed on 4/4/2008

112.

Written By: Karine Arias, California Re-Con
Date: 4/4/2008 2:23:00 PM
Type: Event update
Process: RITH_Servicer
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Reinstatement Date Received by Attorney, completed on 4/4/2008

113.

Written By: Patti Kelly, Fidelity
Date: 4/4/2008 2:10:00 PM
Type: Fees and Costs
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
A fees and costs request has been completed for this loan by Patti Kelly.
114.
Written By: Patti Kelly, Fidelity
Date: 4/4/2008 2:10:00 PM
Type: Fees and Costs
Process: FC_CA_Other_BO_
Borrower: RICHARDSON
Note:
A fees and costs request has been completed for this loan by Patti Kelly.

115.
Written By: Sierra Hendrada, California Re-Con
Date: 4/4/2008 2:37:00 PM
Type: Fees and Costs
Process: FC_CA_Other_BO_
Borrower: RICHARDSON
Note:
Fees and costs requested: Good Through 4/7/2008 Fees: 0.00 Costs: 36.00 Comment: CRC fees/cost outstanding g/t 4/05/08
$ 36.00

116.
Written By: Sierra Hendrada, California Re-Con
Date: 4/4/2008 2:37:00 PM
Type: Fees and Costs
Process: FC_CA_Other_BO_
Borrower: RICHARDSON
Note:
A fees and costs response comment has been completed for this loan by Sierra Hendrada.

117.
Written By: Desley Whitehead, Fidelity
Date: 4/4/2008 2:02:00 PM
Type: Issue
Process: FC_CA_Other_BO_
Borrower: RICHARDSON
Note:
System updated for the following event: User has requested a Process level issue for this loan. Issue Type: Hold FC Issue
Comments: From: Debra, A., [email protected], [email protected]
Sent: Thursday, April 03, 2008 5:03 PM
To: [email protected]
Subject: DTE** Laura Richardson Loan
Importance: High
Status: Active

Please place the above loan on foreclosure hold for 60 days to allow the borrower to reinstate the loan. She is a prominent political figure.

118.
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CSOC.RICH.002399
119.

Written By: Peter Rhoden, Fidelity
Dates: 4/4/2008 1:27:00 PM
Type: Issue
Process: FC, Title Ordered
Borrower: RICHARDSON
Note: System updated for the following event: User has ended the Issue associated with this loan. Issue Type: Reinstatement Quote Request. Comments: Reinstatement good through 04-07-08 uploaded into RBE.

120.

Written By: Peter Rhoden, Fidelity
Dates: 4/4/2008 1:26:00 PM
Type: Event Update
Process: REIN, Request
Borrower: RICHARDSON
Note: User has updated the system for the following event: Reinstatement Data Sent to Attorney, completed on 4/4/2008

121.

Written By: Peter Rhoden, Fidelity
Dates: 4/4/2008 1:26:00 PM
Type: Event Update
Process: REIN, Request
Borrower: RICHARDSON
Note: User has updated the system for the following event: Reinstatement Quote Request Submitted, completed on 4/4/2008

122.

Written By: Peter Rhoden, Fidelity
Dates: 4/4/2008 1:25:00 PM
Type: DCF
Process: REIN, Request
Borrower: RICHARDSON
Note: User has completed the F10L_Reinstate data form with the following entries:
Good Through Date: 04-07-08
Special Instructions: 

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CSOC.RICH.002400
123.

Written By: Peter Rhoden, Fidelity
Date: 4/1/2008 1:25:03 PM
Type: New Process
Process: REIN_Requested
Borrower: RICHARDSON
Notes:

124.

Written By: Peter Rhoden, Fidelity
Date: 4/4/2008 1:25:03 PM
Type: Fees and Costs
Process: PC_CA_Other_BO_
Borrower: RICHARDSON
Notes:
A fees and costs request has been entered for this loan by Peter Rhoden, good through 4/7/2008

125.

Written By: Allison Peters, WAMU Umbrella
Date: 4/4/2008 11:45:00 AM
Type: Issue
Process: PC_HOLD_Requested
Borrower: RICHARDSON
Notes:
System updated for the following event: User has created a Process Level issue for this loan. Issue Type: Reinstatement Quote Request. Notes: Please send me a reinstatement amount with fees and costs to me ASAP at allison.peters@wamu.net. This is for an Executive issue. Thanks. Status: Active

126.

Written By: Fidelity AutoProc, Fidelity
Date: 4/2/2008 1:16:00 PM
Type: Auto Note
Process: BID_ALL_Other_BO_
Borrower: RICHARDSON
Notes:
User has closed the file. Close Reason: Process Complete

127.

Written By: Fidelity AutoProc, Fidelity
Date: 4/1/2008 1:16:00 PM
Type: Event Update
Process: BID_ALL_Other_BO_
Borrower: RICHARDSON
Notes:
User has updated the system for the following event: Bidding Instructions Received by Attorney, completed on 4/1/2008

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CSOC.RICH.002401
128.
Written By: Fidelity AutoProc, Fidelity
Date: 4/1/2008 1:06:40 PM
Type: NewExchange Comment
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note:
Forclosure - Bidding Instructions (NIE Id444444) picked up by firm California Reconveyance Company at 4/1/2008
1:06:40 PM by Hoky-Jen Chiu

129.
Written By: Fidelity AutoProc, Fidelity
Date: 4/1/2008 1:06:00 PM
Type: NewExchange Comment
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note:
Forclosure - Bidding Instructions (NIE Id444444) sent to California Reconveyance Company at 4/1/2008 12:48:33 PM by
Jennifer Lyon

130.
Written By: Fidelity AutoProc, Fidelity
Date: 4/1/2008 1:03:00 PM
Type: Event Update
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Bidding Instructions To Attorney, completed on 4/1/2008

131.
Written By: Jennifer Lyon, Fidelity
Date: 4/1/2008 12:46:50 AM
Type: Event Update
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Bid Approved, completed on 4/1/2008

132.
Written By: Nytta Clemens, Fidelity
Date: 4/1/2008 12:10:50 PM
Type: Foreclosure
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Note:
Per Workout spreadsheet 8d $388,000.00

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CSOC.RICH.002402
133.
Written By: Nylae Clemens, Fidelity
Date: 3/31/2008 1:06:00 PM
Type: Foreclosure
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Notes: Bid sent to lender for approval; wamucautprimedaks@wamu.net bid in sent to investor folder.

134.
Written By: Nylae Clemens, Fidelity
Date: 3/31/2008 1:06:00 PM
Type: Event Update
Process: BID_ALL_Other_BO
Borrower: RICHARDSON
Notes: User has updated the system for the following event: Bid Calculation Completed, completed on 3/31/2008

135.
Written By: Fidelity AutoProc, Fidelity
Date: 3/28/2008 5:25:00 PM
Type: NewImage Comment
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: Foreclosure (NFR #54) picked up by 3BM California Receivership Company at 3/28/2008 5:15:26 PM by Margret Corsey

136.
Written By: Fidelity AutoProc, Fidelity
Date: 3/28/2008 4:58:00 PM
Type: NewImage Comment
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note: Foreclosure (NFR #54) sent to California Receivership Company at 3/28/2008 4:44:37 PM by Ma Assciasion

137.
Written By: Mynrevi Assciasion, Fidelity
Date: 3/28/2008 4:11:30 PM
Type: Auto Note
Process: FC_BPO_Aprroval_Received
Borrower: RICHARDSON
Note: User has closed the file. Close Reason: Process Complete

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CSOC.RICH.002403
138.

**Written By:** Myrelli Accossor, Fidelity
**Date:** 3/28/2006 4:42:00 PM
**Type:** Event Update
**Process:** FC_BPO_Appraisal_Received
**Borrower:** RICHARDSON
**Note:**
User has updated the system for the following event: Appraisal Received, completed on 3/27/2006

139.

**Written By:** Myrelli Accossor, Fidelity
**Date:** 3/28/2006 4:42:00 PM
**Type:** Auto Note
**Process:** BPO_Received
**Borrower:** RICHARDSON
**Note:**
User has closed the file. Close Reason: Process Complete

140.

**Written By:** Myrelli Accossor, Fidelity
**Date:** 3/28/2006 4:42:00 PM
**Type:** Event Update
**Process:** BPO_Received
**Borrower:** RICHARDSON
**Note:**
User has updated the system for the following event: BPO Received, completed on 3/25/2006

141.

**Written By:** Shanae Lundy, Fidelity
**Date:** 3/27/2006 12:06:00 PM
**Type:** Reprojection
**Process:** BPO_Received
**Borrower:** RICHARDSON
**Note:**
System updated for the following event: User has reprojected the step BPO Received to 4/1/2006. Reason: Other.
Comments: 04/07/06 Petrina complete, report pending review
Status: Active, awaiting approval

142.

**Written By:** Shanae Lundy, Fidelity
**Date:** 3/27/2006 12:05:00 PM
**Type:** Reprojection
**Process:** FC_BPO_Appraisal_Received
**Borrower:** RICHARDSON
**Note:**
System updated for the following event: User has reprojected the step Appraisal Received to 4/1/2006. Reason: Other.
Comments: Inspection is 3/27 per lil

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CSOC.RICH.002404
143.

Written By: Myrnell Ascension, Fidelity
Date: 3/24/2008 2:16:03 PM
Type: Reprojection
Process: FC_BPO_Appraisal_Received
Borrower: RICHARDSON

Note:
System updated for the following event: User has approved the Reprojection Type Other for the step Appraisal Received. Status: Active, Approved.

144.

Written By: Myrnell Ascension, Fidelity
Date: 3/24/2008 2:15:30 PM
Type: Reprojection
Process: FC_BPO_Appraisal_Received
Borrower: RICHARDSON

Note:
System updated for the following event: User has reprojected the step Appraisal Received to 3/26/2008. Reason: Other. Comments: Request to down grade the appraisal to drive by.
Status: Active, awaiting approval.

145.

Written By: Myrnell Ascension, Fidelity
Date: 3/24/2008 2:13:53 PM
Type: Reprojection
Process: BPO_Received
Borrower: RICHARDSON

Note:
System updated for the following event: User has approved the Reprojection Type Other for the step BPO Received. Status: Active, Approved.

146.

Written By: Myrnell Ascension, Fidelity
Date: 3/24/2008 2:13:00 PM
Type: Reprojection
Process: BPO_Received
Borrower: RICHARDSON

Note:
System updated for the following event: User has reprojected the step BPO received to 3/26/2008. Reason: Other. Comments: requested the status of BPO.
Status: Active, awaiting approval.

147.

Written By: Soheavy Pan, Fidelity

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=FbjBlkITmT59cLe... 09/21/2009
148.

Written By: Lakesha Sanders, Fidelity
Date: 3/7/2008 10:37:00 AM
Type: Auto Note
Process: BPO_Ordered_Other_Other
Borrower: RICHARDSON
Note: User has closed the file. Close Reason: Open In Error

149.

Written By: Lakesha Sanders, Fidelity
Date: 3/7/2008 10:37:00 AM
Type: Event Update
Process: BPO_Ordered_Other_Other
Borrower: RICHARDSON
Note: User has updated the system for the following event: BPO Ordered, completed on 3/7/2008

150.

Written By: Lakesha Sanders, Fidelity
Date: 3/7/2008 10:37:00 AM
Type: DDF
Process: BPO_Ordered_Other_Other
Borrower: RICHARDSON
Note: User has completed the FPH_Vauation data form with the following entries:

Validation needed: 1) 1004 Appraisal and Interior BPO

151.

Written By: Lakesha Sanders, Fidelity
Date: 3/7/2008 10:37:00 AM
Type: New Process
Process: BPO_Received
Borrower: RICHARDSON
Note: Process opened 3/7/2008 by user Lakesha Sanders.

152.

Written By: Lakesha Sanders, Fidelity

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https://fixdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=FbjL3IzI1TmT59cLe... 09/21/2009
153.

Written By: Fernando Lopez, California Re-Con
Date: 3/9/2008 11:11:00 PM
Type: Event Update
Process: BID_ALL_Other_BO_
Borrower: RICHARDSON
Note: User has updated the system for the following event: Attorney Fees/Costs and Dlgrt Taxes Through Sale, completed on 3/9/2008 AutoClose from DDF.

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154.

Written By: Fernando Lopez, California Re-Con
Date: 3/9/2008 11:11:00 PM
Type: DDF
Process: BID_ALL_Other_BO_
Borrower: RICHARDSON
Note: User has completed the F116_ArryPeerOwned data form with the following entries:
Amount Outstanding: 1200

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155.

Written By: Fernando Lopez, California Re-Con
Date: 3/9/2008 11:10:00 PM
Type: Event Update
Process: FC_EX_Other_BO_
Borrower: RICHARDSON
Note: User has updated the system for the following event: Final Title Clear, completed on 4/7/2009.

---

156.

Written By: Fernando Lopez, California Re-Con
Date: 3/9/2008 11:00:00 PM
Type: New Process
Process: BDP_Originated_Other_Other
Borrower: RICHARDSON
Note: Process opened 3/9/2008 by user Fernando Lopez.

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157.

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Notes

158.

Written By: Fernando Lopez, California Re-Con
Date: 3/6/2008 1:10:08 PM
Type: Event Update
Process: RC_CA_Other_BO
Borrower: RICHARDSON
Note: Process opened 3/6/2008 by user Fernando Lopez.

User has updated the system for the following event: Sale Scheduled for, completed on 4/7/2008

159.

Written By: Lakesha Sanders, Fidelity
Date: 2/22/2008 7:44:32 AM
Type: Foreclosure
Process: BPO_Referal_Other_Other
Borrower: RICHARDSON
Note:
From: Neuenschwander, Lauren
Sent: Friday, February 22, 2008 8:43 AM
To: Lakesha Sanders
Subject: RE: WAMH

Hi Lakesha,
Yes, as of yesterday P & P has not secured this property yet.
Thanks,
Lauren

From: Lakesha Sanders
Sent: Friday, February 22, 2008 8:43 AM
To: Neuenschwander, Lauren
Subject: RE: WAMH

Have you been in contact with P & P?

160.

Written By: Lakesha Sanders, Fidelity
Date: 2/22/2008 7:41:00 AM
Type: Foreclosure
Process: BPO_Referal_Other_Other
Borrower: RICHARDSON
Note:
From: Neuenschwander, Lauren
Sent: Thursday, February 21, 2008 12:05 PM
To: Lakesha Sanders
Subject: RE: WAMH

https://fiadesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Feb131TmT59cL_e... 09/21/2009

JPMC-000627
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Hi Lakisha,

We received this order on 12/17 but an agent has not been assigned yet. Per FIS, this property has not been secured/reslewed yet. Please advise.

Thanks,
Laurin

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161.
Written By: Lakisha Sanders, Fidelity
Date: 2/21/2008 10:38:00 AM
Type: Reproduction
Process: BPO_Refferal_Other_Other
Borrowers: RICHARDSON
Note:
System updated for the following event: User has reprojected the step BPO Received to 2/28/2008. Reason: Other.
Comments: From: Lakisha Sanders
    Sent: Thursday, February 21, 2008 11:08 AM
To: ysteam
Subject: WAMI

Please provide status/ETA of order. Thanks.
Status: Active, awaiting approval.

---

162.
Written By: Carla Dodd, California Re-Con
Date: 2/5/2008 3:00:00 PM
Type: Fees and Costs
Process: FC_CA_Other_BO
Borrowers: RICHARDSON
Note:
Fees and costs response: Good Through: 3/8/2008 Fees: 0.00 Costs: 9.00 Comment: CRC outstanding fees and costs $9.00.
Q/F 03/08/08

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163.
Written By: Carla Dodd, California Re-Con
Date: 2/5/2008 3:00:00 PM
Type: Fees and Costs
Process: FC_CA_Other_BO
Borrowers: RICHARDSON
Note:
A fees and costs response Comment has been completed for this loan by Carla Dodd

---

164.
Written By: Tameca Wiggins, WAMU Umbrella
Date: 2/5/2008 2:48:00 PM
Type: Fees and Costs
Process: FC_CA_Other_BO
Borrowers: RICHARDSON
Note:
A fees and costs request has been entered for this loan by Tameca Wiggins, good through 3/6/2008

---

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=FBjJ3I1TmTS9cL.e...
09/21/2009

CSOC.RICH.002409

---

1634
165.

Written By: Lauren Hess, Fidelity
Date: 1/10/2008 1:10:00 AM
Type: Issue
Process: FC_CA_Other_BO,
Borrower: RICHARDSON
Note:
System updated for the following event: User has ended the issue associated with this loan. Issue Type: Delinquent Taxes.
Comments: Task has been entered into client system to research and pay tax. Thank you

166.

Written By: Lauren Hess, Fidelity
Date: 1/10/2008 1:10:00 AM
Type: Issue
Process: FC_CA_Other_BO,
Borrower: RICHARDSON
Note:
System updated for the following event: User has approved the issue. Issue type: Delinquent Taxes. Status: Active, Approved

167.

Written By: Linda Velinder, California Re-Con
Date: 1/10/2008 12:28:00 AM
Type: Issue
Process: FC_CA_Other_BO,
Borrower: RICHARDSON
Note:
System updated for the following event: User has created a Process-Level issue for this loan. Issue Type: Delinquent Taxes.
Issue Comments: 1. PROPERTY TAXES, INCLUDING ANY PERSONAL PROPERTY TAXES AND ANY ASSESSMENTS COLLECTED WITH TAXES, FOR THE FISCAL YEAR 2007-2008 ASSESSOR'S PARCEL NUMBER [REDacted]
TOTAL AMOUNT: $1,016.82
1ST INSTALLMENT: $508.41 (DELINQUENT)
2ND INSTALLMENT: $508.41 (OPEN)
1ST PENALTY: $50.84
2ND PENALTY/COSTS: $40.84
LAND: $16,599.00
IMPROVEMENT: $62,120.00
CODE AREA: 03-003
EXEMPTION: (NONE SHOWN)
2. SUPPLEMENTAL ASSESSMENT FOR 2007-2008,
BILLING DATE: SEPTEMBER 24, 2007
TOTAL AMOUNT: $2,008.35
1ST INSTALLMENT: $1,049.18 (DELINQUENT)
MUST BE PAID BY: DECEMBER 10, 2007
1ST PENALTY: $104.92
2ND INSTALLMENT: $1,049.17 (OPEN)
MUST BE PAID BY: APRIL 10, 2008
2ND PENALTY: $114.92 Status: Active

JPMC-000629
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https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj31rITmT59eLe... 09/21/2009
166.

Written By: Debra Brown, California Re-Con
Date: 12/28/2007 6:41:00 PM
Type: Event Update
Process: FC_CA_Other_BO,
Borrower: richardson
Note:
User has updated the system for the following event: Preliminary Title Clear, completed on 12/28/2007

169.

Written By: Debra Brown, California Re-Con
Date: 12/28/2007 6:41:00 PM
Type: Event Update
Process: FC_CA_Other_BO,
Borrower: richardson
Note:
User has updated the system for the following event: TSG Report Received, completed on 12/28/2007

170.

Written By: Imelda Servano, California Re-Con
Date: 12/17/2007 6:40:00 PM
Type: Event Update
Process: FC_CA_Other_BO,
Borrower: richardson
Note:
User has updated the system for the following event: PreSale Redemption Expires, completed on 3/15/2008

171.

Written By: Imelda Servano, California Re-Con
Date: 12/17/2007 6:40:00 PM
Type: Event Update
Process: FC_CA_Other_BO,
Borrower: richardson
Note:
User has updated the system for the following event: NOD Filed, completed on 12/14/2007

172.

Written By: Eldena Muller, Fidelity
Date: 12/14/2007 11:55:00 AM
Type: Event Update
Process: BPO_Referral_Other_Other
Borrower: richardson
Note:
User has updated the system for the following event: BPO Ordered, completed on 12/14/2007

JPMC-000630
CONFIDENTIAL

173.

Written By: Elinda Mulyow, Fidelity
Date: 12/14/2007 11:55:00 AM
Type: DDF
Process: BPO_Referral_Other_Other
Borrower: RICHARDSON
Note:
User has completed the FPL Valuation data form with the following entries:
Valuation Needed?: 1 Interior BPO

174.

Written By: Elinda Mulyow, Fidelity
Date: 12/14/2007 11:55:00 AM
Type: DDF
Process: BPO_Referral_Other_Other
Borrower: RICHARDSON
Note:
User has edited the FPL Valuation Data Form with the following entries:
- Valuation Needed?: 1044 Appraisal

175.

Written By: Elinda Mulyow, Fidelity
Date: 12/14/2007 11:54:00 AM
Type: DDF
Process: BPO_Referral_Other_Other
Borrower: RICHARDSON
Note:
User has completed the FPL Valuation data form with the following entries:
Valuation Needed?: 1044 Appraisal

176.

Written By: Fidelity AutoProc, Fidelity
Date: 12/13/2007 3:26:00 PM
Type: Title
Process: FC_CA_Other_BO_
Borrower: RICHARDSON
Note:
Fidelity Title Order Accepted. Confirmation Number: M721894

177.

Written By: Colleen Trby, California Re-Con
Date: 12/13/2007 2:47:00 PM
Type: Auto Rate
Process: FC_Title_Ordered
Borrower: RICHARDSON
Note:
User has closed the file. Close Reason: Process Complete

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fhj31z1TmT59cLc... 09/21/2009

CSOC.RICH.002412
170.

Written By: Colleen Inbry, California Re-Con
Date: 12/13/2007 2:47:00 PM
Type: Fraud Update
Process: FC_Title_Ordered
Borrower: RICHARDSON
Note:
User has updated the system for the following event: Title Ordered, completed on 12/13/2007

179.

Written By: Colleen Inbry, California Re-Con
Date: 12/13/2007 2:47:00 PM
Type: Def
Process: FC_Title_Ordered
Borrower: RICHARDSON
Note:
User has completed the F104_TitleOrder data form with the following entries:
Type of Title to be Ordered: Title Order Needed

180.

Written By: Fidelity AutoProc, Fidelity
Date: 12/13/2007 2:42:00 PM
Type: New Process
Process: FC_Title_Ordered
Borrower: RICHARDSON
Note:

181.

Written By: Fidelity AutoProc, Fidelity
Date: 12/13/2007 2:42:00 PM
Type: Event update
Process: FC_CL_Other_BK
Borrower: RICHARDSON
Note:
User has updated the system for the following event: File Received By Attorney, completed on 12/13/2007

182.

Written By: Fidelity AutoProc, Fidelity
Date: 12/13/2007 2:41:00 PM
Type: New Process
Process: RPO_Referred_Other_Other
Borrower: RICHARDSON
Note:
183.

Written By: Fidelity AutoProc, Fidelity
Date: 12/13/2007 2:41:00 PM
Type: Event Update
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
User has updated the system for the following event: File Referred To Attorney, completed on 12/13/2007

184.

Written By: Fidelity AutoProc, Fidelity
Date: 12/13/2007 2:37:00 PM
Type: NewImage Comment
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
Foreclosure (NIE #______) picked up by firm California Reconveyance Company at 12/13/2007 2:31:12 PM by Margreta Dorsey

185.

Written By: Fidelity AutoProc, Fidelity
Date: 12/13/2007 2:36:00 PM
Type: NewImage Comment
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:
Foreclosure (NIE #______) sent to California Reconveyance Company at 12/13/2007 2:28:22 PM by Automated Tasks

186.

Written By: Fidelity AutoProc, Fidelity
Date: 12/13/2007 4:21:00 AM
Type: New Process
Process: FC_CA_Other_BO
Borrower: RICHARDSON
Note:

https://fisdesktop.com/LPS/ProcMan_NotesPrint.aspx?ClientFileID=Fbj3JzITmT59cLe... 09/21/2009
2-18-08

called Congress woman week and
set up meeting for 2-19.

Feb 22 Dasha →

Sort program - does she qualify?

order value?
not on market
including pictures
Robert, Sue

Subject: Laura Richardson
Location: Her assistant will call you
Start: Tue 02/03/2009 4:00 PM
End: Tue 02/03/2009 4:30 PM
Recurrence: (none)

Foreclosure
Pre-9-25

1. Damage to property?
   Claims: how can file a claim —
   Got Renold — what should we do?
   Toilets, cabinets —
   Send pictures —
   Date of damage —

2. Letter for Screws, Shortage
   Short $600
   Modification been paying each month —
   January — Not accept payment unless pay $600 —
   No one could explain why
   Shortage —

JPMC-001525
CONFIDENTIAL

CSOC.RICH.002417
got a hold of payment change and mail did not take into acct — taxes —
not right amount is being escrowed

3) Not accept January payment or February — advised to hold off until I look into it
Shipping Label - Pointandship Software Inc.

To prepare your package for shipment, you need to do the following:

1. Use the Print button in your browser to print this page to your laser printer.
2. Fold the first printed page in half and use as the shipping label. The second page is for your records and contains all the terms and conditions of shipment and information useful for tracking your package.
3. After printing the label, place it in a way that can be read and affixed to your shipment so that the barcode portion of the label can be read and scanned.

Legal Terms and Conditions

Tendering packages by using this system constitutes your agreement to the service conditions for the transportation of your shipments as stated in the applicable FedEx Service Guide. FedEx will not be responsible for any claim in excess of the applicable declared value, whether the result is loss, damage, delay, non-delivery, mis-delivery, or mis-information, unless you declare a higher value, pay an additional charge, document your actual loss and file a claim. Limitation found in the applicable FedEx Service Guide applies. You must also remove any claims for any loss, including the insured value of the package, loss of use, income, interest, profit, attorneys' fees, costs, and other forms of damage whether direct, indirect, consequential, or incidental in the event of the loss of 100% or the unaccepted declared value. Recovery cannot exceed actual documented loss. Maximums for loss of extraordinary value in $500, e.g. jewelry, precious metals, susceptible business and other items listed in our Service Guide. Written claims must be filed within specified time limits, as applicable FedEx Service Guide. FedEx will not be liable for loss or damage to prohibited items in any event of or for your acts or omissions, including, without limitation, improper or insufficient packaging, marking, method or addressing, or any improvements or response to any inquiries or warnings. To obtain information regarding how to file a claim or to obtain a Service Guide, please call 1-800-GO-FEDEX (1-800-463-3339).

JPMC-001527
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CSOC.RICH.002419
Oakley, Susan B.

From: Beth Ward
Sent: Friday, July 11, 2008 6:49 PM
To: Oakley, Susan B.
Subject: FW: WMB/Red Rocks-Richardson
Importance: High

Hi, Susan. I'm forwarding the email I sent to Ann Thorn. We need to have the original signature page of this Settlement Agreement if you could please send it to me. Thanks for your assistance.

Beth Ward
Paralegal to Martin T. McGuinn
& Kenneth C. Noorigian
Kirby & McGuinn, A P.C.
300 B Street, Suite 1950
San Diego, CA 92101
Direct Line: (619) 398
Direct Fax: (619) 398

ANY INFORMATION OBTAINED MAY BE USED FOR THAT PURPOSE.

This electronic message contains privileged or confidential information which is solely intended for the use of the addressee(s) listed as recipient(s). If you are not the intended recipient, or the employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any disclosure, dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this transmission in error, please immediately notify the sender at (619) 535-1650 or email, and return the original message to Kirby & McGuinn, A P.C., 500 B Street, Ste. 1950, San Diego, CA 92101.

From: Beth Ward
Sent: Friday, July 11, 2008 3:43 PM
To: ann.thorn@wamu.net
Subject: WMB/Red Rocks-Richardson

Hi, Ann. Thanks very much for sending the check today, but we need your original signature page of the Settlement Agreement. Can you please send it? Thank you.

Beth Ward
Paralegal to Martin T. McGuinn
& Kenneth C. Noorigian
Kirby & McGuinn, A P.C.
600 B Street, Suite 1950
San Diego, CA 92101
Direct Line: (619) 398
Direct Fax: (619) 398

JPMC-001528
CONFIDENTIAL

07/14/2008
### Confirmation Report - Memory Send

Page: 001  
Date & Time: Jul-11-08 02:47am  
Line 1:  
Line 2:  
Machine ID:  

<table>
<thead>
<tr>
<th>Job number</th>
<th>220</th>
</tr>
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<tbody>
<tr>
<td>Date</td>
<td>Jul-11 02:40am</td>
</tr>
<tr>
<td>To</td>
<td>24106165751669</td>
</tr>
<tr>
<td>Number of pages</td>
<td>019</td>
</tr>
<tr>
<td>Start time</td>
<td>Jul-11 02:40am</td>
</tr>
<tr>
<td>End time</td>
<td>Jul-11 02:47am</td>
</tr>
<tr>
<td>Pages sent</td>
<td>019</td>
</tr>
<tr>
<td>Status</td>
<td>OK</td>
</tr>
</tbody>
</table>

*** SEND SUCCESSFUL ***

---

### Washington Mutual
**HOME LOANS**

**Fax Cover Sheet**

Date: July 10, 2008  
To: Martin McGuinn  
Phone Number: 1-619-525-1658  
Fax Number: 1-619-525-1669  
From: Ann Thorn  
Pages: 19  
Message: Per your request regarding Richardson
Washington Mutual
HOME LOANS

Fax Cover Sheet

Date: July 10, 2008
To: Martin McGuinn
Phone Number: 1-619-525-1859
Fax Number: 1-619-525-1669
From: Ann Thorn

Pages: 19

Message: Per your request regarding Richardson
Shipping Label - Point and Ship Software Inc.

From: Unidentified (unidentified)
Shipment: 300 B St #81060
San Diego, CA 92101

To: Recipient 1 (unidentified)
Shipment: 300 B St #81060
San Diego, CA 92101

FEDEX SHIPMENT LABEL

To prepare your package for shipment, you need to do the following:

1. Use the Print button in your browser to print this page to your laser printer.
2. Fold the first printed page in half and use as the shipping label. The second page is for your records, and contains both the terms and conditions of shipping, and information useful for tracking your shipment.
3. After printing the label, place it in a wallet pocket and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Legal Terms and Conditions

Transporting packages by using this system constitutes your agreement to the service conditions for the transportation of your shipments as found in the applicable FedEx Service Guide, available upon request. FedEx will not be responsible for any claims in excess of the applicable declared value, whether the result of loss, damage, delay, non-delivery, misdelivery, or misdescription, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the applicable FedEx Service Guide apply. Your right to recover from FedEx for any loss, including periodic value of the package, loss of value, income, interest, profits, customer’s fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of $100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for claims of extraordinary value is $500 or current, declared value, whichever is greater. Our Service Guide, available upon request, explains the terms and conditions of this service. To obtain information regarding how to file a claim or to obtain a Service Guide, please call 1-800-GO-FEDEX (1-800-463-3333).


JPMC-001531
CONFIDENTIAL
**Washington Mutual**

**PAYMENT OF MISC FORECLOSURE OR BANKRUPTCY EXPENSES**

2 Hundred Thousand and 00/100 Dollars

**TO**

RED ROCK MORTGAGE INC
3500 AMERICAN RIVER DR
SACRAMENTO, CA 95844

**AUTHORIZED SIGNATURE**

---

**Disbursement Check Voucher**

<table>
<thead>
<tr>
<th>CHECK NUMBER</th>
<th>PAYEE CODE</th>
</tr>
</thead>
<tbody>
<tr>
<td>014284122</td>
<td>REDROCKMTG</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SHORT NAME/INIT NAME</th>
<th>PROPERTY ADDRESS</th>
<th>DESCRIPTION</th>
<th>I-HAN CODE</th>
<th>DATE</th>
<th>AMOUNT DUE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2ICMARES</strong></td>
<td></td>
<td></td>
<td>623</td>
<td></td>
<td>100,000.00</td>
</tr>
</tbody>
</table>

**Check Totals:** 1 Item $100,000.00

**CONFIDENTIAL**

JPMC-001532

CSOC.RICH.002424
6/19/08

To: ANN THORN
    JUDE MATHIS

From: LAURA RICHARDSON

Pages: 2 + cover
WaMu Borrower Assistance Form

You can type your answers right into this form and fax or mail it in. See the instructions on the next page.

1. To help us settle your loan, please provide your name(s).

Name(s): ____________________________

2. What are your current phone numbers?

[Fill in phone numbers]

3. Do you have your WaMu loan number?

Yes, _______  No, _______  [Circle one]

4. What is the address of your property?

[Fill in address]

5. Do you (or your co-borrower) have a different mailing address?

Yes, _______  No, _______  [Circle one]

6. Please enter any additional mailing addresses.

[Optional: Enter mailing addresses]

7. How many people live at your address?

[Enter number of people]

8. How many of the people living at this address are dependents?

[Enter number of dependents]

9. What is the reason you are having trouble with your home loan payments?

I have experienced the following:

EMPLOYMENT CHANGES WITHIN ONE YEAR, TWO DELAYS OF INCOME FOR OVER THREE MONTHS, UNEXPECTED ILLNESS AND SUBSEQUENT DEATH OF MY FATHER.

10. Would you prefer to keep your home or sell it?

Keep my home  Sell it

11. If you want to sell, is it listed for sale?

[Check one] Currently listed  Was listed previously  Never listed

12. Do you have any other loans on the home?

Yes  No

13. If you have other loans on the home, approximately how much do you owe on all other loans combined?

[Enter amount owed]

CONFIDENTIAL

[Signature]

[Date]

CSOC.RICH.002426
14. Have you already spoken to a debt counseling service?
   □ Yes
   □ No

15. How much money do you owe?
   □ $200 - $500
   □ $501 - $1,000
   □ $1,001 - $10,000
   □ $10,001 or more

16. Please enter the amount you pay for the items below each month, and
    total in the last row:

<table>
<thead>
<tr>
<th>Item Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Auto Loan(s)</td>
<td></td>
</tr>
<tr>
<td>Housing Loan(s)</td>
<td></td>
</tr>
<tr>
<td>Other Home Loans, Real &amp; Other</td>
<td></td>
</tr>
<tr>
<td>Student Loan(s)</td>
<td></td>
</tr>
<tr>
<td>Credit Card &amp; Miscellaneous Expenses</td>
<td></td>
</tr>
<tr>
<td>Health Insurance</td>
<td></td>
</tr>
<tr>
<td>Medical Expenses</td>
<td></td>
</tr>
<tr>
<td>Other Gls. &amp; Other Expenses</td>
<td></td>
</tr>
<tr>
<td>Other (please list)</td>
<td></td>
</tr>
</tbody>
</table>

17. Please enter your income details below and total in the last row:

<table>
<thead>
<tr>
<th>Income Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Wages</td>
<td></td>
</tr>
<tr>
<td>Other Income (es)</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
</tr>
</tbody>
</table>

18. Please enter how much money you have in the assets below, and
    total in the last row:

<table>
<thead>
<tr>
<th>Asset Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Checking Account(s)</td>
<td></td>
</tr>
<tr>
<td>Savings &amp; Money Market Account(s)</td>
<td></td>
</tr>
<tr>
<td>Stocks, Bonds, &amp; Grills</td>
<td></td>
</tr>
<tr>
<td>Retirement Account(s)</td>
<td></td>
</tr>
<tr>
<td>Other Liquid Assets</td>
<td></td>
</tr>
<tr>
<td>Total:</td>
<td></td>
</tr>
</tbody>
</table>

I (we) agree that the financial information provided is an accurate statement of my (our) financial status. I (we) understand and acknowledge that any action taken by the lender of my (our) home loan (by our bank) will be based on such information. I (we) hereby authorize the lender to verify the accuracy of the information provided. I (we) understand that the lender may verify my (our) income by obtaining a credit report and by contacting my (our) employer and or credit counseling representatives (if applicable). The signing below (we) authorizes that if I (we) should transfer or agree to a repayment plan for my (our) home loan, return it (our) home, or pay off my (our) home loan in 12 months by doing so and that you may not receive any payment (if any) after one year. I (we) hereby expressly withdraw this request for a loan workout. In that event, I (we) herewith request you to take no further action to process this request for a loan workout.

X Signature

DON'T FORGET! DID YOU...

☐ Fully complete all questions?
   Remember: if you have a co-borrower, we need his or her information, too.

☐ Sign and date this form?

☐ Include copies of your:
   □ Checking account statement(s)
   □ Savings account statement(s)
   □ Income tax returns
   - If you are unemployed—your past six months' pay stubs and other sources of income
   - If you receive regular paychecks—you must include pay stubs

☐ Copy the completed form for yourself?

GREAT!

Now, return this form to us!

☐ Fax: 954-885-3770 or 954-886-5275

☐ Mail: Wamu Home Ownership Preservation, 7435 Northwest 10th St, Fort Lauderdale, FL 33304

JPMC-001535
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CSOC.RICH.002427
Thorn, Ann

From:             Samuel, Susan L.  
Sent:             Tuesday, June 17, 2008 4:52 PM  
To:               Thorn, Ann  
Cc:               Odiady, Susan B.  
Subject:          FW: Servicing Advances  
Importance:       High  

So you'd be aware that I'm going to work with Deanna and Sue to set this up...

Susan Samuel  
Executive Assistant  
National Default  

Washington Mutual  
7301 Baymeadows Way, JAX83182  
Jacksonville, FL 32256  
904-886-6251 direct,  
susan.samuel@wamu.net  

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the content. Thank you.

From: Berens, John  
Sent: Tuesday, June 17, 2008 9:22 AM  
To: Samuel, Susan L.  
Cc: Prince, Deanna K.  
Subject: FW: Servicing Advances

I need to set some quality time with Ann regarding this topic (#2). Have her invite whomever she likes and I would like Cindy Drago there also. I think we will need two hours and probably would be better if we went to Horizons. Let me know. Thanks.

From: Schneider, David C.  
Sent: Friday, June 13, 2008 4:18 PM  
To: Woods, John F.; Berens, John  
Cc: Nikken, Alison  
Subject: Servicing Advances

So that we are all in sync with the process for looking at the Servicing Advances, here is what I propose:

1. Woods to work with finance team (Portmano, Drego) on a forecast for:
   a. Servicing advances balances
   b. Potential reserve required for June close
   c. Estimate of ongoing loss rate for future quarters

2. Berens will work with servicing team to assess current process

Please let me know if there are any questions or points of clarification. We will reconvene on Monday to get an update.

Alison, please set a time before the Board meeting.

ds

JPMC-f01536  
CONFIDENTIAL
Oakley, Susan B.
From: Battaglia, Paul J.
Sent: Tuesday, June 17, 2008 12:06 PM
To: Thorn, Ann; Oakley, Susan B.
Subject: DOCSSEA #179441-v1 LAURA_RICHARDSON_LETTER__PUB.DOC

Attachments: DOCSSEA #179441-v1 LAURA_RICHARDSON_LETTER__PUB.DOC

Redacted

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

NOTICE: This communication may contain legally privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank You.
June 17, 2008

Re: Washington Mutual Loan Number: [redacted]
Property Address: 3622 West Curtis Drive, Sacramento, CA 95818

Dear Ms. Richardson:

Your e-mail to Julie Matthews dated June 12, 2008 was forwarded to me. You indicated in your e-mail that you would be working on your Homeownership Preservation package over the June 14-15 weekend. I therefore expected to receive your updated financial information sometime on Monday. It is now Tuesday, and I still have not received anything from you, nor have you called to explain your delay.

As you know, in April, 2008, you contacted WaMu asking for the amount necessary to reinstate your loan. We sent you the reinstatement figures on April 17, 2008, along with a cover letter stating that we would postpone the foreclosure proceedings to June 4, 2008. Your property then went to foreclosure sale on May 7, 2008, where it was sold to the high bidder Red Rock Mortgage, Inc. At the time of the foreclosure sale, you were in default on your loan and there was not any loan workout or modification agreement in place between you and WaMu, as your prior request for a loan modification was denied.

Due in part to your comments to me that you fully intended to pay your obligation to WaMu, we honored our commitment to postpone the foreclosure sale by instructing the foreclosure trustee to record a Notice of Rescission of the foreclosure sale, thereby restoring legal title to the Property in your name.

Following the Notice of Rescission, we've had several telephone conversations where you reiterated your desire to fulfill your loan obligation. On May 28, 2008, Wendy Woodcock and I had a telephone conversation with you where we told you that you would have to send in updated financial information for review. We sent you the required forms on June 6, 2008, but they have not yet been completed and returned for our review.

Based on your most recent assurance that you would be working on providing the financial information over the June 14-15 weekend, we expect to have all of the information that we've requested by the end of the day on Friday, June 20, 2008. If we do not have all of the information requested, we will reschedule the foreclosure sale of your property.

Sincerely,

Ann Thorn

JPMC-001538
CONFIDENTIAL
June 17, 2008

Re: Washington Mutual Loan Number: [Redacted]
Property Address: 3622 West Curtis Drive, Sacramento, CA 95818

Dear Ms. Richardson:

Your e-mail to Julie Mathis dated June 12, 2008 was forwarded to me. You indicated in your e-mail that you would be working on your Homeownership Preservation package over the June 14-15 weekend, and therefore expected to receive your updated financial information sometime on Monday. It is now Tuesday, and I still have not received anything from you, nor have you called to explain your delay.

As you know, in April, 2008, you contacted WaMu asking for the amount necessary to reinstate your loan. We sent you the reinstatement figures on April 17, 2008, along with a cover letter stating that we would postpone the foreclosure proceedings to June 4, 2008. Your property then went to foreclosure sale on May 7, 2008, where it was sold to the high bidder Red Rock Mortgage, Inc. At the time of the foreclosure sale, you were in default on your loan and there was not any loan workout or modification agreement in place between you and WaMu, so your prior request for a loan modification was denied.

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Following the Notice of Rescission, we’ve had several telephone conversations where you reiterated your desire to fulfill your loan obligation. On [Redacted], 2008, Wendy Woodcock and I had a telephone conversation with you where we told you that you would have to send in updated financial information for review. We sent you the required forms on June 6, 2008, but they have not yet been completed and returned for our review.

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Sincerely,

Anne Thorn
Oakley, Susan B.

From: Samuel, Susan L.
Sent: Thursday, May 22, 2008 12:58 PM
To: Thorn, Ann
Subject: FW: Article: Calif. congresswoman’s home threatened with repo

so you have one of the articles circulating thru Wamu.

From: Jenne, Kevin M.
Sent: Thursday, May 22, 2008 12:19 PM
To: Champney, Steven D.; Kallner, Bredy; Johnson, Renee T.; Gaugi, Sara C.; Walker, Michael; Schärf, Will D.
Subject: Article: Calif. congresswoman’s home threatened with repo

You probably already know all about this, but I never want to assume. There's some confusion about whether her home has been old or not. And Wamu hasn't responded about it as of this report.

Calif. congresswoman’s home threatened with repo

Thursday May 22, 11:49 am ET
By Don Thompson, Associated Press Writer

Calif. congresswoman’s home threatened with repossession after she fails to pay mortgage

SACRAMENTO, Calif. (AP) - Rep. Laura Richardson has an unusual perspective on the housing foreclosure bills moving through Congress. One of her own homes was threatened with repossession after she failed to pay the mortgage.

Richardson, a Southern California Democrat, bought a two-story home in a leafy, upper-middle-class neighborhood of Sacramento in January 2007, just months after winning a seat in the state Assembly.

She bought the three-bedroom, 1 1/2-bath home in the state capital for $635,500. The bill collector started knocking soon after, according to records reviewed Wednesday by The Associated Press.

The city utility department placed a lien on her property in June 2007 for $154 in unpaid bills, according to documents at the Sacramento County recorder's office. In December, she received a default notice on the mortgage from the collection agency of Washington Mutual Inc., her lender. At that point, she owed $18,356.

At the time, she had left the Legislature after a quick rise from the Long Beach City Council and moved to Washington after winning a special election to fill a vacant congressional seat. Richardson on Wednesday blamed the frequent job-shifting for financial problems related to the Sacramento property.

A default notice in March this year put the "unpaid balance and other expenses" at $578,364 and said her 1,639-square-foot house would be auctioned at a trustee sale.

County records show the property was sold to a company called Red Rock Mortgage Inc. of Sacramento for $388,000 - although the county assessor's office continues to list Richardson as the owner. No listing could be found for Red Rock.

That sale was officially recorded Monday, according to the records. But Richards said the home was not in foreclosure and had not been seized.

'I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement - with no special provisions," Richardson said in a statement Wednesday. "I fully intend to fulfill all financial obligations of this property."

Richardson's chief of staff, Kimberly Parker, told The AP that the mortgage on the home had been sold but that the house had not. The collection agency referred inquiries to Washington Mutual, which did not return a call.

jpmc-001544
confidential

05/22/2008
Real estate agents’ lock box hung Wednesday from the front door of the 1926-vintage house.

Records at a Sacramento County tax office also show Richardson is delinquent in paying $2,950 in property taxes.

Richardson moved from the Long Beach City Council to her Assembly seat in 2006, and the next year won a special election to represent a heavily Democratic congressional district that includes Long Beach.

Congressional records show Richardson did not cast votes May 8 on three bills related to the Foreclosure Prevention Act. In her statement, she said she was away from Washington because of her father’s funeral.

I understand that these homeownership issues are a reflection of what many Americans are going through as they fight to keep their homes and to remain financially stable,” Richardson said in her statement.

Associated Press writers Erica Werner in Washington and Samantha Young and Rich Pedroncelli in Sacramento contributed to this report.

Kevin Jerns | EVP, Market Research Manager
Research & Customer Insight
Washington Mutual
* 206.306.2615  |  E: kevin.jerns@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the messages and any attachments without copying or disclosing the contents. Thank you.
Redacted
1667

*6/16/89 12:00 Disass'n of Richardson

Wooock, Ann, Smith, Julie

Called at her DC office

Ann announced that there was a headache &
explained.

"Just did you need any numbers today?"

"I didn't understand that's what you
wanted to do today. Ya need me to pay the cleaning & stuff?"

"Ann: Yes, we need expenses to complete paperwork."  

"Just: Can you forward me the paycheck so I don't have to guess? I would
prefer to provide exact information so
we don't have a problem like last time."

"Just: I think that will be better, I don't
think it goes accurate records last
time. I'm staying in if you need &
I don't have you call if I hope to
have gotten thru. The report due this week &
I can forward to ya Monday."

Ann: We will send the form and you can
call me at my office with questions.
Verbal — 
— No verification of Income by mail needed
— Would not accept application. Could email. →
— Full Reimbursement.
6:00 - Congresswoman Conference -
Call her cell -
RE: Loan Number:
Borrower:
Property Address:

Quote Type:
Good Through:
Loan Type:
Foreclosure Sale Date:
Next Due Date will be:
Date Prepared:

months at $
months at $
months at $
months at $
months at $
months at $
months at $

Subtotal of Payments Due $

Inspection Fees
Appraisal Fees
NSF Charges
Late Charges
Property Preservation
Suspense Balance
Restricted Borrow
Corporate Advance Balance
Liens
Other Fees
Outstanding Fees & Costs**

Total for Reinstatement $

JPMC-001554
CONFIDENTIAL
Religion to likely be recorded 2/1/1993
and immediately we will be sending
package to you with information regarding
enrollment and placement plan.

Harling: sending 2/2/35
5/28 7:10 pm - 3rd Discussion - Richardson

Us: Hi - How are you?

R: Hi. When are you coming? (Any)

Us: She confirmed she needed an email the release & asked if we recorded. She confirmed yes.

Us: What is process of the 3rd party to rescind? So how something should look?

R: Her advised we are going thru process of rescind per sell. Filling time to agree on 3rd party. Asked about her intentions were.

Us: My intention is to do the loan modification.

R: Ann explained first loss Mit was an option as long as she qualified.

Us: I don't understand. What is the difference between an H1 & a H3?

R: Ann explained the H1 process & the modification process.

Us: OK. What you originally sent me was a letter that I had not making the active amount at one time, but about $4k monthly.
Us. Ann explained her repayment plan
wasn't very clear to her.

Lst. My interpretation was to do a repayment plan.
I didn't understand. She said it was a non-repayment plan.
I'm not sure if it's a non-repayment plan.
The plan was set up again in March or something like that.

Us. Ann advised our records showed no other repayment
but that's what happened.

Lst. I don't have the folder in front of me.

Us. Ann didn't have the signature in front of me.
She went down the form of the failed repaid.
She advised the office.

JPMC-001557
CONFIDENTIAL

Cst. What was the H1 offered?

Ann. Advised of the calculation of H1 cost of debt.

Lst. That was not the least calculation of your debt.
It was a non-repayment plan, resulting in
the check being sent May 1st. She advised
That now pull all of the pieces to go over thread with her.

No, Am went over the rescission process again to make sure she had a full understand one. Advised of the possibility that the 3rd party lender could file suit in return.

Cost: Do you think it is possible to make the rescission happen without having to go to the next level?

No, Am advised after her loan is taken place. What are your intentions if the property is sold? Another option is to stay in the house and leave the FCV for sale in place.

Cost: I would like to establish a repayment plan. I last late a total of $13,000. I37 I have already sent you $12,000 back. This is really tough for my family. I want to proceed with the repayment plan.

Un masked of the received the Coca plan letter.
But I didn't realize you would return my phone. If I sent you a note, it wouldn't be delivered. I was away in Iraq or another place. But... I had misunderstood that the plan would continue, which is why I called Mrs. Owen.

Ann: Advised of the new deal.

Kat: I didn't understand the difference between the 150 and the repay plan. I don't remember the name of the person that established the repayment plan. I just wanted to go back to the original plan and would like to do that now.

Ms. Ann advised we will set up time to review the account so she can be prepared to set things in motion.

Just: Oh, I'm just a little... I have to tell you that my understanding that I had already qualified, and I don't want to go through that again. My financial situation hasn't changed since October.
would have a serious problem if I
qualified for something in March
and then not qualify. I've talked
with [redacted] about it. Before you
should be aware my situation
hasn't changed since September.

In summary, the loss material.

First, let's talk about the problem account. I
told you I didn't go through the full
application process. I was told I would
be sent an application & once I received
it, then contacted [redacted] or [redacted],
who contacted me about the repayment plan
that the repayment plan had been
established. All I'm asking is that
you allow me to continue with
the repayment plan & pay you back
every single time.

I'm advised you receive a notice next week.
I'm not sure of the

I just want you to know & thank

CSOC.RICH.002452
want to check anything in the mail. I just want to do everything I need to do to right
night not my dealer to resolve the
situation.

No. For advised we need multiple
contract it had, had confirm the
best number to reach Call.

Just. She confirmed her number and advised
she can't get hold of her on the
cell. You can call any of my
office numbers. Everyone here is
deliberate aware of what is going on.
This page is intentionally left blank
April 17, 2008

Laura Richardson
717 East Vernon Street
Long Beach, CA 90806

RE: Washington Mutual Loan Number

Property Address: 3622 West Curtis Drive, Sacramento, CA 95818

WE MAY REPORT/HAVE REPORTED INFORMATION ABOUT YOUR ACCOUNT TO CREDIT BUREAUS. LATE PAYMENTS, MISSED PAYMENTS, OR OTHER DEFAULTS ON YOUR ACCOUNT MAY BE REFLECTED IN YOUR CREDIT REPORT.

WE ARE A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Dear Ms. Richardson:

Thank you for your recent contact with our Executive Office. Please find your reinstatement figure enclosed. Please remit the exact reinstatement amount in certified funds to us at the below address:

Washington Mutual
Default Cash Processing
7255 Baymeadows Way
Jacksonville, FL 32256

We have placed a sixty day hold on all foreclosure sale or actions; the hold will expire June 4, 2006.

Should you have any further questions, please feel free to contact me at 904-732-8817.

Sincerely,

Allison Dolan
Default Specialist II – ERT
Washington Mutual Home Loans

JPMC-001563
CONFIDENTIAL
- Do not see any value to you to rescind

- Willing to have traske record rescission deposition discovery

- Rescind - expect notice reinstatement
  and
  - no mud -

1. Reinstates, no rescinding and lawsuit

2. No Rein. goes to 3rd party done

3. Reinstates, no lawsuit
   But not ongoing payments
   and maintain -

  - Strongly advise -
Re: Loan Number: [Redacted]
Borrower: BELGIAN FAMILY REVOCAB
Property Address: 3622 W CURTIS DR
SACRAMENTO, CA 95818
Quote Type: Reinstatement Quote
Good Through: 4/7/2008
Loan Type: Conventional Uninsured
Foreclosure Sale Date: 12:00:00 AM
Next Due Date will be: 5/1/2008
Date Prepared: 4/4/2008

$ months at $ 1,237.98 $ 38,021.82
  $ months at $  
  $ months at $  
  $ months at $  
  $ months at $  
  $ months at $  
  $ months at $  

Subtotal of Payments Due $ 38,051.82

Inspection Fees $ 0.00
Appraisal Fees $ 0.00
IMF Charges $ 0.00
Late Charges $ 293.60
Property Preservation $ 0
Suspense Balance (12,686.53) $ 0
Restricted Escrow $ 0
Corporation advance balance $ 1,157.82
Liens $ 0

Other Fees $ 16.80
Outstanding Fees & Costs** $ 0

Total for Reinstatement $ 37,023.60
prorates
51757295

**Please add all collectable outstanding fees and costs to the above total.

**Please review the NewTrak Fees & Cost Module for any outstanding fees and
costs due to parties other than yourself. Please include these amounts in
your final quote.

JPMC-001564
CONFIDENTIAL

CSOC.RICH.002457
Foreclosure sale was held on 5/7/08 and was sold to third party. Wawa plans to rescind the sale. Procedure to start that process we need a consent form to release the correspondence sent to you from Wawa on 4/7/08 engaging in which indicates our engagement with you.

What agreement:

Jan Owen

see what we are referencing:

Thankful for all we have done

Update figures —
Thorn, Ann

From: Gaugi, Sara C.
Sent: Friday, May 23, 2008 3:06 PM
To: Thorn, Ann
Subject: FW: WaMu Consent Form Attached
Attachments: Consent Form.doc

For your files, Ann,

Sara Gaugi
Home Loans Public Relations

WaMu
1301 Second Avenue | WMC40 | Seattle WA 98101
206.500.2822 direct | 206.224.2224 cell
sara.gaugi@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please notify the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Gaugi, Sara C.
Sent: Thursday, May 22, 2008
To: laura.richardson@mail.house.gov
Subject: WaMu Consent Form Attached

Congresswoman Richardson:

We appreciate your concern over media attention surrounding your loan situation. Please be aware that WaMu does not disclose our customers' personal financial information without written authorization from the customer.

If we are asked by the media to verify or discuss aspects of your loan situation outside of what is available in public records, we require your written consent to do so. Attached is our standard media consent form for your signature, which can be faxed to 206-377-2392.

Thank you,

Sara Gaugi

Consent Form.doc

(28 KB)

Sara Gaugi
Home Loans Public Relations

WaMu
1301 Second Avenue | WMC40 | Seattle WA 98101
sara.gaugi@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please notify the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.
AUTHORIZATION AND CONSENT
TO RELEASE OF PERSONAL, NON-PUBLIC INFORMATION

Borrower Name __________________________
Loan Number __________________________
Address ________________________________

I, __________________________, give Washington Mutual Bank, FA, ("Washington Mutual") authorization to disclose with the media the facts and circumstances surrounding my loan with Washington Mutual.

I understand that by doing so, I am authorizing Washington Mutual to disclose personal, non-public information concerning me and my loan, including any requests by me to refinance or modify my loan.

I nevertheless hereby give consent to Washington Mutual not only to discuss the facts and circumstances surrounding my loan, including any requests by me to refinance or modify my loan with Washington Mutual, but also to disclose and release my personal, non-public information.

Executed this ______ day of ______, 2009, at ______ [State]

________________________________________
(Signature)

JPMC-001569
CONFIDENTIAL
FORECLOSURE TITLE ORDER

CALIFORNIA RECONVEYANCE COMPANY
9200 Oakdale Avenue N 110612
Chatsworth, CA 91311
800 392-0302
(818)775-2255 (Fax)

Date: 12/13/2007

FIDELITY NATIONAL TITLE COMPANY
16881 RED HILL AVENUE SUITE 201
TUSTIN, CA 92760
Attn: MERRILYN AGUAS

Trustee's Sale No: 723397CA
Title Order No: MT21069
Loan No: [redacted]
Soc. Sec. No(s): [redacted]

The following documents are enclosed for recording:
Notice of Default

PLEASE FURNISH US WITH THE FOLLOWING:

TSG (IN TRIPlicate) X
BINDER
OWNERS COMMITMENT
LIABILITY AMOUNT: $554,000.00

"PLEASE SEND CONFIRMATION OF RECORDING"


OTHER INSTRUCTIONS:

Please examine the public records which impart constructive notice in the county or counties where the property is situated for any evidence of a petition in bankruptcy being filed by the current owners of the subject property AND Temporary Restraining Order AND any defects in the legal description or title. DO NOT RECORD THE NOTICE OF DEFAULT or otherwise proceed if there is such evidence and notify the undersigned immediately. If there is no such evidence, please record the above documents. "PLEASE RETURN RECORDED CONFORMED COPY.""

CALIFORNIA RECONVEYANCE COMPANY

CELI A SAN AGUSTIN, ASSET RECOVERY SPECIALIST II
518-775-2577

JPMC-001570
CONFIDENTIAL

CSOC.RICH.002462
RECORDING REQUESTED BY
CALIFORNIA RECONVEYANCE COMPANY
AND WHEN RECORDED MAIL TO
CALIFORNIA RECONVEYANCE COMPANY
9200 Oakdale Avenue
Mail Stop: N 11 66 12
Chatsworth, CA 91311
800 893-8502
(818)775-2259 (Fax)

TRUSTEE SALE NO. 72335PCA Loan No. ________ Title Order No. M721664

IMPORTANT NOTICE
NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST

IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR PAYMENTS, IT MAY BE SOLD WITHOUT ANY COURT ACTION, and you may have the legal right to bring your account in good standing by paying all of your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account, which is normally five business days prior to the date set for the sale of your property. No sale date may be set until three months from the date this notice of default may be recorded (which date of recordation appears on this notice).

This amount is $10,855.40 as of December 13, 2007 and will increase until your account becomes current.

While your property is in foreclosure, you still must pay other obligations (such as insurance and taxes) required by your note and deed of trust or mortgage. If you fail to make future payments on the loan, pay taxes on the property, provide insurance on the property, or pay other obligations as required in the note and deed of trust or mortgage, the beneficiary or mortgagee may insist that you do so in order to reinstate your account in good standing. In addition, the beneficiary or mortgagee may require as a condition to reinstatement that you provide reliable written evidence that you paid all senior liens, property taxes, and hazard insurance premiums.

Upon your written request, the beneficiary or mortgagee will give you a written itemization of the entire amount you must pay. You may not have to pay the entire unpaid portion of your account, even though full payment was demanded, but you must pay all amounts in default at the time payment is made. However, you and your beneficiary or mortgagee may mutually agree in writing prior to the time the notice of sale is posted (which may not be earlier than the end of the three-month period stated above) to, among other things, (1) provide additional time in which to cure the default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the first paragraph of this notice, unless the obligation being foreclosed upon is a separate written agreement between you and your creditor permits a longer period, you have only the legal right to stop the sale of property by paying the entire amount demanded by your creditor.

JPMC-001571
CONFIDENTIAL
To find out the amount you must pay, or to arrange for payment to stop the foreclosure, or if your property is in foreclosure for any other reason, contact: WASHINGTON MUTUAL BANK, FA at 7301 BAYMEADOWS WAY, JACKSONVILLE, FL 32296, (977) 920-8337.

If you have any questions, you should contact a lawyer or the governmental agency which may have insured your loan. Notwithstanding the fact that your property is in foreclosure, you may offer your property for sale, provided the sale is concluded prior to the conclusion of the foreclosure.

REMEMBER, YOU MAY LOSE LEGAL RIGHTS IF YOU DO NOT TAKE PROMPT ACTION. NOTICE IS HEREBY GIVEN THAT: CALIFORNIA RECONVEYANCE COMPANY is the duly appointed Trustee under a Deed of Trust dated 01/04/2007, executed by LAURA RICHARDSON, AN UNMARRIED WOMAN, as trustor, to secure obligations in favor of WASHINGTON MUTUAL BANK, as Beneficiary Recorded 01/10/2007, Book 20070010, Page 1818, instrument of official records in the Office of the Recorder of SACRAMENTO County, California, as more fully described on said Deed of Trust. APN: 013-8363-001 Situs: 3522 WEST CURTIS DRIVE, SACRAMENTO, CA 95818 including the note(s) for the sum of $595,001.00 that the beneficial interest under said Deed of Trust and the obligations secured thereby are presently held by the beneficiary; that a breach of, and default in, the obligations for which said Deed of Trust is security has occurred in that the payment has not been made of: THE 08/01/2007 INSTALLMENT OF PRINCIPAL AND INTEREST AND ALL SUBSEQUENT MONTHLY INSTALLMENTS OF PRINCIPAL AND INTEREST; PLUS ANY ADDITIONAL ACCRUED AND UNPAID AMOUNTS INCLUDING, BUT NOT LIMITED TO, LATE CHARGES, ADVANCES, IMPOUNDS, TAXES, HAZARD INSURANCE, ADMINISTRATIVE FEES, INSUFFICIENT AND PARTIAL RETURN CHECK FEES, STATEMENT FEES, AND OBLIGATIONS SECURED BY PRIOR ENCUMBRANCES.

That by reason thereof, the present beneficiary under such Deed of Trust, has executed and delivered to said Trustee, a written Declaration and Demand for Sale, and has deposited with said duly appointed Trustee, such Deed of Trust and all documents evidencing the obligations secured thereby, and has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

DATE: December 13, 2007

CALIFORNIA RECONVEYANCE COMPANY, as authorized agent for Washington Mutual Bank, Beneficiary,

By: FIDELITY NATIONAL TITLE COMPANY, authorized agent of CRC

CALIFORNIA RECONVEYANCE COMPANY IS A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT, ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

JPMC-001572
CONFIDENTIAL

CSOC.RICH.002464
# Foreclosure Reinstatement Status Report

**Printed: 12/13/2007**

**Calculated through: 12/13/2007**

<table>
<thead>
<tr>
<th>Loan No:</th>
<th>T.S.</th>
<th>723997CA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Type:</td>
<td>Sub Prime-Conventional</td>
<td></td>
</tr>
<tr>
<td>Client:</td>
<td>WASHINGTON MUTUAL BANK, FA</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8800 Oakdale Avenue N 110612</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chatsworth, CA 91311</td>
<td></td>
</tr>
<tr>
<td>Current Owner:</td>
<td>LAURA KUHLMANN</td>
<td></td>
</tr>
<tr>
<td></td>
<td>3622 WEST CURTIS DRIVE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>SACRAMENTO, CA 95818</td>
<td></td>
</tr>
<tr>
<td>Title Company:</td>
<td>A-FIDELITY NATIONAL TITLE COMPANY</td>
<td></td>
</tr>
<tr>
<td>Title Company Phone:</td>
<td>900-323-6155</td>
<td></td>
</tr>
<tr>
<td>F &amp; P Company Phone:</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## General Information:

**File Opened:** 12/1/2007

## Beneficiary's Advances, Costs, and Expenses:

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/15/2007</td>
<td>Late Charges of $3,389.98 from 09/19/2007 through 11/16/2007</td>
<td>$4,014.72</td>
</tr>
<tr>
<td>5/15/2007</td>
<td>Late Charges of $4,227.98 from 08/01/2007 through 12/13/2007</td>
<td>21,150.30</td>
</tr>
<tr>
<td>Total Advances</td>
<td></td>
<td>$0.00</td>
</tr>
<tr>
<td>Total due the Beneficiary</td>
<td></td>
<td><strong>$53,154.62</strong></td>
</tr>
</tbody>
</table>

## Trustee's Fees, Costs, and Expenses:

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/13/2007</td>
<td>RECORD NOTICE OF DEFAULT</td>
<td>$12.00</td>
</tr>
<tr>
<td>12/13/2007</td>
<td>RESCISSION OF NOD</td>
<td>$9.00</td>
</tr>
<tr>
<td>12/13/2007</td>
<td>TRUSTEE SALE GUARANTEE</td>
<td>$825.00</td>
</tr>
<tr>
<td>12/13/2007</td>
<td>TRUSTEE FEE</td>
<td>$360.00</td>
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<td>12/13/2007</td>
<td>PRELIMINARY MAIL CHARGES</td>
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<tr>
<td>Total due the Trustee</td>
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Total required to reinstate as of 12/13/2007: **$20,325.62**

---

**JPMC: 4011573**

**CONFIDENTIAL**

CSOC.RICH.002465
## Audit Mailing List

<table>
<thead>
<tr>
<th>TS No. 723397CA</th>
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<tr>
<td><strong>10 Day</strong></td>
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<tr>
<td>LAURA RICHARDSON</td>
</tr>
<tr>
<td>2022 WEST CURTIS DRIVE</td>
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<tr>
<td>SACRAMENTO, CA 95818</td>
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</tr>
<tr>
<td>LAURA RICHARDSON</td>
</tr>
<tr>
<td>3022 W CURTIS DR</td>
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<tr>
<td>SACRAMENTO, CA 95818</td>
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<tr>
<td><strong>10 Day</strong></td>
</tr>
<tr>
<td>LAURA RICHARDSON</td>
</tr>
<tr>
<td>717 E VERNON ST</td>
</tr>
<tr>
<td>LONG BEACH, CA 90806</td>
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CALIFORNIA & NEVADA NEW FORECLOSURE CHECKLIST

TRUSTEE'S SALE NUMBER: [VERIFIED BY: Carla Ann Agnew]

MSP SCREENS
Print: DLQI: Lien, MASI: Inv. *** MASI PRP!

***If MASI PRP's Property Type Code is a "M" (Mobile Home), has the title company included an Affidavit of Affairce or similar document in the trust deed?

Review: DLQI: Multi, MASI: Col: (Sub-prime loan), FORI: (interest only)

LOAN TYPE
FHA, VA: FNMA, FHLMC: Prime-Conventional, Sub-Prime Conventional, RFC, Consumer, Commercial

SITE (Indict the loan screen)
Northridge (Sub-Prime Loan), Serenity (Consumer), Other (Commercial), FMMI (All others)

1. NOTICE OF DEFAULT
   a. Trustee's Sale Number, Loan Number
   b. Is deed of trust dated and in good legal description attached?
   c. Is chain of title correct?
   d. Is trustee name correct?
   e. Reinstatement amount as of date (CA only)
   f. Contact Info: Beneficiary name, address, telephone number
   g. Trustor(s) Name, Vesting, Recording Information
   h. Application pulled, if more than one unrelated borrower
   i. Original beneficiary
   j. Original loan amount
   k. Breach Statement (California, All Due & Payable, Interest only, etc.)
   l. Is signature line correct?
   m. Authenticated signature, title and date correct?
   n. Correct Beneficiary Name in signature line
   o. "Signs" (CA only)
   p. Is liability amount on title company cover letter?

2. Is lender system properly updated? (TS# on all screens)

3. Does file need sub-by-code to be processed?
   a. Is sub-template added on the event screen?
   b. Is Comments cover documented?
   c. Is front of file jacket documented?

4.音樂 BILLING SCREEN

JPMC-001575
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LOAN IS IN FORECLOSURE, F/C STOP = 2 LATE CHARGE ACCRUAL STOP = 1

*** LIEN DATA NOT FOUND FOR THIS LOAN ***
NAME: L. Richardson  
TYPE: 13 1ST MTG, CONVEN B/G INS (ARM)  
GROUP:  

--- INV: INVESTOR, SERVICE FEE---  
INV CAT: INV LOAN NO: SALE/REBUYCH  
FHA LENDER:  
FHA DEL:  

--- ASSOCIATE:  
FLAG DATE: CD: DATW CHANGED: STATUS:  
0 (6-9)  

--- INV: WASHINGTON MUTUAL BANK  
HER: 9431 CORBIN AVENUE  
NORTHPLI: 901324  

--- LBM TIER 5 TRANSFERS  
--- FRC SC ACC CD  INT IN ADV BAL  

--- CONTRACT/POOL NO: INV SCHED DEF INT: INV ACT DEF INT: INV SCHED PRIN BAL  

--- THIRD PARTY SERVICE FEE---  
CORRESPONDENT: PLAN 1ST REMIT  
CODE: CODE: DATE:  

--- PHMC:  
--- EXCESS SERVICE FEE:  
--- UNAMORT SERV FEE:  
---  
--- (VOID)  

--- ORIGINAL TERM:  
--- REMAINING TERM:  

--- OPTION:  
--- DOC CUST:  

--- LOAN IS IN FORECLOSURE. F/C STOP: 2 012 DAYS PAST PROJECTED LEGAL DATE  

--- JPMA-001377  
CONFIDENTIAL  

CSOC.RICH.002469
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<th>OWNER TYPE</th>
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<table>
<thead>
<tr>
<th>F N M A / F H L M C DELIVERY SCHEDULE DATA</th>
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<tbody>
<tr>
<td>SCHEDULE NUMBER</td>
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<td>180</td>
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CONSENT

LOAN IS IN FORECLOSURE. F/C STOP = 2 012 DAYS PAST PROJECTED LEGAL DATE

JPMC-001578
CONFIDENTIAL
<table>
<thead>
<tr>
<th>OFF - RCD</th>
<th>PERSON</th>
<th>CLASS</th>
<th>COLLECTOR</th>
<th>SECOND MORTGAGE</th>
<th>VACANCY DATE</th>
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<tbody>
<tr>
<td></td>
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OFF - RCD: 40 F  
PERSON: J.A.  
CLASS: AA  
COLLECTOR: 1  
SECOND MORTGAGE: RFP-P6N-IND  
VACANCY DATE: 110107  
110507  

- HUD: 92068A  
- 6PM5 INFORMATION:  
- PROPERTY INSPECTION:  
- SERVICE:  
- REPORTED:  
- DEFAULT CAUSE:  

LAST UPDATED BY SB SD 12-12-07 14:59  
LOAN IS IN FORECLOSURE, P/C STOP = 2  
012 DAYS PAST PROJECTED LEGAL DATE

JPIC-001579  
CONFIDENTIAL
DUR( S)  21,139.90 DUR 06/01/07( 1)(10/31) ASSUM:  ACQ:  
LATE CHRG  253.68 PAYMT  4,227.38 P: 3622 W CURTIS DR
END CK FEE 0.00 L/C AMT:  253.68 SACRAMENTO CA 95816
OTHER FEE  19.20 PAYMT + LC  4,481.66 M:  
TUIT DUE  21,413.30 PXIN BAL  539,455.31 
SUBPRIME  2,486.52 PAY  4,227.38 3622 W CURTIS DR
NET DUE  19,936.84 DLL 5 TIME, PAY 35 DAY SACRAMENTO CA 95813
C/S 195 LAURA RICHARDSON
C/D 12/07

*PHONE NO*                              * ADDITIONAL MESSAGES *          *WU: P ---
ACTIVE FORECLOSURE  CASHIER STOP 5
LOAN IS IN FORECLOSURE, F/C STOP = 2 LATE CHARGE ACCRUAL STOP = 1
---MULT---

*** NO MULTIPLE LOANS FOUND ***

JPMC-001580
CONFIDENTIAL
FNDS.COM - Order Management & Tracking

Order Lookup

Order Detail - M721884

CALIFORNIA REO CONVEYANCE COMPANY (C.R.C.: Default Group)

LOCATION: CHECKED OUT OF BRN CHECK ON 12/13/2007 11:06:55 AM

By Henry Chang

FNIS Number: M721884
Client Name: CALIFORNIA REO CONVEYANCE COMPANY
Client Contact: Our Reference:

Order Type: TRUSTEE SALE GUARANTEES
Sold Date: 12/13/2007 10:18:11 AM
County: SACRAMENTO
County #: 
Service: WASHINGTON MUTUAL SUB PRIME DIVISION

DOT Recorded: 1/10/2007
DOT Book: 20070118
DOT Page: 1918

NOB Date:
NOB Sent:

Period Number: 
Lot #: 
Lease #: 

Usuality: $535,000.00
Premium: 
Tax: $9,000.00
Notes: 
Completed: Cancelled:

Title Owner: MERRICK AGUAS
Title Assistant: MCCY MONLEY

BORROWER NAME & ADDRESS DETAIL

Borrower 1: LAURA RICHARDS
Borrower 2: 
Address 1: 3622 W CURTIS DR
Address 2: 
City: SACRAMENTO State: CA Zip: 95818
Serviced By:
Investor Name:

REMARKS

1/10/07

https://www.fnis.com/Secure/OrderDetailExt.asp?OCN=723397&CA&Of=1

12/13/2007
JPMC-001581
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CSOC.RICH.002473
DEED OF TRUST

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

(A) "Security Instrument" means this document, which is dated January 4, 2007, together with all other instruments to which it relates.

(B) "Borrower" is Laura Richardson, an unmarried woman.

Borrower's address is 717 E Vernon St, Long Beach, CA 90806. Borrower is the trustee under this Security Instrument.

Lender is a federal association chartered and existing under the laws of the United States.

CALIFORNIA-Single Family-Female Mortgage and Uniform Instrument Form 2006 1/51
Page 1 of 15

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CSOC.RICH.002474
Lender's address is 1460 South Douglass Road, Suite 100, Anaheim, CA 92805

Lender is the beneficiary under this Security Instrument.

1699

(9) "Note" means the promissory note signed by Borrower and dated January 4, 2007.

The Note states that Borrower owes Lender Five Hundred Thirty Five Thousand One and 00/100 Dollars ($535,901.00) plus interest. Borrower has promised to pay this debt in equal Periodic Payments and to pay the debt in full not later than February 1, 2027.

(10) "Prepayment" means the property due is described below under the heading "Transfer of Rights in the Property."

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

(12) "Holder" means all holders in this Security Instrument that are executed by Borrower. The following holders are to be executed by Borrower (check box as applicable):

- [ ] Adjustable Rate Rider
- [ ] Condominium Rider
- [ ] Second Home Rider
- [ ] Balloon Rider
- [ ] Planned Unit Development Rider
- [ ] VA Rider
- [ ] Biweekly Payment Rider
- [ ] 1-4 Family Rider
- [ ] Other(s) [Specify]

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

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

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

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

(17) "Mandatory Precedents" means any certification, statement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverage described in Section 8) for (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conversion in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

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

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

(20) "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 3500), as they might be amended from time to time, or any additional or successor legislation or regulation that governs the same subject matter. As used in this Security Instrument, "RESPA" refers to all requirements and restrictions that are imposed in regard
to a "federally related mortgage loan" even if the Loan does not qualify as a "federally related mortgage loan" under RESPA.

(ii) "Sweeper 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

This Security Instrument recites to Lender: (i) the repayment of the Loan, and all renewals, extensions and modifications of the Note, and (ii) the performance of Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower irrevocably grants and conveys to Lender, in trust, with power of sale, the following described property located in the County of SACRAMENTO, in the State of California:

Legal Description Attached Hereunto and Made a Part Hereof

Exhibit 'A'

[Address Information]

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 as the "Property."

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

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

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

1. Payment of Principal, Interest, Escrow Items, Prepayment Charges, and Late Charges. Borrower shall pay when due the principal of, and interest on, the debt evidenced by the Note and any prepayment charges and late charges due under the Note. Borrower shall also pay funds for Escrow items pursuant to Section 3. Payments due under the Note and this Security Instrument shall be made in U.S.

[Signature]

Page 2 of 3

Form 1005 1/01

JPMC-001594
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currency. However, if any check or other instrument received by Lender at payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all disbursements payments due under the Note and this Security Instrument be made in one or more of the following forms, as accepted by Lender: (a) cash; (b) money order; (c) certified check, bank check, treasurer’s check or cashier’s check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality, or entity; or (d) Electronic Funds Transfer.

Payments are deemed received by Lender when received at the location designated in the Note or at such other location as may be designated by Lender in accordance with the notice provisions in Section 15. Lender may require any payment or partial payment of the payment or partial payments to be made at such place and in such manner as Lender may designate, which shall be subject to the then current rate of interest on unpaid amounts, interest on the Note, and other fees accruing thereon. Lender may, at its option exercised in its sole discretion, apply any such payment or partial payment against the principal balance under the Note, or apply such payment or partial payment against the interest under the Note, or in any other manner as is consistent with the provisions of the Note, as determined by Lender in its sole discretion.

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

If Lender receives a payment from Borrower for a delinquent Periodic Payment which includes a sufficient amount to pay any late charge due, the payment may be applied to the delinquent payment and the late charge. If more than one Periodic Payment is outstanding, Lender may apply any payments received from Borrower to the repayment of the Periodic Payments in the order in which they became due. Any late charges that are not paid in full, to the extent that any excess exists after the payment is applied to the full payment of one or more Periodic Payments, such excess may be applied to any late charges due. Voluntary prepayments shall be applied first to any prepayment charges and then as described in the Note.

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

3. Funds for Escrow Items. Borrower shall pay to Lender on the day of payment due under the Note, any amounts due in full, as follows: (a) taxes and assessments and other items which can include priority over this Security Instrument as a lien on or encumbrance on the Property; (b) loss of payment of ground rents on the Property, if any; (c) insurance premiums required by Lender under Section 5; and (d) escrowedindemnity proceeds, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums to be, in accordance with the provisions of Section 15. These items are called “Escrow Items.” At origination or at any time during the term of the Loan, Lender may require that Continuity Association Trust, Fines, and Assessments, if any, be escrowed by Borrower, and such items, fees and assessments shall be as Escrow Items. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the amounts for Escrow Items unless Lender waives Borrower’s obligation to pay the amounts for any or all Escrow Items. Lender may waive Borrower’s obligation to pay to Lender Funds for any or all Escrow Items at any time. Any such waiver may only be
in writing. In the event of such default, Borrower shall pay directly, when and where payable, the amounts due for any Escrow items for which payment of Funds has been waived by Lender and, if Lender requires, shall return to Lender receipts evidencing such payment within ten days of such notice as Lender may require. Borrower's obligation to make such payments shall cease to exist where Lender is obligated under Section 9 and pay such amount and Borrower shall cease to be obligated under Section 9 to repay to Lender such amount. Lender may revoke the waiver as to any or all Escrow items at any time by a notice given in accordance with Section 13 and, upon such notice, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, correct and hold Funds in an amount or certificate as provide Lender supply the Funds at the time specified under RESPA, and (b) not in exceed the maximum amount a lender can require under RESPA. Lender shall estimate the amount of Funds due on the basis of current data and reasonable estimates of expenditures of future Escrow items or otherwise in accordance with Applicable Law.

The Funds shall be held in an institution whose deposits are insured by a federal agency, Insurementally, or entity (including Lender, if Lender is an Institution whose deposits are so insured) in any Federal Home Loan Bank. Lender shall apply the Funds to the Escrow items as soon as it can after the date specified under RESPA. Lender shall promptly recover the Escrow items for the holder and apply the Funds, in any order, by order of the Escrow items, unless Lender pays Borrower interest on the Funds and Applicable Law permits Lender to make such a charge. Unless an agreement is made in writing, or Applicable Law requires interest to be paid on the Funds, Lender shall not be required to pay Borrower any interest or earnings on the Funds. Borrower and Lender may agree in writing, however, that interest shall be paid on the Funds. Lender shall give to Borrower, without charge, an annual accounting of the Funds as required by RESPA.

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

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

4. Changing Liens. Borrower shall pay all taxes, assessments, charges, fees, and impositions attributable to the Property which can attain priority over this Security Instrument, liens, and payments or ground rent due on the Property. If any, and Community Association fees, taxes, and assessments, if any. To the extent that these items are Escrow items, Borrower shall pay them in the manner provided in Section 5. Borrower shall promptly discharge any lien which has priority over this Security Instrument unless Borrower: (a) agrees in writing to the payment of the obligation waived by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement (b) executes the lien in good faith by, or defends against enforcement of the lien, in legal proceedings which are not Lender's obligation to prevent the enforcement of the lien while those proceedings are pending, but only until such proceedings are concluded; or (c) secures from the holder of the lien an agreement acceptable to Lender authorizing the lien in this Security Instrument. If Lender determines that any part of the Property is subject to a lien which can attain priority over this Security Instrument, Lender may give Borrower a notice identifying the lien holder and requiring payment.
less. Within 10 days of the date on which that notice is given, Borrower shall satisfy the lien or take one or more of the actions set forth above in this Section 4.

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

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

All insurance policies acquired by Lender and renewables of such policies shall be subject to Lender's right to disapprove such policies, shall include a standard mortgage clause, and shall name Lender as mortgagees and/or as an additional loss payee and Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance. Lender shall have the right to hold the policies and requested certificates. If Lender requires, Borrower shall promptly give Lender a list of the names of paid premiums and renewal notices. If Borrower obtains any forms of insurance coverage, other than required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagees and/or as an additional loss payee. Borrower further agrees to generally assign rights to insurance proceeds to the holder of the Note up to the amount of the outstanding loan balance.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if it so elects promptly by Borrower. Unless Lender and Borrower otherwise agree in writing, any insurance proceeds, whether or not the underlying insurance was required by Lender, shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender so elects at its sole discretion. During such repair and restitution period, Lender may require Borrower to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed in Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repair and restoration in a single payment or in installments of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires otherwise to be paid on such insurance proceeds, Lender shall not be required to pay Borrower any interest or earnings on such proceeds. Fees for public adjusters, or other third parties, retained by Borrower shall not be paid out of the insurance proceeds and shall be the sole obligation of Borrower. If the restoration or repair is not economically feasible or Lender's security would be impaired, the insurance proceeds shall be applied to the fund secured by the Security Instrument, whether or not the note was
the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 5.

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

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

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

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

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

9. Protection of Lender’s Interest in the Property and Rights Under this Security Instrument. If Borrower fails to perform the covenants and agreements contained in this Security Instrument, (a) there is a legal proceeding that might significantly affect Lender’s interest in the Property and/or rights under this Security Instrument (such as a proceeding in bankruptcy, probate, for condemnation or foreclosure, for enforcement of a lien which may seek priority over this Security Instrument or to enforce taxes or regulations), or (b) Borrower has abandoned the Property, then Lender may do and pay for whatever is reasonable or appropriate to protect Lender’s interest in the Property and rights under this Security Instrument, including proceeding and/or attaining the value of the Property, and securing and/or releasing the Property. Lender’s actions can include, but are not limited to: (a) paying any sums secured by a lien which has priority over this Security Instrument; (b) appearing in court; and (c) paying reasonable...
attorneys’ fees to protect its interests in the Property and any rights under this Security Instrument, including fees and costs of any court proceeding, including but not limited to any action to enforce this Security Instrument. Borrower, the Property, and the Property owner, have the right to make repairs, change locks, replace or install doors and windows, drain water from pipes, eliminate building or other code violations or dangerous conditions, and have utilities turned on or off. Although Lender may take action under this Section 9, Lender does not have to do so and is not under any duty or obligation to do so. It is agreed that Lender incurs no liability for not taking any or all actions authorized under this Section 9.

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

If Lender’s obligations under this Section 9 are terminated, Borrower must comply with all the provisions of the Note. If Borrower fails to comply with the provisions, the Note, the Security Instrument, and the Security Instrument, the Title shall not vest unless Lender agrees to the transfer in writing.

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

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

Mortgage Insurance evaluates the total risk on all such insurance in force from time to time, and may enter into agreements with other parties that share or modify their risk, or reduce losses. These agreements are, at arm’s length and on a risk-sharing basis that are satisfactory to the mortgage insurer and the other party or parties to these agreements. These agreements may require the mortgage insurer to make payments that may increase or reduce Borrower’s risk, or reduce losses. As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any addition of any of the foregoing, may receive (directly or indirectly) amounts that derive from or are related to a portion of Borrower’s payments for Mortgage Insurance, in exchange for sharing or modifying the mortgage insurer’s risk, or reducing losses. If such arrangement provides that an affiliate of Lender takes a share of the insurer’s risk in exchange for a share of the premium paid to the insurer, the arrangement is deemed to be a true “captive reinsurance.” Further:

(a) Any such agreements will not affect the amounts that Borrower has agreed to pay for Mortgage Insurance, or any other terms of the Loan. Such agreements will not increase the amount Borrower will owe for Mortgage Insurance, and they will not entitle Borrower to any refund.
11. Assignment of Miscellaneous Proceeds Forfeiture. All Miscellaneous Proceeds are hereby assigned to and shall be paid to Lender.

If the Property is damaged, such Miscellaneous Proceeds shall be applied to restoration or repair of the Property, if the restoration or repair is economically feasible and Lender's security is not impaired. During such repair and restoration period, Lender shall have the right to hold such Miscellaneous Proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been commenced and Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repair and restoration in a single disbursement or in a series of progress payments as the work is completed. Unless an agreement is made in writing or Applicable Law requires interest to be paid on such Miscellaneous Proceeds, Lender shall not be required to pay Borrower any interest or earnings on such Miscellaneous Proceeds. If the restoration or repair is not economically feasible or Lender's security would be impaired, the Miscellaneous Proceeds shall be applied in the same manner as the Security Instrument, whether or not then due, with the express, written, paid to Borrower. Such Miscellaneous Proceeds shall be applied in the order provided for in Section 2.

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

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

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

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

15. Notices and Other Defaults. Any notices and other documents or papers required or permitted to be given or delivered to Borrower shall be given or delivered to Borrower at the address of Borrower as set forth in this Security Instrument or at such other address as Borrower shall from time to time give Lender by written notice. Any notice hereunder shall be deemed to have been given when mailed by first class mail, postage paid, return receipt requested, properly addressed to Borrower at Borrower’s address set forth in this Security Instrument or, if Borrower has designated another address to Lender, at such other address as Borrower shall from time to time give Lender by written notice. Any notice hereunder shall be deemed to have been given when delivered to Borrower or when mailed by first class mail, postage paid, properly addressed to Borrower at Borrower’s address set forth in this Security Instrument or, if Borrower has designated another address to Lender, at such other address as Borrower shall from time to time give Lender by written notice.

16. Condemnation. If any part of the Property described in this Security Instrument is condemned for public use, Lender may, at its option, elect to require Borrower to execute and deliver to Lender a deed of quitclaim conveying to Lender the Property described in this Security Instrument in exchange for the proceeds of condemnation. Borrower shall be entitled to the proceeds of condemnation and Lender shall fully agree to and execute such deed of quitclaim as may be necessary to effectuate the purposes of this Security Instrument. Lender shall have the right to receive all rents and profits from the Property described in this Security Instrument until the date of closing of the condemnation proceedings.

17. Pledge and Security. Borrower hereby pledges and security to Lender all of Borrower’s assets and other property as security for the performance of Borrower’s obligations under this Security Instrument. Borrower hereby grants to Lender a security interest in all of Borrower’s assets and other property as security for the performance of Borrower’s obligations under this Security Instrument. Borrower hereby grants to Lender a security interest in all of Borrower’s assets and other property as security for the performance of Borrower’s obligations under this Security Instrument. Borrower hereby grants to Lender a security interest in all of Borrower’s assets and other property as security for the performance of Borrower’s obligations under this Security Instrument.
16. Governing Law; Severability; Rules of Construction. This Security Instrument shall be governed by federal law and the law of the jurisdiction in which the Property is located. All rights and obligations contained in this Security Instrument are subject to any requirements and limitations of Applicable Law. Applicable Law might explicitly or implicitly alter the parties' obligations otherwise as it might be silent, but such silence shall not be construed as a prohibition against any agreement by any party to the contrary. In the event that any provision of or clause of this Security Instrument or the Note conflicts with Applicable Law, such conflict shall not affect other provisions of this Security Instrument or the Note which can be given effect without the conflicting provision.

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

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

18. Transfer of the Property or a Beneficial Interest in Borrower. All of the provisions in this Section 18, "Interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests evidenced by a deed for deed, contract for deed, installment sale contract or warranty agreement, the terms of which is the transfer of title to title insurance to a purchaser.

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

If Lender exercises this option, Lender shall give Borrower notice of the same. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 19 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted under this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Release After Acceleration. If Borrower meets certain conditions, Borrower shall have the right to have enforcement of this Security Instrument discontinued at any time prior to the earliest of: (a) five days before the Property passes any power of sale contained in this Security Instrument; or (b) such other period as Applicable Law permits for the termination of Borrower's right to release; of (c) entry of a judgment enforcing this Security Instrument. These conditions are that Borrower, (a) pays Lender all sums which then would be due under this Security Instrument and the Note if no acceleration had occurred; (b) upon any default of any other events or agreements (to pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorney's fees, property inspection and valuation fees, and other fees required for the exercise and performance of Lender's interests in the Property and rights under this Security Instrument, and Borrower's obligations to pay all sums secured by this Security Instrument in the Property, and (d) the taking such actions as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument are not impaired. Lender may require that Borrower pay each reimbursement advances and expenses in one or more of the following forms, as selected by Lender: (a) cash; (b) money orders; (c) certified checks, bank checks, treasurer's check or master's check, provided any such check is drawn upon an institution whose deposits are insured by a federal agency, instrumentality or entity or the Federal Funds Transfer. Upon receipt of Borrower, this Security Instrument and obligations secured thereby shall remain fully effective as if no acceleration had occurred. Moreover, this right to release shall not apply to the payment of the Secured obligation under Section 18.

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

Neither Borrower nor Lender may commence, join, or be joined to any judicial action (as either an individual litigant or as the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that challenges that the other party has breached any provision of, or any duty owed by virtue of, this Security Instrument, unless such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 16) of such alleged breach and afforded the other party a reasonable period after the giving of such notice to take corrective action. If Applicable Law provides a time period which must elapse before certain action can be taken, that time period will be deemed to be reasonable for purposes of this paragraph. The notice of satisfaction and opportunity to cure given to transferee pursuant to Section 23 and the notice or acceleration given to Borrower pursuant to Section 18 shall be deemed to satisfy the notice-and-opportunity to take corrective action provisions of this Section 20.

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

Borrower shall not cause or permit the presence, use, disposal, storage, or release of any Hazardous Substance, or threaten to release any Hazardous Substance, on or in the Property. Borrower shall not do, or allow anyone else to do, anything affecting the Property (d) that is a violation of any Environmental Law, (e) which causes an Environmental Condition, or (d) which, due to the presence, use, or release of a Hazardous Substance, creates a condition that adversely affects the value of the Property. The preceding two sentences shall not apply to the presence, use, or storage on the Property of small quantities of Hazardous Substances that are generally recognized to be appropriate to normal residential use and to maintenance of the Property (including, but not limited to, hazardous substances in consumer products).

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

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

23. Acceleration. Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (b) the action required to cure the default; (c) a date, not less than 30 days from the date the notice is given to Borrower, by which the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration of the sums secured by this Security Instrument and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to bring a court action to assert the non-existence of a default or any other defenses of Borrower to acceleration and sale. If the default is not cured on or before the date specified in the notice, Lender at its option may require immediate payment in full of all sums secured by this Security Instrument without further demand and may invoke the power of sale and any other remedies permitted by Applicable Law. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 23, including, but not limited to, reasonable attorneys' fees and costs or any evidence.

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

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

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

25. Statement of Obligation Fee. Lender may collect a fee not to exceed the maximum amount permitted by Applicable Law for furnishing the statement of obligation as provided by Section 2093 of the Civil Code of California.

Form 3005. 1/01

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

Witnessed:

__________________________  ____________________________
(Sign)  Borrower

__________________________  ____________________________
(Sign)  Borrower

__________________________  ____________________________
(Sign)  Borrower

__________________________  ____________________________
(Sign)  Borrower

__________________________  ____________________________
(Sign)  Borrower

JPMC-001595
CONFIDENTIAL
State of California
County of Sacramento

On January 4, 2007 before me, RICKI OWEN a notary public
personally appeared

Seyes Richardson

(personally known to me)

WITNESS my hand and official seal.

[Signature]

(Soal)

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Exhibit "A"
Legal Description

Lot 268 as shown on the official "Plan of South Curtis Cem Station No. 9" filed in the office of the County Recorder of Sacramento County, February 10, 1937 in Book 19 of Maps, Map No. 18.

APPR

JPMC-001597
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FIXED/ADJUSTABLE RATE RIDER

THIS FIXED/ADJUSTABLE RATE RIDER is made on the 4th day of January 2007, and is incorporated into and shall be deemed a supplement to the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date, given by the undersigned ("Borrower") to secure Borrower's Fixed/Adjustable Rate Note (the "Note") to Washington Mutual Bank ("Lender") of the same date and conveying the property described in the Security Instrument and located at
3622 West Curtis Drive, Sacramento, CA 95818

(Property Address)

THE NOTE CONTAINS PROVISIONS ALLOWING FOR A CHANGE FROM THE INITIAL FIXED INTEREST RATE TO AN ADJUSTABLE INTEREST RATE AND FOR CHANGES IN THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE BORROWER MUST PAY.

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

The Note provides for an initial fixed interest rate of 8.600%, The Note provides for a change in the initial fixed interest rate to an adjustable interest rate and for changes in the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The initial fixed interest rate Borrower will pay will change to an adjustable interest rate on the first day of February, 2008, and the interest rate Borrower will pay may change on that day every 6th month thereafter. Each date on which Borrower's interest rate could change is called a "Change Date."

(B) The Index

Beginning with the first Change Date, Borrower's interest rate will be based on an index. The "Index" is the average of interbank offered rates for six month U.S. dollar-denominated deposits in the London money (LIBOR), as published in The Wall Street Journal. The most recent index figure available as of the date 63 days before the Change Date is called the "Current Index."

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

(C) Calculation of Changes
Before each Change Date, the Note Holder will calculate Borrower's new interest rate by adding four and 9/100 percentage points (0.0049) to the current index. The Note Holder will then divide the result of this addition by the lowest one-eighth of one percentage points (0.0125%). Subject to the limits stated in Section 4(b) below, this rounded amount will be Borrower's new interest rate until the next Change Date.

The Note Holder will then determine the amount of the monthly payment that would be sufficient to repay the unpaid principal that Borrower is expected to owe at the Change Date as of the Maturity Date at Borrower's new interest rate in substantially equal payments. The result of this calculation will be the new amount of Borrower's monthly payment.

(D) Limits on Interest Rate Changes
The interest rate Borrower is required to pay at the first Change Date will not be greater than 19,800% or less than 3,800%. Therefore, Borrower's interest rate will never be increased or decreased by any single Change Date by more than one percentage point (1,000%) from the rate of interest Borrower has been paying for the preceding months. Borrower's interest rate will never be greater than 14,800% or less than 3,800%.

(E) Effective Date of Changes
Borrower's new interest rate will become effective on each Change Date. Borrower will pay the amount of Borrower's new monthly payment beginning on the first monthly payment date after the Change Date until the amount of Borrower's monthly payment changes again.

(D) Notice of Changes
The Note Holder will deliver or mail to Borrower a notice of any changes in Borrower's interest rate and the amount of Borrower's monthly payment before the effective date of any change. The notice will include information required by law to be given to the Borrower and the title and telephone number of a person who will answer any question Borrower may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER
Covenants 18 of the Security Instrument is amended to read as follows:

(A) Until Borrower's initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Covenant 18 of the Security Instrument provides as follows:

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

If Lender exercises this option, Lender shall give Borrower notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is given in accordance with Section 15 within which Borrower must pay all sums secured by this Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.
(b) Where Borrower’s initial fixed interest rate changes to an adjustable interest rate under the terms stated in Section A above, Covenant 18 of the Security Instrument shall then instead provide as follows:

Transfer of the Property or a Beneficial Interest to Borrower. As used in this Section 18, "interest in the Property" means any legal or beneficial interest in the Property, including, but not limited to, those beneficial interests transferred in a deed for deed, contract for deed, installment sales contract or security agreement, the intent of which is the transfer of title by Lender to Borrower as a future date to a purchaser. If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender’s prior written consent, Lender may require immediate payment in full of all sums secured by this Security Instrument. However, this option shall not be exercised by Lender if such action is prohibited by Applicable Law. Lender also shall not exercise this option if (1) Borrower consents to be submitted to Lender’s instructions required by Lender to evaluate the intended transferee as if a new Loan were being made to the transferee; and (2) Lender reasonably determines that Lender’s security will not be impaired by the loan assumption and that the risk of a breach of any covenants or agreements in this Security Instrument is acceptable to Lender.

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

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

BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Fixed/Adjustable Rate Rider.

[Signatures]

[Seal]

Borrower

[Seal]

Borrower

[Seal]

Borrower

[Seal]

[Sign Original Only]

[Signatures]

[Seal]

Borrower

4140623 (0506)

Page 2 of 3

JPMC-001600
CONFIDENTIAL

CSOC.RICH.002492
Date: December 17, 2007

CALIFORNIA RECONVEYANCE COMPANY
2250 OAKDALE AVENUE, MAIL STOP N10512
CHATSWORTH, CA 91311

Adm: LOURDES OLGUIN

Year Order No: 769827CA
Our Order No: M721584
Loan Number: 59321
TSG Liabiy: $531,000.00
TSG Premium: $568.00

The following documents in connection with the above referenced order number were recorded:

<table>
<thead>
<tr>
<th>Document</th>
<th>Date</th>
<th>Instrument</th>
<th>Book</th>
<th>Page</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>NOID</td>
<td>12/14/07</td>
<td>2071214</td>
<td>388</td>
<td></td>
<td>$12.00</td>
</tr>
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</table>

RECORDS OF SACRAMENTO COUNTY

Persons requesting a copy of such Notice of Default and Notice of Sale under the deed of trust in question (other than the trustees named in said deed of trust) pursuant to Section 3924b Civil Code, are the following:

NONE

Attention is called to the provisions of said Section 3924b Civil Code, relative to publication or personal delivery of Notice of Default when no address is shown and no such Notice was Deemed requested by the Trustees in said Deed of Trust.

Sincerely,

MERRLYN AQUAS
Title Officer


15661 Red Hill Avenue, Suite 201, Tustin CA 92780
(949) 622-4200 • (800) 323-0165
Page: 1 of 1

JPMC-001601
CONFIDENTIAL
RECORDING REQUESTED BY
CALIFORNIA RECONVEYANCE COMPANY
AND WHEN RECORDED MAIL TO
CALIFORNIA RECONVEYANCE COMPANY
6161 Oakville Avenue
Mail Stop: N 110621
Chatsworth, CA 91311
800-992-6902
(818) 775-2258 (Fax)

The following copy of the original of which was filed for
record on 12/14/2007 in the office of the County Recorder
of the County set forth below is sent to you in such form as
an examination of the file of the trust property shows
you may have an Interest in the Trustee's Sale
Proceedings.

CALIFORNIA RECONVEYANCE COMPANY, Trustee

_____

Trustee Sale No. 2233970A  Loan No. [***]  Title Order No. M721684

IMPORTANT NOTICE
NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST

IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR
PAYMENTS, IT MAY BE SOLD WITHOUT ANY COURT ACTION, and you may have the
legal right to bring your account in good standing by paying all of your past due payments plus
permitted costs and expenses within the time permitted by law for reinstatement of your account,
which is normally five business days prior to the date set for the sale of your property. No sale
date may be set until three months from the date this notice of default may be recorded (which date
of recording appears on this notice).

This amount is $18,356.40 as of 12/13/2007 and will increase until your account becomes current.

While your property is in foreclosure, you still must pay other obligations (such as insurance and
taxes) required by your note and deed of trust or mortgage. If you fail to make future payments on
the loan, pay taxes on the property, provide insurance on the property, or pay other obligations as
required in the note and deed of trust or mortgage, the beneficiary or mortgagee may insist that
you do so in order to reinstate your account in good standing. In addition, the beneficiary or
mortgagee may require as a condition to reinstatement that you provide reliable written evidence
that you paid all prior taxes, property taxes, and hazard insurance premiums.

Upon your written request, the beneficiary or mortgagee will give you a written itemization of the
entire amount you must pay. You may not have to pay the entire unpaid portion of your account,
even though full payment was demanded, but you must pay all amounts in default at the time
payment is made. However, you and your beneficiary or mortgagee may mutually agree in writing
prior to the time the notice of sale is posted (which may not be earlier than the end of the three-
month period stated above) to, among other things, (1) provide additional time in which to cure the
default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to
cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the above paragraph of this notice, unless
the obligation being foreclosed upon or a separate written agreement between you and your
creditor permits a longer period, you have only the legal right to stop the sale of property by paying
the entire amount demanded by your creditor.

JPMC-001602
CONFIDENTIAL

CSOC.RICH.002494
10 DAY PROCESSING CHECKLIST

IF 10 DAY LETTER IS RECEIVED 2 OR MORE DAYS AFTER NOD RECORDED MAKE A COPY OF THE 10 DAY LETTER FOR TITLE COMPANY FILE.

MATCH TS# (10 DAY LETTER, FILE, FANDS, ALLTEL)

ENTER/CHECK RECORDING INFO IN DEED SCREEN (FANDS)

ENTER/CHECK TSG FEE/LIMITED/FLAT/FULL FEE & REC. CHARGES

ENTER/CHECK ANY SPECIAL REQUEST ADDRESSES

FULL APPLICATION-IF MORE THAN ONE BORROWER & NOT RELATED (IF NONE, DOCUMENT FNDS)

ENTER ANY JR. LIEN HOLDER ADDRESS (MASI/SLHI OR DLQ1/LIEN)

CHECK DEED OF TRUST INFO ON NOD

ENTER/CHECK ALL ADDRESSES (DOT AND DLQ1 SCREEN)

ADD SPECIAL ADDRESS FOR FIRST PLUS FINANCIAL (NEVADA ONLY)

CHECK MAILING DECLARATION

ENTER NOD RECORDING DATE ON FOLDER AND COPY OF NOD TO BE USED FOR MAILING

UP-DATE EVENTS SCREEN

IF RFC, ADD RFC LN# ON NOD AND FAX TO MYRELEAN MOORE AT (818) 260-1810

IF 1ST T.D./2ND T.D./CONSUMER W/WAMU, FAX OR E-MAIL COPY OF NOD TO BOTH PROCESSORS:

Fax No. (469) 948-1429

Tracey Brown; tracey.r.brown@wamu.net

Robin Woodman; rwoodman@wamu.net

CORRECTIONS REQUESTED & NOTED ON FNDS

UPDATE FOR#/NEWTRAK WITH NOD RECORDING DATE (MSP / 1ST LEGAL)

(NEWTRAK / NOD FILED)

CHECKED BY: IMELDA SERRANO

DATE: 12/28/07

JPMC-001603
CONFIDENTIAL

10-Day Checklist
Revised 10/28/18

CSOC.RICH.002495
DECLARATION OF MAILING

Date: 12/28/2007

Trustee's Sale No. 723278CA

I. IMELDA SERRANO

That I am an officer, agent, or employee of CALIFORNIA RECONVEYANCE COMPANY whose business address is 9200 Oakdale Avenue N 119411 Chatsworth, CA 91311 I am over the age of eighteen years. On 12/28/2007 by 1st Class mail, enclosed in a sealed envelope with postage fully prepaid, I deposited in the United States Post Office at Chatsworth, notice, a true and correct copy of which is hereunto attached and made a part hereof, addresses in the following:

<table>
<thead>
<tr>
<th>Number of Article</th>
<th>Name of Addressae, Street, and Post Office Address</th>
<th>Postage Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Class</td>
<td>LAURA RICHARDSON 3622 WEST CURTIS DRIVE SACRAMENTO, CA 95818</td>
<td>$ 0.41</td>
</tr>
<tr>
<td>1st Class</td>
<td>LAURA RICHARDSON 2622 W CURTIS DR. SACRAMENTO, CA 95818</td>
<td>$ 0.41</td>
</tr>
<tr>
<td>1st Class</td>
<td>LAURA RICHARDSON 717 7 VERMONT ST LONG BEACH, CA 90806</td>
<td>$ 0.41</td>
</tr>
</tbody>
</table>

Number of pieces 3

$ 1.23

I certify (or Declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date 12/28/07

(Certification) JPMC-001604 CONFIDENTIAL

CSOC.RICH.002496
# Declaration of Mailing

**Date:** 12/28/2007

1. **I,** MELIA SERRANO,
   
   That I am an officer, agent, or employee of CALIFORNIA RECONVEYANCE COMPANY whose business address is 920 Oakdale Avenue N 110442 Chatsworth, CA 91311. I am over the age of eighteen years. On 12/28/2007 by Certified mail, enclosed in a sealed envelope with postage fully prepaid, I deposited in the United States Post Office at Chatsworth, CA, a true and correct copy of which is hereunto attached and made a part hereto, addressed to the following:

<table>
<thead>
<tr>
<th>Number of Articles</th>
<th>Name of Address, Street, and Post Office Address</th>
<th>Postage Fee</th>
<th>Cert Fee</th>
<th>R.R. Fee</th>
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<td>$2.63</td>
<td></td>
</tr>
</tbody>
</table>

I certify (or Declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: 12/28/2007

(Declarant) JPMC-001605

CONFIDENTIAL

CSOC.RICH.002497
TSG CHECKLIST

A. TSG REVIEW:
1. VERIFY TSG LIABILITY ASSURED
   
2. VERIFY TITLE ORDER ON INVOICE AND TSG
   
3. VERIFY LEGAL DESCRIPTION
   
4. VERIFY PROPERTY ADDRESS
   
5. VERIFY DATE RECEIVED
   
6. VERIFY PRIOR/JUNIOR DEED OF TRUSTS AND LIENS
   
7. CHECK TSG FOR WAMU/LB JR LIEN (CHECK DLQI FOR SERVICE TRANSFER. ADD ADDRESS FOR NEW JR. LIEN HOLDER)
   
8. VERIFY ALL STATE/FEDERAL TAX LIENS
   
9. VERIFY ALL 10 DAY ADDRESSES INCLUDING APPLICATION ADDRESSES IF MORE THAN ONE HRDR AND NOT RELATED
   
10. VERIFY ALL 1 MONTH ADDRESSES ARE ENTERED AND ARE CORRECT (BE SURE ALL ASSIGNMENTS OF JR. LIENS ARE NOTIFIED) ADD SPECIAL ADDRESS FOR FIRSTPLUS FINANCIAL
   
11. VERIFY THE PLAT MAP
   
12. VERIFY ALL RECORDING/TSG MAIL CHARGES
   
13. CHECK MAILING DECLARATIONS
   
14. RFC: FAX COPY OF TSG TO MYRELEAN MOORE (311) 260-1810
   
15. 1ST T.D. & 2ND T.D./CONSUMER W/WAMU FAX COPY TO PROCESSOR AND FAX COPY OF NODE & TSG TO PROCESSOR, MELBOURNE, VIA FAX (407) 940-4129 00-50 & 57-68 Tracy 50-56 & 66-99 Amy
   
16. CORRECTIONS ORDERED AND NOTED IN FNDS
   
17. UPDATE EVENTS SCREEN IN NDS/NEWTAK

B. UPDATE APPROPRIATE TRACKING SYSTEM (NEWTAK/FORZ/FORZ)
1. ENTER DELINQUENT TAX AMOUNTS ANY YEAR
   
2. ENTER DATE TSG RECEIVED/TITLE CLEAR. IF APPLICABLE
   
AN ISSUE SHOULD BE RAISED IN NEWTAK IF ONE OF THE FOLLOWING IS NOTED ON THE TSG:
1. LIS PENDENS (PENDING COLRT ACTION)
2. UNRESOLVED PRIOR LIEN
3. A PROBLEM WITH THE LEGAL DESCRIPTION IE: LAND LOCKED PROPERTY OR WRONG LEGAL
4. NOTICE OF 1/16 STANDARD PROPERTY

JPMC-001606
CONFIDENTIAL
The following copy of the original of which was filed for record on 12/14/2007 in the office of the County Recorder of the County set forth below is sent to you in as much as an examination of the title of the trust property shows you may have an interest in the Trustee's Sale Proceedings.

CALIFORNIA RECONVEYANCE COMPANY, Trustee

Trustee Sale No. 7218905A
Loan No. __________
File Order No. M721894

IMPORTANT NOTICE
NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST

IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR PAYMENTS, IT MAY BE SOLD WITHOUT ANY COURT ACTION, and you may have the legal right to bring your account in good standing by paying all of your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account, which is normally five business days prior to the sale date set for the sale of your property. No sale date may be set until three months from the date this notice of default may be recorded (which date of recordation appears on this notice).

This amount is $16,356.40 as of 12/13/2007 and will increase until your account becomes current.

While your property is in foreclosure, you still must pay other obligations (such as insurance and taxes) required by your note and deed of trust or mortgage. If you fail to make future payments on the loan, pay taxes on the property, provide insurance on the property, or pay other obligations as required in the note and deed of trust or mortgage, the beneficiary or mortgagee may insist that you do so in order to reinstate your account in good standing. In addition, the beneficiary or mortgagee may require as a condition to reinstatement that you provide reliable written evidence that you paid all senior liens, property taxes, and hazard insurance premiums.

Upon your written request, the beneficiary or mortgagee will give you a written itemization of the entire amount you must pay. You may not have to pay the entire unpaid portion of your account, even though full payment was demanded, but you must pay all amounts in default at the time payment is made. However, you and your beneficiary or mortgagee may mutually agree in writing prior to the time the notice of sale is posted (which may not be earlier than the end of the three-month period stated above) to, among other things, (1) provide additional time in which to cure the default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the above paragraph of this notice, unless the obligation being foreclosed upon or a separate written agreement between you and your creditor permits a longer period, you have only the legal right to stop the sale of property by paying the entire amount demanded by your creditor.
DECLARATION OF MAILING

Date of Mailing: 1 Month
Truster's State No.: 7233570CA

LINDA YELNICKER
I am an officer, agent, or employee of CALIFORNIA RECONVEYANCE COMPANY whose business address is 9500 Oakdale Avenue N 110612 Chatsworth, CA 91311. Am over the age of eighteen years. On 01/10/2008 by 1st Class mail, enclosed in a sealed envelope with postage fully prepaid, I deposited in the United States Post Office at Chatsworth notice, a true and correct copy of which is hereunto attached and made a part hereof. Address to the following:

<table>
<thead>
<tr>
<th>Number of Articles</th>
<th>Name of Addressee, Street, and Post Office Address</th>
<th>Postage Fee</th>
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<tr>
<td>1st Class</td>
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<td>$0.41</td>
</tr>
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<td>1st Class</td>
<td>LAURA RICHARDSON 3622 W CURTIS DRIVE SACRAMENTO, CA 95818</td>
<td>$0.41</td>
</tr>
<tr>
<td>1st Class</td>
<td>LAURA RICHARDSON 717 E VERNON STREET LONG BEACH, CA 90806</td>
<td>$0.41</td>
</tr>
</tbody>
</table>

Number of pieces: 3 $1.25

I certify (or Declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: 01/10/2008
(Declarer)

JPMC-001608
CONFIDENTIAL

CSOC.RICH.002500
DECLARATION OF MAILING

Date: 01/10/2008

Type of Mailing: 1 Month

Trustee's Sale No. 7233357CA

1. LINDA VEINICKER

That I am an officer, agent, or employee of CALIFORNIA RECONVEYANCE COMPANY whose business address is 8200 Oakdale Avenue N 11000 EChatsworth, CA 91311 and I am over the age of eighteen years on 01/10/2008 by certified mail, enclosed in a certified envelope with postage fully prepaid, I deposited in the United States Post Office at Chatsworth notices, a true and correct copy of which is hereunto attached and made a part hereto, addressed to the following:

<table>
<thead>
<tr>
<th>Number of Articles</th>
<th>Name of Addressee, Street, and Post Office Address</th>
<th>Postage Fee</th>
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</table>

Number of pieces: 3  $1.23  $7.95

I certify (or Declare) under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

JPMC-001609

CONFIDENTIAL

CSOC.RICH.002501
Webrino Fernando Lopez
California Reconveyance Company
Auctions | Postings | Fees | User Profile | Holiday Calendar | Auction Schedule | Newspaper Schedule | News

Adams
California
Idaho
Montana
Nevada
New Mexico
Oregon
Utah
Washington

Date to Post: 30
Optional or Last Day for Second Possible Pub Date

End Date: 09/16/2008

Days to Sale: 20

Auction Schedule for Sacramento

County: Sacramento
Location: At the main entrance to the County Courthouse, 729 9th St., Sacramento, CA.

<table>
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<tr>
<th>Frequency</th>
<th>Local Time</th>
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<tbody>
<tr>
<td>Daily</td>
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Daily Recorder, The (Sacramento) - Ranking: ****

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<tbody>
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<tr>
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<td>2 01:00 PM</td>
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<tr>
<td>Friday</td>
<td>3 04:00 PM</td>
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** Please Note: Above deadline days are calendar days (excluding Saturday and Sunday). All times are Pacific Time.

Sacramento Gazette - Ranking: **

<table>
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http://www.priorityposting.com/ppp/newspapersched.asp

03/06/2008

JPMC-001610
CONFIDENTIAL
** Please Note: Above-Dedline days are calendar days (including Saturday and Sunday). All times are Pacific Time.

http://www.priorityposting.com/ppp/newspapersched.asp

03/06/2008

CONFIDENTIAL

JPMC-001611

Copyright Priority Posting & Publishing
Terms of Use | Privacy Statement
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<tr>
<td>Suspense Balance</td>
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<td>Late Charge Balance</td>
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<td><strong>Total Amount Due</strong> (Not Including Trustee Fees)</td>
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<td><strong>Per Diem Interest</strong></td>
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**XF190-009**

**FF: 2 SCB**
CA2006: DELINQUENT TAXES-2006 (INTERNAL TAX DEPT USE ONLY)
SUBPRIME LOAN SENT TO VENDOR FOR DELQ TAX SEARCH
ACTIVE LOSS MITIGATION
LOSS MIT IND = 2 ASSIGNED TO NEGOTIATE.
### A Request for Services of

**Priority Posting and Publication**

17321 East Seventeenth Street  
Suite 280  
Justin, CA 92701

---

<table>
<thead>
<tr>
<th>FROM</th>
<th>CALIFORNIA RECONVEYANCE COMPANY</th>
</tr>
</thead>
<tbody>
<tr>
<td>800-392-5692</td>
<td></td>
</tr>
</tbody>
</table>

DO NOT PUBLISH OR POST BEFORE: 03-17-2008

**TS No:** 723397CA  
**Sale Date:** 04/07/2008  
**Loan No.:**

- [X] PLEASE POST the property and the appropriate public place.
  - [X] Notice of Trustee's Sale attached  
  - [X] Legal Description attached  
  - [ ] Plat Map attached

- [X] PLEASE PUBLISH the item(s) indicated.
  - [X] Notice of Trustee's Sale  
  - Substitution of Trustee

- [X] PLEASE CONDUCT THE SALE.

- [ ] USE Federal Express, Express Mail, or facsimile, if necessary.

**First Publication Date:** 06/18/2008

**Newspaper:** Daily Recorder (Sacramento)

**Comments:**

Please telephone me immediately if you have any questions about the services requested. Please fax back this request with your order no.

Thank you.

FERNANDO LOPEZ  
ASSET RECOVERY SPECIALIST II  
916-777-7404

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**For Pub. & Post Use Only**

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JPMC-001614  
CONFIDENTIAL

---

CSOC.RICH.002506
NOTICE OF TRUSTEE’S SALE

YOU ARE IN DEFAULT UNDER A DEED OF TRUST DATED 01/04/2007. UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE. IF YOU NEED AN EXPLANATION OF THE NATURE OF THE PROCEEDINGS AGAINST YOU, YOU SHOULD CONTACT A LAWYER.

On 04/07/2008 at 01:30 PM, CALIFORNIA RECONVEYANCE COMPANY as the duly appointed Trustee under and pursuant to Deed of Trust Recorded 03/10/2007, Book 20070110, Page 1816, Instrument 20070110, of official records in the Office of the Recorder of SACRAMENTO County, California, executed by: LAURA RICHARDSON, AN UNMARRIED WOMAN, as Trustor, WASHINGTON MUTUAL BANK, as Beneficiary, will sell at public auction sale to the highest bidder for cash, accepted checks, cashier’s checks, or bank drafts (certified or cashier’s check drawn by a state or federal savings and loan association, savings association, savings bank, or bank) and other acceptable forms of payment as described in section 6102 of the Financial Code and authorized to do business in the state. Sale will be held by the duly appointed trustee at 3522 WEST CURTIS DRIVE, SACRAMENTO, CA 95818, the premises described as a lot located in the unincorporated territory of the county of SACRAMENTO.

The undersigned Trustee disclaims any liability for any inaccuracy of the street address or other common designation, if any, shown herein. The property hereof described is being sold “as is”.

DATE: 03-17-2008

Deborah Brignac
VICE-PRESIDENT
JPMC-001615
CONFIDENTIAL
CERTIFICATE OF POSTPONEMENT

On Monday, April 7, 2008 at 01:30 PM, the undersigned appeared at the location described in the Notice of Trustee Sale and publicly announced postponement of said sale from Monday, April 7, 2008 at 01:30 PM to Wednesday, May 7, 2008 at 01:30 PM at the same location. The reason for postponement is MUTUAL AGREEMENT.

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

By:

(Mike Birdsall (28))

Dated this 7th day of April, 2008

CUSTOMER: California Reconveyance Company

ADDRESS: 9200 Oakdale Avenue

Mall Stop: N 110612

Chatsworth, CA 91311

JPMC-001616
CONFIDENTIAL
Process Management Notes

Written by Tracy M. Novack
Date: 6/16/2008
Time: 11:19:20 AM
Title: Event Update
Process: PC Procedure
Borrower: RICHARDSON

Notes:
User has updated the system for the following event: Advised Counsel to Proceed with foreclosure, completed on 6/16/2008.

https://pm.fisdesktop.com/PM/printNote.aspx?id=220687312&clientRefNo=6729942433&geno=0&mode... 04/16/2008
PRIORITY POSTING AND PUBLISHING
17501 Irvine Blvd., Suite 1
Tustin, CA 92780
(714) 673-7777 FAX (714) 673-8547

CERTIFICATE OF SALE

On 05/07/2008 at 01:30PM, the undersigned appeared at the location
described in the Notice of Trustee Sale and conducted a Trustee's Sale as agent for
California Reconveyance Company

At said sale, the property described in the Notice of Trustee Sale was sold to: JIM YORKRED
ROCK MORTGAGE, INC. for the sum of $338,000.01.

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

By: ________________________________
    (Mike Birdsall (29))

Dated this 7th day of May, 2008

CUSTOMER: California Reconveyance Company
ADDRESS: 9200 Oakdale Avenue
           Mail Stop: N 110612
           Chatsworth, CA 91311

IPMC-001619
CONFIDENTIAL
Total Amount Deposited
Sale Price
Refund to Purchaser

Sale Price
Amount Due to Beneficiary

Funds
- Total debt
- Rather than sale price

Amount Due to Beneficiary
Trustee’s Deed recording fee
Total Amount due to Beneficiary After Sale

Refund to Purchaser
Trustee’s Deed Recording Fee
Total amount due to Purchaser

QSR13

FEE - $100
MOs - $11,000
MOS - $14,000

$125,000

JPMC-00162
CONFIDENTIAL
313 Party 9 2001
CALIFORNIA RECONVEYANCE COMPANY
9200 Oakdell Avenue N 110612.
Chatsworth, CA 91311
800 892-6902
(818)775-2258 (Fax)

Date: 06/12/2008

Washington Mutual Home Loans, Inc.
Default Cash Processing
7255 Baymeadows Way
Jacksonville, FL 32256
Mall Stop JAXB2007

Loan No: [Redacted]
T.C. No: 723397GA
Owner(s): LAURA RICHARDSON, AN UNMARRIED WOMAN
APN: [Redacted]
Property: 3622 WEST CURTIS DRIVE
SACRAMENTO, CA 95818

Please be advised that the above-referenced property sold to a third party purchaser for the amount of $388,000.01.

Enclosed please find check number 530-030079 in the amount of $388,000.01, which represents the purchase price.

Please call if you have any questions.

Sincerely,
CALIFORNIA RECONVEYANCE COMPANY

BELINDA QUINADA, ASSET RECOVERY SPECIALIST II
818-775-7470

JPMC-001621
CONFIDENTIAL

CSOC.RICH.002513
The undersigned grantor declares:

1) The Grantee herein was not the foreclosing beneficiary.
2) The amount of the unpaid debt together with costs was $574,023.87
3) The amount paid by the grantee at the trustee sale was $388,800.01
4) The documentary transfer tax is ________________________________
5) Said property is in SACRAMENTO

and CALIFORNIA RECONVEYANCE COMPANY (herein called Trustee), as the duly appointed Trustee or substituted Trustee under the Deed of Trust hereinafter described, does hereby grant and convey, but without covenant of warranty, express or implied, to Red Rock Mortgage, Inc. (herein called Grantee), all of its right, title and interest in and to that certain property situated in the County of SACRAMENTO, State of California, described as follows: LOT 259 AS SHOWN ON THE OFFICIAL "PLAT OF SOUTH CURTIS OAKS SUBDIVISION NOV. 8", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, FEBRUARY 10, 1927 IN BOOK 19 OF MAPS, MAP NO. 18

Site: 3622 WEST CURTIS DRIVE, SACRAMENTO, CA 95818

RECLEALS:
This conveyance is made pursuant to the powers conferred upon Trustee by that certain Deed of Trust dated 01/04/2007 and executed by LAURA RICHARDSON, AN UNMARRIED WOMAN, as Trustor, and Recorded 01/10/2007, Book 20070110, Page 1818, Instrument of official records of SACRAMENTO County, California, and after fulfillment of the conditions specified in said Deed of Trust authorizing this conveyance.

Default occurred as set forth in a Notice of Default and Election to Sell which was recorded in the Office of the Recorder of said County, and such default still existed at the time of sale.

All requirements of law regarding the mailing of copies of notices or the publication of a copy of the Notice of Default or the personal delivery of the copy of the Notice of Default and the posting and publication of copies of the Notice of a Sale have been complied with.

JPMC-001622
CONFIDENTIAL

CSOC.RICH.002514
Trustee, in compliance with said Notice of Trustee’s Sale and in exercise of its powers under said Deed of Trust, sold the herein described property at public auction on 05/07/2008. Grantee, being the highest bidder at said sale, became the purchaser of said property for the amount bid being $388,000.01 in lawful money of the United States, or by credit bid if the Grantee was the beneficiary of said Deed of Trust at the time of said Trustee’s Sale.

DATE: 05/09/2008

CALIFORNIA RECONVEYANCE COMPANY, as Trustee

Karime Arias, Assistant Secretary

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On May 09, 2008 before me, IRMA GARCIA TORRES, “Notary Public,” personally appeared KARIME ARIAS, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: [Signature]

(Seal)

IRMA GARCIA TORRES
Notary Public - California
Los Angeles County
Notary Public - California
Notary Public - California
Notary Public - California

IPMC-001623
CONFIDENTIAL
CALIFORNIA RECONECANCE COMPANY
P.O. BOX 5958, NORTHridge, CA 91328

PAY TO THE ORDER OF Washington Mutual Bank

$260,000.01
Three Hundred Fifty-Eight Thousand and 01/100

Dollars

.memo

UNION BANK

CALIFORNIA RECONECANCE COMPANY
Washington Mutual Bank
Payment To Beneficiary - Trustee's Sale

Union Bank

388,000.01

CALIFORNIA RECONECANCE COMPANY
Washington Mutual Bank
Payment To Beneficiary - Trustee's Sale

Union Bank

388,000.01

JPMC-001624
CONFIDENTIAL
CALIFORNIA RECONVEYANCE COMPANY
9200 Oakdale Avenue N 110612
Chatsworth, CA 91311
818 852-4902
(818)775-2258 (Fax)

Date: 05/12/2008

RED ROCK MORTGAGE, INC.
3600 AMERICAN RIVER DRIVE #123
SACRAMENTO, CA 95864

Attention: Jim York

T.S. No: 723987CA
Loan No: [illegible]
APN: [illegible]
Property Address: 3622 WEST OXNUT DRIVE
SACRAMENTO, CA 95816
County: SACRAMENTO

Dear Sir/Madam:

Enclosed is the original Trustee’s Deed Upon Sale for you to record. In order to properly perfect the trustee
sale, please record this Deed within 15 calendar days after the sale.

If you have any questions, please contact this office.

Sincerely,

CALIFORNIA RECONVEYANCE COMPANY

BELINDA GUINDARA, ASSET RECOVERY SPECIALIST II
818-775-7470

Enclosure(s)
Foreclosure Sale Bidding Instructions

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<tr>
<th>CLIENT:bgcre</th>
<th>CLIENT LOAN NUMBER:</th>
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<tbody>
<tr>
<td>GAINOWNER NAME:</td>
<td>LAWREN Hodgson</td>
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<tr>
<td>ATTORNEY:</td>
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<tr>
<td>PROPERTY ADDRESS:</td>
<td>829 9TH STREET, PASADENA, CA 91101</td>
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<td>LOAN TYPE:</td>
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<tr>
<td>INVESTOR NAME:</td>
<td>WASHINGTON MUTUAL BANK</td>
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<td>INVESTOR CODE:</td>
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**RECEIVED**

1742

If transfer of title or disposition of property, please begin bidding at the min increasing incrementally as allowed by your state, not to exceed the max below.

Please bid specified amount of $388,000.00. Please do not add fees and costs.

**RECORDING INSTRUCTIONS**

Should the state allowable bid amount be less than the max bid amount provided above, please contact our office immediately for instructions on how to proceed.

Please note: sales results must be provided via email within 24 hours of the sale to avoid any potential late notification penalties.

JPMC-001626
CONFIDENTIAL

CSOC.RICH.002518
Cabral, Anthony Z.

From: Diana Carlson
Sent: Wednesday, May 07, 2008 3:23 PM
To: GM CRC BDS
Subject: Sale Results for TS# 723397CA

California Reconveyance Company
Re: Sale Results
Priority No.: 377335

Attn: Foreclosure Department
Your T.S. number 723397CA sold to a 3rd party on 05/07/2008 in the county of Sacramento at 01:30PM.

Said property sold for: $ 388000.01
Total required: $ 388000.01
Amount received: $ 388000.01

Said property sold to: JIM YORK

Vested as: RED ROCK MORTGAGE, INC.
Address: 3600 AMERICAN RIVER DRIVE #135, SACRAMENTO, CA 95864
Telephone No.: [redacted]
CA Driver's license No.: [redacted]
Comments: 1-B 3-W

Should you have any questions, please feel free to contact our Sales Department at (800)570-3500.
California Reconveyance Company
9200 Oakland Avenue – N110612
Chatsworth, CA 91311
(800) 892-0902

May 07, 2008

BIDDING INSTRUCTIONS

Sale Date: 05/07/2008
Trustee Sale Number: 723397CA
County: SACRAMENTO
Loan Number:
Trustor: LAURA RICHARDSON
Property Address: 3022 WEST CURTIS DRIVE, SACRAMENTO, CA 95818
Posting and Publication Company: PRIORITY POSTING AND PUBLICATION

Opening Bid = $388,000.00
Total Debt ___X___ Specified

Please note the following marked special instructions:-

___ Please bid on behalf of our lender to protect their second lien.
     a. First competitive bid $1.00 (one dollar) over the opening bid
     b. Second and final bid $ ______

X Disclose at Sale: Bidders are advised that this sale is being conducted on an AS IS, WHERE IS basis. No representation or warranties are being made by Trustee or Beneficiary regarding the condition of the property or its habitability.

___ Other:

ANTHONY CABRAL
818-775-2350

JPMC-001628
CONFIDENTIAL

CSOC.RICH.002520
RECEIPT OF FUNDS AND INSTRUCTIONS

T.S. NO. 723397 CA PRIORITY NO. 317335 DATE 5-7-08
TRUSTEE: California Reconveyance Co.
ADDRESS: 9200 Oakdale Ave, # 110612
CITY: Chatsworth STATE: CA ZIP: 91311
PHONE NO.: 818-792-6907 CONTACT: Deborah Briggs

CHECK NO.: 0003896975 NAME OF BANK: Wells Fargo BK AMOUNT: $388,000.01

TOTAL OF ANY CASH RECEIVED: $0
SUCCESSFUL BID: $388,000.01 TOTAL RECEIVED: $388,000.01
TRANSFER TAX: $0 AMOUNT REQUIRED: $388,000.01
RECORDEING FEES: $0 REFUND AMOUNT: $0
REFUND PAYABLE TO: N/A

RECEIVED BY: 

BUYER'S NAME: Jim York DRIVERS LICENSE NO.: 

TITLE TO PROPERTY TO BE VESTED AS FOLLOWS: Red Rocks Mortgage 

ADDRESS: 3600 American River Dr, # 135 CITY: Sacramento STATE: CA ZIP: 95864
PHONE NO.: 

JP MC-001639 CONFIDENTIAL
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<tr>
<td>Received From</td>
<td>Jim York</td>
<td></td>
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<tr>
<td>In Payment For</td>
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**Page 1**

**CONFIDENTIAL**
GENERAL LEDGER BATCH TRANSMITTAL

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CALIFORNIA RECONVEYANCE CO

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SOURCE DOCUMENT

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OFFSETTING ACTIVITY - NOT POSTED BY SAVINGS DEPARTMENT

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MISSING DOCUMENTS

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PREPARED BY

<p>| |</p>
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<tr>
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<tbody>
<tr>
<td>DEBRA QUINNEN</td>
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<tr>
<td>DATE: 05/08/08</td>
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APPROVED BY

<p>| |</p>
<table>
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<tr>
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<tr>
<td>KATINA HASS</td>
</tr>
<tr>
<td>DATE: 05/08/08</td>
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LEGITCH.XLS

JPMC-001631
CONFIDENTIAL

CSOC.RICH.002523
CASHIER'S CHECK

PAY TO THE ORDER OF  ***CALIFORNIA RECONVEYANCE COMPANY***

***Three hundred eighty-eight thousand dollars and 01 cent***

**$388,000.01**

May 07, 2008

WELLS FARGO BANK, N.A.

FOR INQUIRIES CALL 1-800-944-3122

Authorized Signature

JPMC-001632
CONFIDENTIAL
CHECK REQUISITION
UNION BANK

Data: May 09, 2008

Amount Requested: $388,000.01
Payee: Washington Mutual Bank

Reason for Payment: X Payment to Beneficiary - Trustee’s Sale
Refund to Purchaser - Overpayment
Surplus Funds - 1st Junior Lien
Surplus Funds - 2nd Junior Lien
Surplus Funds - Postage
Surplus Funds – To Surplus Funds Attorney
Trustee’s Fees
Recording Fees or Documentary Transfer Tax
Other (Please explain reason)

Second Reference Number: TS #729397CA

Loan Number:

G/L #: 42550

Detail #: 9352

Requested By: BELINDA QUINDARA

Approved By:

FA_MERGE.DOC

JPMC-001633
CONFIDENTIAL
PRIORITY POSTING AND PUBLISHING
17501 Irvine Blvd, Suite 1, Tustin, CA. 92780
PHONE: (714) 573-7777 FAX: (714) 573-7735

PUBLICATION CONFIRMATION
Customer: California Reconnaissance Company
TS#: Client Ref: 723976A
Priority Number: 377976

Daily Record: The (Sacramento) does hereby certify:

That the notice of trebled sale published in its newspaper on:

3/19/2009
3/26/2009
4/2/2009

Confirmation printed on: Saturday, June 13, 2009

06/13/2009

JPMC:001634
CONFIDENTIAL
AFFIDAVIT OF MAILING

Date: 03/17/2008
REF. No.: 723397CA
Mailing: 104CA

STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

The defendant, whose signature appears below, states that he is over the age of eighteen (18) years; is employed in Riverside County, California acting on behalf of California Reconveyance Company; is not a party to the within actions; and that on March 17, 2008, he personally served the Notice, of which the annexed is a true copy, by depositing in the United States Mail a copy of such Notice in a sealed envelope, sent First Class, with postage prepaid, such envelope being addressed to the person(s) named at the addresses below.

I declare under penalty of perjury that the foregoing is true and correct.

X

Affiant Valdornar Beltolo

2200073543
Tfn Number: 723397
Laura Richardson
3638 W Curtis Dr
Sacramento, CA 95818-4452

2200073545
Tfn Number: 723397
Laura Richardson
3638 W Curtis Dr
Sacramento, CA 95818-4452

2200073549
Tfn Number: 723397
Laura Richardson
717 E Vernon St
Long Beach, CA 90805-7716

IPMC-001635
CONFIDENTIAL

CSOC.RICH.002527
AFFIDAVIT OF MAILING

Date: 03/17/2008
REF. No.: 723397CA
Mailing: 104CA

STATE OF CALIFORNIA
COUNTY OF RIVERSIDE

The declarant, whose signature appears below, states that he is over the age of eighteen (18) years and is employed in Riverside County, California, acting on behalf of California Reconveyance Company, is not a party to the within action and that on March 17, 2008, he personally served the Notice, of which the annexed is a true copy, by depositing in the United States Mail a copy of such Notice in a sealed envelope, sent Certified Mail, with postage prepaid, such envelope being addressed to the person(s) named at the addresses below.

I declare under penalty of perjury that the foregoing is true and correct.

Affiant Veldenar Botello

71132057147859857277
TBN NUMBER: 723397CA
LAURA RICHARDSON
2626 W CURTIS DR
SACRAMENTO, CA 95818-4402

71132057147293656714
TBN NUMBER: 723397CA
LAURA RICHARDSON
2626 W CURTIS DR
SACRAMENTO, CA 95818-4402

71132057147859857277
TBN NUMBER: 723397CA
LAURA RICHARDSON
2626 W CURTIS DR
SACRAMENTO, CA 95818-4402

71132057147293656714
TBN NUMBER: 723397CA
LAURA RICHARDSON
2626 W CURTIS DR
SACRAMENTO, CA 95818-4402

71132057147293657272
TBN NUMBER: 723397CA
LAURA RICHARDSON
9522 W CURTIS DR
SACRAMENTO, CA 95818-4402

71132057147859857277
TBN NUMBER: 723397CA
LAURA RICHARDSON
717 E VERNON ST
LONG BEACH, CA 90803-2728

71132057147293657272
TBN NUMBER: 723397CA
LAURA RICHARDSON
717 E VERNON ST
LONG BEACH, CA 90803-2728

JPMC-001636
CONFIDENTIAL

CSOC.RICH.002528
Priority Posting

PRIORITY POSTING AND PUBLISHING
1761 Irvine Blvd, Suite 2, Tustin, CA 92780
(714) 573-7777 FAX (714) 573-7783

Saturday, June 13, 2009
1:15 AM

Order Details
Customer: California Reconveyance Company

Order Number: CR230777
Agent: Mike Brown
Loan Number: 123456
Sale Date: 5/17/2009

Property Details
Address: 3032 West Curtis Drive, Sacramento CA 95819
County: Sacramento
Type: Single Family Residence
Status: Vacant
Comments:
AP#: 123456789
Posting Date: 3/17/2009
Address: 720 9th St, Sacramento

Sale Details
Newspaper: Daily Enterprise, The (Sacramento)
Trustee Sale Information: Trustor: Laura Richardson, an unmarried woman

Sale Location: At the main entrance to the County Courthouse, 720 9th St, Sacramento, CA

Auction Results
Sale Amount: $80,000.01

http://www.priorityposting.com/ppp/printpreview.asp?rsfile=652841&rp=0

JPMC-001637
CONFIDENTIAL
06/13/2009

CSOC.RICH.002529
Priority Posting

Sale Time: 01:30
Bid Amount: 368,000
Lose Tax: 0
Other Amount: 0

Vesting: RED ROCK MORTGAGE INC.
Est. Bid Amount: 578,864.52
Record Amount: 0
Collect Amount: 368,000.01

Other Details
As more fully described in said Deed of Trust

http://www.priorityposting.com/ppr/printpreview.asp?tsfile=652841&rp=0

JPMC-001638
CONFIDENTIAL
06/13/2009
CERTIFICATE OF POSTING

Customer: California Reconveyance Company
TS#/Client Ref.: 750357CA
Priority Number: 377385

Mike Erdal hereby certifies:

That on the 17th day of March, 2009, posted a copy of the Notice in conspicuous place or places, as hereinafter stated, on each non-conclusory set, piece or parcel of the real property described in said notice, to wit:

Location of Posting: On Front Door

STATEMENT OF PROPERTY CONDITIONS

Address: 3622 West Curtis Drive
City of: Sacramento
County: Sacramento
Condition of Landscaping: Fair
Condition of Improvements: Fair
Type: Single Family Residence
Color: Gray
Type of Structure: Woodframe
Comments: 

http://www.priorityposting.com/ppp/printpreview.asp?tsfile=628841&rp=1

06/13/2009

JPMC-001639
CONFIDENTIAL
NOTICE OF RESCISSION OF TRUSTEE'S DEED UPON SALE

This Notice of Rescission is made on 06/07/2008 with respect to the following facts:

1. That CALIFORNIA RECONVEYANCE COMPANY, a California Corporation as the duly appointed trustee under that certain Deed of Trust dated 01/04/2007, and Recorded 01/10/2007, Book 20070110, Page 1818, Instrument naming LAURA RICHARDSON, AN UNMARRIED WOMAN as Trustor and WASHINGTON MUTUAL BANK as Beneficiary, securing a Promissory Note in the amount of $333,001.00.

2. The Deed of Trust encumbers the real property situated in the County of SACRAMENTO, State of CALIFORNIA, as follows:
   LOT 280 AS SHOWN ON THE OFFICIAL "PLAT OF SOUTH CURTIS OAKS SUBDIVISION NOV 6TH", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, FEBRUARY 10, 1987 IN BOOK 19 OF MAPS, MAP NO. 18

A.P.N.:

3. That by virtue of a Default under the terms of the Deed of Trust, the Beneficiary did declare a default, as set forth in a Notice of Default and Election to Sell, which Notice was recorded in the Office of the County Recorder of SACRAMENTO, California.

4. On 06/07/2008, at 01:30 PM the property was purportedly sold to RED ROCK MORTGAGE, INC., being the highest bidder at such sale who bid the amount of $350,000.01.

5. The Trustee's Sale on 06/07/2008 is being rescinded at the request of the Beneficiary, as the Beneficiary had previously agreed to postpone the foreclosure sale to June 4, 2008. The Trustee's sale of 06/07/2008 is therefore null and void, and of no force and effect.

6. The express purpose for this Notice of Rescission is to return the priority and existence of all lien holders to the status quo antes that existed prior to the Trustee's Sale.

NOW, THEREFORE, THE UNDERSIGNED HEREBY RESCINDS THE TRUSTEE'S SALE AND PURPORTED TRUSTEE'S DEED UPON SALE AND HEREBY ADVISES ALL PERSONS, WHOMSOEVER AND WHATSOEVER LOCATED, THAT THE TRUSTEE'S DEED UPON SALE DATED 06/07/2008, FROM CALIFORNIA RECONVEYANCE COMPANY TO RED ROCK MORTGAGE, INC. AND RECORDED 09/10/2008 IN BOOK 20080919, PAGE 587, OF OFFICIAL RECORDS OF SACRAMENTO COUNTY IS HEREBY RESCINDED AND SHALL HAVE NO FURTHER FORCE OR EFFECT WHATSOEVER.

JPMC-001640
CONFIDENTIAL.
IN WITNESS WHEREOF, CALIFORNIA RECONVEYANCE COMPANY has caused its corporate name and seal to be hereunto affixed by its authorized signature.

DATE: 06/29/2008

CALIFORNIA RECONVEYANCE COMPANY, as Trustee

BY
Colleen Troy, Assistant Secretary

BY
Karime Arias, Assistant Secretary

WASHINGTON MUTUAL BANK, PA

BY
Deborah Binonac, Vice President

BY
Huey-Jen Chiu, Vice President

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On this day before me, SIERRE HERRADURA, "Notary Public" personally appeared DEBORAH BINONAC, HUEY-JEN CHIU, COLLEEN TROY AND KARIME ARIAS, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

(Seal)

WITNESS my hand and official seal.

Signature

This document filed for recording by Public Notice Title representatives. This recording is hereby acknowledged to be true and complete in all respects as required by law.

SIERRE HERRADURA
Commission # 1792714
Notary Public - California
Los Angeles County
My Commission Expires 3/2/2012

JPMC-001641
CONFIDENTIAL

CSOC.RICH.002533
June 10, 2008

Via Federal Express

Huey-Jen Chiu
Vice President
California Reconveyance Company
9200 Oakdale Ave.
Chatsworth, CA 91311

Re: James York and Red Rock Mortgage, Inc.
Trustee Sale No. 723397CA
Loan No. 1
Property Address: 3023 W. Curtis Drive, Sacramento, CA

Dear Mr. Chiu,

I am returning your check in the sum of $319,109.05. By returning this check, I am also rejecting your offer to rescind the foreclosure sale. Please refer any questions or comments to Tom Sheridan at Wagner Kirkman et al, telephone number (916) 920-5386, to whom any litigation matters relating to this has been referred.

Donna T. Parkinson

Very truly yours,

PARKINSON PHINNEY

By Donna T. Parkinson
DTP:db
Enclosures

Ca: Jim York
Tom Sheridan
Robbie Klopman

1758
June 3, 2008

Donna Parkinson, Esq.
Parkinson & Phinney, LLC
400 Capitol Mall, 11th Floor
Sacramento, CA 95814

Re: Your Clients: James York and Red Rock Mortgage, Inc.
Our Trustee Sale No. 723397CA
Loan No.
Property Address: 3622 W. Curtis Drive, Sacramento, CA

Dear Ms. Parkinson:

Per letter sent to your office, dated June 2, 2008, from Martin T. McGuinn, Washington Mutual Bank’s counsel, please find enclosed check no. 330-050248 for $331,190.06 payable to Red Rock Mortgage, Inc. The amount is for the refund for the purchase funds of $338,001.01, plus $3,189.05, which is the 10% interest through June 6, 2008.

I am also enclosing a certified copy of the recorded Notice of Rescission of Trustee’s Deed Upon Sale document.

Sincerely,

Huey Jen Chiu
Vice President
(818) 775-2340
NOTICE OF RESCission OF TRUSTEE’S DEED UPON SALE

This Notice of Rescission is made on 05/07/2008 with respect to the following Trust:

1. CALIFORNIA RECONVENEYANCE COMPANY, a California Corporation as the duly appointed trustee under
   Trust appointed on 09/04/2007

2. Deed of Trust dated 09/04/2007 and recorded in Sacramento County, Book 2907711, Page 198, Instrument number

3. The Trustee owns the real property situated in the County of SACRAMENTO, State of CALIFORNIA

4. Property described as follows:

   LOT 259 AS SHOWN ON THE OFFICIAL "FLAT OF SOUTH CURTIS OAKS SUBDIVISION NO.
   4" FILED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, FEBRUARY 10, 1994, IN BOOK 10 OF MAPS, MAP NO. 16

5. The Trustee’s Sale on 05/07/2008 is being rescinded at the request of the Beneficiary in accordance with Section 2919 of the California Civil Code.

6. The current status of the trust deed is as follows:

   The Trustee’s sale is rescinded and all prior recordings are hereby canceled.

7. The purpose of this Notice of Rescission is to return the property and terminate all proceedings to this

   date that existed prior to the Trustee’s Sale.

This therefore hereby rescinds the Trustee’s sale and purports

and hereby abrogates all proceedings, judgments and Writs of Execution on record on 05/07/2008 in Book 2907711, Page 198, the

contracting parties of the Trusteed’s sale on 09/04/2007.

This Trusteed’s sale was recorded on 09/04/2007 in Book 2907711, Page 198, at

the Company.

The Company to the Trusteed’s sale on 09/04/2007.

JPMC-001644
CONFIDENTIAL

CSOC.RICH.002536
IN WITNESS WHEREOF, CALIFORNIA RECONVEYANCE COMPANY is authorized to affix its corporate seal and execute this document as required by the laws of the State of California, to the signature of its President, and by the laws of the State of California it is executed.
O'Callan, Huey-Jen

From: Thorn, Ann
Sent: Thursday, July 03, 2008 9:13 AM
To: Chiu, Huey-Jen
Cc: Brignac, Deborah P.
Subject: RE: Richardson foreclosure — Red Rock settlement.

You can send to me

Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Battaglia, Paul J.
Sent: Thursday, July 03, 2008 12:00 PM
To: Chiu, Huey-Jen
Cc: Thorn, Ann; Martin T. McGuinn; Brignac, Deborah P.
Subject: RE: Richardson foreclosure — Red Rock settlement

Either Ann, or whoever Ann asks you to send it to.

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3591
Seattle WA 98101
Phone: 206-604-2361
Fax: 206-377-2794

NOTICE: This communication may contain legally privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank You.

From: Chiu, Huey-Jen
Sent: Thursday, July 03, 2008 8:55 AM
To: Battaglia, Paul J.
Cc: Thorn, Ann; Martin T. McGuinn; Brignac, Deborah P.
Subject: RE: Richardson foreclosure — Red Rock settlement

Any particular person that I should send the WaMu check to?

07/03/2008

JPMC-001646
CONFIDENTIAL

CSOC.RICH.002538
From: Bettaglia, Paul J.
Sent: Thursday, July 03, 2008 8:53 AM
To: Chiu, Huey-Jen
Cc: Thom, Amy; Martin T. McGavin; Brignac, Deborah P.
Subject: Richardson foreclosure -- Red Rock settlement
Redacted

Martin T. McGuinn
Kirby & McGuinn, A.P.C.
600 B Street, Ste. 1950
San Diego, CA 92101
mmguinn@...
Direct Dial: (619) 523...
Direct Fax: (619) 523...

THIS MESSAGE IS FROM A DEBT COLLECTOR.
ANY INFORMATION OBTAINED MAY BE USED FOR THAT PURPOSE.
This electronic message contains privileged or confidential information which is solely intended for the use of the addressee(s) listed as recipient(s). If you are not the intended recipient, or the employee or agent responsible for delivering this message to the intended recipient, you are hereby notified that any dissemination, distribution, duplication, or copying of this communication is strictly prohibited. If you have received this transmission in error, please immediately notify us by telephone at (619) 525-1589 or (619) 685-4000, and return the original message to Kirby & McGuinn, A.P.C., 600 B Street, Ste. 1950, San Diego, CA 92101.

07/03/2008

JPMC-001650
CONFIDENTIAL
California Reconveyance Company
P.O. BOX 1004 NORTHridge, CA 91616

PAYEE: Red Rock Mortgates, Inc.

MEMO: S123347

$311,190.00

Three Hundred Ninety-One Thousand One Hundred Ninety and 66/100 Dollars

By: [Signature]

Union Bank of California, N.A.
National Association
16340/1250
12325/1241
## GENERAL LEDGER BATCH TRANSMITTAL

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### OFFSETTING ACTIVITY - NOT POSTED BY SAVINGS DEPARTMENT

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LEBR18CH XL8

JPMC-001652
CONFIDENTIAL
CALIFORNIA RECOURSE COMPANY
Red Rock Mortgage, Inc.
Invalid Sale

Union Bank

CALIFORNIA RECOURSE COMPANY
Red Rock Mortgage, Inc.
Invalid Sale

JPMC-001655
CONFIDENTIAL

388,000.01

388,000.01
July 3, 2008

Ann Thorn, FVP
Washington Mutual Bank
7255 Baymeadows Way – JAXA2035
Jacksonville, FL 32250

Re: Loan No. 111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111111
PAY TO THE ORDER OF Washington Mutual Bank

Three Thousand One Hundred Ninety and 04/100\* DOLLARS

MEMO

TS 723397CA LH

CALIFORNIA RECONVEYANCE COMPANY

Washington Mutual Bank
Invalid Sale

07/03/2008

3,190.04

CALIFORNIA RECONVEYANCE COMPANY

Washington Mutual Bank
Invalid Sale

07/03/2008

3,190.04

SUPERIOR PRESS - INK 150/12/95 88124279

JPMC-001658
CONFIDENTIAL
1775

Shipping Label - Pointandship Software Inc.

To prepare your package for shipment, you need to do the following:

1. Use the Print button in your browser to print this page to your laser printer.

2. Fold the first printed page in half and use as the shipping label. The second page is for your records and contains the terms and conditions of shipping, and information useful for tracking your package.

3. After printing the label, place it in a well-padded envelope and affix it to your package where the barcodes portion of the label can be read and scanned.

Legal Terms and Conditions

Fees charged by using this system constitute your agreement to the service conditions for the transportation of your shipments or ( Jonas to the U.S. Post Office Guide, which provide information on any service to any country to which you are transporting. FedEx will not be responsible for any claims in excess of its applicable maximum value, whether due to loss, damage, delay, non-delivery, non-receipt, or otherwise upon arrival. FedEx will not be responsible for any claims in excess of its applicable maximum value, whether due to loss, damage, delay, non-delivery, non-receipt, or otherwise upon arrival. FedEx will not be responsible for any claims in excess of its applicable maximum value, whether due to loss, damage, delay, non-delivery, non-receipt, or otherwise upon arrival. For full details, please refer to the terms of your agreement with FedEx.

FOR PAYMENT OF MISC FORECLOSURE OR BANKRUPTCY EXPENSES
Two Hundred Fifty Thousand and 00/100 Dollars

PAY TO
THE ORDER
OF
CALIFORNIA RECON. CO.
9110812
3939 OAKDALE AVE
CHATSWORTH, CA 91311

Disbursement Check Voucher

PAYEE NAME & ADDRESS
CALIFORNIA RECON. CO.
9110812
3939 OAKDALE AVE
CHATSWORTH, CA 91311

CHECK NUMBER: 074271188
CHECK DATE: 05/30/2008
PAYEE CODE: TRCRC

BATCH:
PAGE 1 OF 1

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Check Totoal:

$250,000.00

JPMC-001660
CONFIDENTIAL

CSOC.RICH.002552
**FOR PAYMENT OF MORTGAGE EXPENSES**

One Hundred Fifty One Thousand Ninety and 99/100 Dollars

**PAY TO THE ORDER OF**

**CALIFORNIA RECON. CO.**

5300 CHADDALE AVE

CHATSWORTH, CA 91311

---

**Disbursement Check Voucher**

<table>
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<tr>
<th>SHORT NAME/LOAN NUMBER</th>
<th>PROPERTY ADDRESS</th>
<th>DESCRIPTION</th>
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**Check Totals:**

1 Item

$141,190.05

**JPMC-001661**

CONFIDENTIAL

---
June 2, 2008

VIA EMAIL ONLY donna@workhorsehianey.com
Donna Parkinson, Esq.
Parkinson & Phinney LLC
400 Capitol Mall, 11th Fl.
Sacramento, CA 95814

Re: Your Clients: James York and Red Rock Mortgage Inc.
(collectively, "Red Rock")
Our Clients: Washington Mutual Bank ("WaMu") and California
Reconveyance Company ("CRC")
Real Property: 3022 W. Curtis Drive, Sacramento, CA (the "Property")
Borrower: Laura Richardson
Our File No.: WAS002-93

Dear Ms. Parkinson:

WaMu has considered Red Rock’s counter offer to its recent settlement proposal and has rejected it. In accordance with Civil Code section 1058.3(a) and the case authority cited in our prior letter, enclosed please find an unrecorded copy of the Notice of Rescission of the Trustee’s Deed Upon Sale. I will send a copy of the recorded Notice of Rescission as soon as I receive it. The foreclosure trustee, California Reconveyance Company, is mailing to you separately a check in the sum of $291,198.66, which includes refund of Red Rock’s purchase funds of $388,001.01, plus 104 interest thereon through June 6, 2008 totaling $3,189.85. I will email to you the telexing number for the overnight delivery package containing the check, once I have that information, so you can track the progress of the delivery.

Mr. York previously advised me that he had incurred expenses related to the Property. WaMu will reimburse Mr. York for his expenses if you will kindly provide an itemization of the expenses and receipts for the expenditures.

Please advise your client and his agents, contractors or employees, to remove themselves and their equipment from the premises and to lock the front door when they have vacated the Property. Please notify me in writing when the equipment has been removed and the premises are locked, so that WaMu can notify the borrower that the locks need to be changed. If you are willing to send the keys to our client, I will provide you with a billing number for overnight delivery service so you can

JPMC-001662
CONFIDENTIAL
return the keys at our expense.

If there is anything you wish to discuss regarding the transfer and the removal of your client’s equipment from the Property, please contact me so we can work together and avoid any miscommunication.

Thank you in advance for your continuing professional courtesy and cooperation in this matter. Should you have any questions or concerns not addressed in this letter, please do not hesitate to contact the undersigned.

Very truly yours,

[Signature]

Martin T. McGuinn

cc:  Paul Bartuska (via email)
Deborah Brignac (via email)
Donald Cook (via email)
Jan Owen (via email)
June 3, 2008

Donna Parkinson, Esq.
Parkinson & Phinney, LLC
400 Capitol Mall, 11th Floor
Sacramento, CA 95814

Re: Your Client: James York and Red Rock Mortgage, Inc.
Our Trustee Sale No.: 723397CA
Loan No.: ___________
Property Address: 3622 W. Curtis Drive, Sacramento, CA

Dear Ms. Parkinson:

Per letter sent to your office, dated June 2, 2008, from Martin T. McGuinn, Washington Mutual Bank’s counsel, please find enclosed check no. 530-030248 for $391,190.06 payable to Red Rock Mortgage, Inc. The amount is for the refund for the purchase funds of $388,001.01, plus $3,189.05, which is the 10% interest through June 6, 2008.

I am also enclosing a conformed copy of the recorded Notice of Rescission of Trustee’s Deed Upon Sale document.

Sincerely,

[Signature]

Huey-Jen Chiu
Vice President
(916) 775-[]

JPMC-001664
CONFIDENTIAL

CSOC.RICH.002556
NOTICE OF RESCISSION OF TRUSTEE'S DEED UPON SALE

This Notice of Rescission is made up to 2-21-2008 with respect to the following real property:

That CALIFORNIA RECONTRANCE COMPANY, a California Corporation as the duly appointed trustee under and certain Deed of Trust dated 11/27/2007 and Recorded 12/19/2007, Book 200761, Page 133, Instrument number 2946808, AN UNALIENED WOMAN in Trust and WASHINGTON TRUST, a bank as trustee hereby rescinds the foreclosure sale at the amount of $556,001.00

The Deed of Trust encumbers the real property situated in the County of SACRAMENTO, State of CALIFORNIA, to-wit as follows:


On 1-2-2008, in one (1) PM the property was purportedly sold to RED ROCK MORTGAGE, INC. being the highest bidder at auction of $686,000.00.

The Trustee's Sale on 1-22-2008 is being conducted at the request of the Beneficiary, viz. the Beneficiary has promptly agreed to prepare for the rescission sale to June 4, 2008. The Trustee's Sale of the Property is therefore not final, and has no force and effect.

The purpose hereof for this Notice of Rescission is to inform the party and existence of all lien holders to the status quo ante that existed prior to the Trustee's Sale.

NOW THEREFORE, THE UNDERSIGNED HEREBY RESCINDS THE TRUSTEE'S SALE AND PURSUANT TO THE TRUSTEE'S DEED UPON SALE AND HEREBY ADVAISES ALL PERSONS, WHOMSOEVER, AND WHATSOEVER, DEED UPON SALE AND HEREBY ADVAISES ALL PERSONS, WHENSOEVER AND WHATSOEVER, OF THE TRUSTEE'S DEED UPON SALE DATED 11/27/2007, Executors and Administrators of said Deed of Trust, of the rescission of the said deed of trust and recorded 12/19/2007 in Book 200761, Page 133, Instrument number 2946808, in said County, and that no further action by the Trustee or any other person is necessary to effect the rescission.
IN WITNESS WHEREOF, CALIFORNIA CONVEYANCE COMPANY has caused to be executed
this document, and hereunto affixed by its authorized signatures.

[Signature]

CALIFORNIA CONVEYANCE COMPANY as Trustee

[Signature]

WASHINGTON MUTUAL BANK, N.A.

[Signature]

WASHINGTON MUTUAL BANK, N.A.

[Signature]

[Seal]

Verify this action as required.

[Seal]

JPMC-001667
CONFIDENTIAL

CSOC.RICH.002559
LSI TITLE COMPANY (CA)

ISSUED BY: LSI TITLE COMPANY, INC.
18651 RED HILL AVENUE, SUITE 201, TUSTIN, CALIFORNIA 92780
(949) 522-4200 • (800) 522-0103

TRANSMITTAL

TO:

CALIFORNIA RECONVEYANCE COMPANY
9250 OAKDALE AVENUE, MAIL STOP N110512
CHATS WORTH, CA 91311

ATTN: ANTHONY CABRAL

REF. NO.: 723397CA
GUARANTEE NO.: 66-32-06-9442
ORDER NO.: M721834

MONDAY, MAY 19, 2008

PLEASE FIND ENCLOSED HEREWITH ITEMS CHECKED BELOW:

- CERTIFIED COPY
- OWNERS POLICY
- ALTA POLICY
- CORRECTED GUARANTEE, POLICY AND/OR ENDORSEMENT
- SALE ENDORSEMENT
- PRELIMINARY REPORT
- SUPPLEMENTAL REPORT
- OTHER

Marilyn Aguas, Title Officer

JPMC-001668
CONFIDENTIAL

CSOC.RICH.002560
Brignac, Deborah P.

From: Brignac, Deborah P.
Sent: Tuesday, July 08, 2008 1:19 PM
To: Martin T. McGuinn
Subject: PW, Docs

Attachments: Docs.pdf

Docs.pdf (66 KB)

Here you go Marty. Sending originals overnight mail.

Deborah Brignac, Vice President
Department Manager
California Reconveyance Company
Home Loans
California Reconveyance Company
9200 Oakdale Avenue, PM10612
Chatsworth, CA 91311

(818) 775-2960 direct, (818) 775-2510 fax deborah.brignac@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.
CALIFORNIA RECONVEYANCE COMPANY

By: ____________________________
   Deborah Brignac
   Vice President

RED ROCK MORTGAGE INC.

By: ____________________________
   James York, President

______________________________
   James York
CALIFORNIA RECONVEYANCE COMPANY

By: __________________________

Deborah Singh
Vice President

RED ROCK MORTGAGE INC.

By: __________________________

James York, President

______________________________
James York

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JPMC-001671
CONFIDENTIAL
Memo

To: Martin McGuinn
From: Deborah Brignac
Date: July 8, 2008
Re: Richardson Settlement - T.S. No. 725397CA

Signature pages for the above referenced.
SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is entered into as of June 18, 2008, by and between Washington Mutual Bank, , a federally chartered savings association ("WaMu"), California Reconveyance Company ("CRC"), James York ("York") and Red Rock Mortgage Inc. ("Red Rock"). York and Red Rock shall hereafter be collectively referred to as Red Rock. For purposes of this Agreement, the term "WaMu" shall also refer to all predecessors, successors, assigns and investors of WaMu, including, without limitation, any person or entity taking assignment of the Note and Deed of Trust originated by WaMu as described below, except as specifically identified herein. WaMu, CRC, York and Red Rock are at times referred to in this Agreement individually as a "Party" and, collectively, as the "Parties."

RECATIALS

A. On or about January 4, 2007, WaMu made a loan to Laura Richardson, ("Richardson") evidenced by a promissory note in the sum of $535,001.00 (the "Note").

B. On or about January 4, 2007, Richardson executed and delivered to WaMu a Deed of Trust (the "WaMu Deed of Trust") securing the real property located at 3622 West Curtis Drive, Sacramento, California 95818 ("the Property"). On or about January 10, 2007, the WaMu Deed of Trust was recorded in the County Recorder's Office for Sacramento County, California at Book 20070116, Page 1818.

C. Richardson became delinquent on the Note and on December 14, 2007, WaMu caused CRC to record a Notice of Default against the Property at Book 20071214, Page 398. Thereafter, CRC recorded a Notice of Sale on March 18, 2008 setting the original sale date for the Property on April 7, 2008 at Book 20080318, Page 352. CRC conducted a foreclosure sale on May 7, 2008, and Red Rock was the highest bidder at the sale. On or about May 10, 2008, Red Rock recorded a Trustees Deed Upon Sale, which was recorded, at Book 20080519, Page 0487 in the Official Records of the Sacramento County Recorder.

D. Prior to the foreclosure sale through which Red Rock claims title to the Property, WaMu claims it had agreed in writing to provide Richardson with a postponement of the foreclosure sale to June 4, 2008. Red Rock acknowledges that it received a copy of said letter after the foreclosure sale. WaMu and CRC contend that as a result of their purported agreement to postpone the foreclosure sale to June 4, 2008, CRC did not have the requisite legal authority to proceed with the foreclosure sale on May 7, 2008, and that the sale to Red Rock was invalid and could be rescinded. On June 2, 2008, CRC recorded a Notice of Rescission of Trustee's Deed Upon Sale at Book 20080602, Page 0535 in the Official Records of the Sacramento County Recorder.

E. Red Rock disagrees that CRC had the right to rescind the foreclosure sale conducted on May 7, 2008. Red Rock claims the foreclosure sale was final and that it was a bona fide purchaser for value and that it was not aware of the postponement issue until after May 7, 2008. On June 12, 2008, Red Rock filed a lawsuit in Sacramento County
Superior Court under cause number 34-2006-0013081-CU-CR-GDS (the "Action") seeking, among other things, to quiet title to the Property in Red Rock's name.

F. The parties wish to resolve their differences and avoid further litigation over the nature and extent of WaMu's and CRC's rights to rescind the foreclosure sale conducted on May 7, 2008, to confirm title to the Property in favor of Richardson subject to the lien of WaMu, and to reimburse Red Rock for its out of pocket expenses related to the Property and incurred in the action and any related claims for loss arising over the quieting of title to the Property and any claims Red Rock may have against WaMu, CRC, or their agents or employees related to the resolution of the Trustee's Deed Upon Sale to Red Rock, and any dispute over title to the Property prior, during and after the foreclosure sale conducted on May 7, 2008.

G. The Parties desire to rescind the effect of the foreclosure sale through this Agreement whereby WaMu will pay a settlement to Red Rock and Red Rock will execute and deliver to WaMu a quitclaim deed from Red Rock to Richardson. Red Rock further agrees that by executing this Agreement, it is disclaiming any interest in the Property.

H. The Parties desire to clarify and confirm how the title to the Property will be held, resolve their differences, and confirm their understanding of how the foreclosure sale will be rescinded. The Parties are entering into this Agreement in order to avoid the costs and uncertainty of litigation and settle all alleged claims Red Rock has against WaMu or CRC, known and unknown arising from the May 7, 2008 foreclosure sale and the rescission of the foreclosure sale and restoration of the viability of the Note and WaMu's Deed of Trust against the Property.

AGREEMENT

The Parties, on behalf of themselves and on behalf of their respective principals, officers, directors, investors, parents, affiliates, employees, trustees, attorneys, agents, predecessors and successors, and on behalf of all other nonparties, in consideration of the promises set forth below, agree as follows:

1. OBLIGATIONS OF WA MU AND CRC.

1.1. WaMu agrees to pay the sum of $100,000.00 to Red Rock upon the execution of the Agreement by all Parties. The sum of $100,000.00 includes sums to reimburse Red Rock for any out of pocket expenses it has incurred related to the Property, any interest on the funds paid by Red Rock at the foreclosure sale on May 7, 2008, Red Rock's anticipated profits on the resale of the Property and any legal fees incurred by Red Rock prior to and after the Action was filed.

1.2. WaMu, contemporaneously with the payment of the sum of $100,000.00, shall also return the sum of $388,000.01 paid by Red Rock at the foreclosure sale conducted on May 7, 2008.

1.3. WaMu and CRC agree to execute this Agreement and be bound by the terms of the Agreement.
2. Obligations of Red Rock and York under this Agreement.

2.1. Red Rock agrees to be bound by the terms of this Agreement and execute the Agreement.

2.2. Red Rock agrees to accept the sum of $100,000.00, plus the return of the $988,000.01 paid at the foreclosure sale on May 7, 2008.

2.3. Upon execution of the Agreement Red Rock also agrees to contemporaneously execute a quitclaim deed in recordable form for the Property to Richardson in the form attached hereto and incorporated herein by reference as Exhibit A.

2.4. Red Rock warrants and represents that it has not encumbered or transferred the Property to any third party after May 7, 2008, and including, the date of the execution of this Agreement.

2.5. Red Rock shall immediately file a dismissal of the Action with prejudice.

2.6. Red Rock will deliver with its signatures to this Agreement all sets of the keys to the Property in its possession or control.

3. Release of All Claims.

3.1. Upon execution of this Agreement by the Parties, and performance of all acts required to be done by each of them under this Agreement, the Parties release each other and all who acted in concert or participation with them, their officers, directors, employees, agents, attorneys, investors, predecessors, successors, assigns, parents, affiliates, and all others (the "Related Parties") from and against all claims, causes of action, liabilities, demands, obligations, damages, costs, expenses, and attorneys fees of whatever kind or nature, whether known or unknown, whether accrued or not yet accrued, based on, arising out of, or relating to the foreclosure sale of May 7, 2008, the delivery of the Trustee's Deed from CRC to the Red Rock on or about May 19, 2008, all claims alleged in the Action, and any claims of loss or reimbursement of expenses or legal fees, including interest on said sums, arising out of or relating to the foreclosure sale of May 7, 2008, and the rescission of the Trustee's Deed Upon Sale by CRC.

3.2. In consideration of this Agreement, the Parties further waive and will not assert against the Related Parties, any claim, counterclaim, defense, offset, award, or cause of action under common law or any federal or state statute, rule, or regulation, that the Parties may have prior to the date of this Agreement, based on, arising out of, or relating to the foreclosure sale of May 7, 2008, and the delivery of the Trustee's Deed from CRC to Red Rock on or about May 19, 2008, including, but not limited to, all claims alleged in the Action and any claims of loss or reimbursement of expenses or legal fees, including interest on said sums, arising out of or relating to the purchase of the Property by Red Rock at the May 7, 2008 foreclosure sale and the rescission of the Trustee's Deed Upon Sale by CRC.

4. Waiver of California Civil Code Section 1642.
4.1. It is the intention of the Parties to this Agreement that this Agreement shall be effective as a full and complete release of each and every claim that the Parties may have against each other and the Released Parties based on, arising out of, or relating to the foreclosure sale of May 7, 2008, the delivery of the Deed from CRC to the Red Rock or about May 19, 2008, including, but not limited to, all claims alleged in the Action and any claims of loss or reimbursement of expenses or legal fees, including interest on said sums, arising out of or relating to the purchase of the Property by Red Rock and the rescission of the Trustee Deed Upon Sale by CRC, with the exception of obligations created under this Agreement.

4.2. The Parties acknowledge each of them have been advised, and is familiar with, Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

(York) Red Rock WMS CRC

4.3. The Parties waive and release any right, claim, or benefit which each of them now has or may have under Civil Code Section 1542 to the full extent that each of them may lawfully waive all such rights and benefits in connection with the claims released in the Agreement.

6. Time of the Essence. The Parties agree time is of the essence in the Agreement.

6. Assumption of Risk. Each Party expressly elects to assume all risks arising prior to this Agreement based on, arising out of, or relating to the foreclosure sale of May 7, 2008 and the delivery of the Deed from CRC to the Red Rock on or about May 19, 2008, including, but not limited to, all claims alleged in the Action and any claims of loss or reimbursement of expenses or legal fees, including interest on said sums, arising out of or relating to the purchase of the Property by Red Rock and the rescission of the Trustee Deed Upon Sale by CRC.

6.1. Each Party fully understands that the facts upon which this Agreement is executed may be found hereafter to be other than or different from the facts now believed by them and their attorneys (if any) to be true, and expressly accept to assume the risks of such possible differences and facts and agree that the Agreement shall remain effective notwithstanding any such difference in facts.

7. Governing Law. This Agreement is made and entered into in the State of California and shall be enforced and governed by the laws of the State of California.
6. **No Admission of Liability.** This Agreement is entered into solely as a settlement and compromise of disputed claims; this Agreement shall not be deemed to constitute an admission of guilt or liability by any Party.

9. **Drafting Ambiguities.** The terms of this Agreement are contractual in nature and are not merely recitals. This Agreement shall not be construed in favor of or against any Party to this Agreement, but shall be construed as if all Parties prepared the Agreement. If any term, provision, covenant, or condition to this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated, unless such invalid, void or unenforceable provision is determined to be material to this Agreement.

10. **Entire Agreement.** This Agreement, and all prior or contemporaneous agreements, understandings, representations and statements, whether oral or written, and whether by a Party or a Party's legal counsel, are merged herein. No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by all Parties hereto. This Agreement constitutes the entire Agreement between the Parties as to the subject matter contained in this Agreement.

11. **Warranty of No Sale or Assignment.** All Parties to this Agreement represent, agree, and warrant to each other that each has not sold, assigned, or otherwise transferred in any manner to any person or entity, any rights, duties, obligations, claims, causes of action or other interests which are the subject matter of this Agreement, either in whole or in part, and each agrees to indemnify and hold harmless each other from and against all claims of every nature whatsoever which are based on or arise out of or in any way relate to any such sale, assignment, or transfer.

12. **Execution of Other Documents.** The Parties agree to execute and deliver any and all further documents and shall do all acts which may be necessary and appropriate to fully implement the provisions of this Agreement within the time required by this Agreement.

13. **Enforcement of the Agreement.** In the event that any Party brings any action or proceeding against the other for the recovery of any sum due pursuant to this Agreement, or due to any provision of this Agreement, or for any other relief, declaratory or otherwise, including appeal, the prevailing Party in such such action or proceeding shall recover its reasonable attorneys' fees and all costs from other Party to the action or proceeding, and that the right to reasonable attorneys' fees and costs shall be enforceable whether or not the actual proceeding is prosecuted to final judgment.

14. **Authority to Execute Agreement.** Each individual signing this Agreement warrants and represents that the individual has full authority to execute the Agreement on behalf of the Party on whose behalf the individual signs.

15. **Counterparts.** This Agreement may be executed in counterparts, and the counterparts shall constitute one and the same document.

16. **Costs and Attorneys' Fees.** The Parties agree that they shall be responsible for their own respective costs and attorneys' fees in connection with the drafting and
negotiation of this Agreement, except as the parties may otherwise agree in a separate writing.

17. Venue. Should any dispute arise between the Parties as to the meaning and interpretation of this Agreement or should any of the parties be required to take legal action to enforce the terms of this Agreement, venue for any dispute shall be in Sacramento County, California.

18. Attorney Review. The Parties hereby represent and warrant and in executing this Agreement, that they have relied upon legal advice from an attorney of their choice; that the terms of this Agreement have been read and its consequences have been completely explained to them by that attorney; and that they fully understand the terms of this Agreement. The Parties further represent and warrant that in executing this Agreement, they have not relied on any inducements, promises or representations made by the other party or any person serving another party.

19. Survivability of Agreement. Any and all executory provisions under the Agreement and the documents referred to herein shall survive consummation of the Agreement and shall continue in full force and effect until fully performed and satisfied.

20. Notices. All notices under the Agreement shall be in writing and shall be deemed effective on the date of delivery (if delivered personally and a receipt obtained therefore), or on the third calendar day after mailing if mailed by first-class mail, registered or certified, postage prepaid, and shall be addressed as follows or as may be amended by written communication pursuant to this paragraph:

Washington Mutual Bank
California Reconveyance Company
c/o Martin McGulkin
Kirby & McGulkin A P.C.
600 B Street, Suite 1950
San Diego, CA 92101
Telephone: (619) 525-
Facsimile: (619) 525-

Red Rock Mortgage Inc.
James York
c/o Thomas B. Shariyan
Wegner Kirkinan Blaine
Kloppamann & Youman LLC
10640 Mather Blvd., Suite 200
Mather, CA 95654
Telephone: (916) 920-
Facsimile: (916) 920-

Washington Mutual Bank
California Reconveyance Company
Attn.: Paul Bassigna
1201 Second Avenue, WaMuT 3501
Seattle, WA 98101
Telephone: (206) 500-4251
Facsimile: (206) 377-2784

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JPMC-001678
CONFIDENTIAL
21. **Other Agreements with WaMu or CRC.** Nothing contained herein shall effect, amend, or modify any provision of any checking account, savings account, loan agreement, deed of trust, mortgage or any other contract or agreement between Red Rock or York and WaMu or CRC except as expressly set forth herein.

22. **Taxes.** WaMu makes no representation or warranty as to effect of this Agreement upon Red Rock's liabilities pursuant to federal, state or local tax laws, including, but not limited to, real property taxes or regulations. Red Rock acknowledges that any and all tax consequences of this Agreement are their sole responsibility.

23. **Confidentiality.** This Agreement and its terms as noted herein are and shall be treated as strictly confidential so that no Party, nor his, her, or its counsel may disclose the fact or the terms of, or the negotiation or circumstances surrounding the negotiation of, this Agreement to anyone, except with respect to any disclosure necessary to record any document with the Sacramento County Recorder, to an insurer for purposes of obtaining insurance; or to a tax preparer/accountant for tax or financial reporting purposes (however, upon disclosure for such tax or financial reporting purposes, the person making the disclosure shall advise the person to whom disclosure is made of this confidentiality provision). A Party may disclose the fact and terms of this Agreement in order to satisfy disclosure or reporting requirements imposed by law or to enforce the terms of this Agreement. In response to any inquiry by a non-party to this Agreement concerning the Agreement, the terms of this Agreement, the negotiation or circumstances surrounding the negotiation of this Agreement, whether such inquiry is formal, at a deposition, or proceeding, or otherwise, a Party or counsel may respond only that the Action was resolved to the satisfaction of all Parties. Furthermore, the Parties and their respective counsel agree that they will not discuss with or disclose to any non-party to this Agreement the facts, circumstances and documents relating, giving rise to or alleged in the Action, except as may be required to be provided in connection with testimony under oath by judicial process, or as required by law. Breach of this confidentiality clause shall entitle the non-breaching party to seek any remedy available under the law, including injunctive relief and/or damages. Any other provision of this paragraph notwithstanding, Red Rock is authorized to: (i) file a dismissal with prejudice in the Sacramento Superior Court, such as it is a part of the record in the Action, and available for public inspection; and (ii) disclose the amounts received and all other terms of this settlement in connection with reporting and accounting requirements under the Internal Revenue Code.

I CERTIFY THAT I HAVE READ AND FULLY UNDERSTAND THE ENTIRE AGREEMENT

WASHINGTON MUTUAL BANK

By: ____________________________

Its: ____________________________

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JPMC-001679
CONFIDENTIAL

CSOC.RICH.002571
SALE ENDORSEMENT

LSI TITLE COMPANY (CA)
ISSUED BY: LSI TITLE COMPANY, INC.
15661 RED HILL AVENUE, SUITE 201, TUSTIN, CALIFORNIA 92780
A CORPORATION, HEREIN CALLED THE COMPANY

REF. NO.: 723397CA
GUARANTEE NO.: 68-02-93-0442

THE COMPANY HEREBY ASSURES THE ASSURED THAT SUBSEQUENT TO THE DATE OF THE GUARANTEE ISSUED UNDER THE ABOVE NUMBER, NO MATTERS ARE SHOWN BY THE RECORDS REFERRED TO IN THAT GUARANTEE WHICH WOULD AFFECT THE ASSURANCES IN SAID GUARANTEE OTHER THAN THOSE SHOWN IN PREVIOUS ENDORSEMENTS; MATTERS THAT MAY BE DISCLOSED BY ANY FURTHER EXAMINATION OF ANY TAX, BOND OR ASSESSMENT RECORDS; OR THE FOLLOWING:

A NOTICE OF TRUSTEE’S SALE UNDER SAID DEED OF TRUST

DATE AND TIME OF SALE: APRIL 7, 2008 AT 1:30 P.M.
RECORDED: MARCH 18, 2008 IN BOOK 20080919, PAGE 362,
OF OFFICIAL RECORDS

SAID MATTER AFFECTS: ITEM 8 OF OUR TRUSTEE’S SALE GUARANTEE

BANKRUPTCY PROCEEDINGS THAT MAY IMPOSE AN AUTOMATIC STAY UNDER USC TITLE 11, CHAP. 9, ET SEQ., AFFECTING THE RECORD BENEFICIAL INTEREST OF ANY OF THE FOLLOWING LENDERS AND THEIR RELATED ENTITIES, IF APPLICABLE:

RESMAE MORTGAGE CORPORATION
OWNIT MORTGAGE SOLUTIONS
MORTGAGE LENDERS NETWORK
PROPER CHOICE HOME LOAN
NEW CENTURY FINANCIAL

National Title Insurance Company of New York

JPMC-001680
CONFIDENTIAL

CSOC.RICH.002572
ORDER NO: M721394
GUARANTEE NO: 05-20-99-9412

THIS SALE ENDORSEMENT IS MADE A PART OF SAID GUARANTEE AND IS SUBJECT TO THE LIABILITY EXCLUSIONS AND LIMITATIONS CONTAINED THEREIN. THE TOTAL LIABILITY OF THE COMPANY UNDER SAID GUARANTEE AND UNDER THIS ENDORSEMENT SHALL NOT EXCEED, IN THE AGGREGATE, THE AMOUNT STATED IN SAID GUARANTEE.

DATED AS OF MAY 7, 2006 @ 7:30 A.M., IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

LSI TITLE COMPANY (CA)

[Signature]

MERYL NAGAS, TITLE OFFICER

NATIONAL TITLE INSURANCE COMPANY OF NEW YORK

JPMC-001681
CONFIDENTIAL

CSOC.RICH.002573
SALE ENDORSEMENT

LSI TITLE COMPANY (CA)
ISSUED BY: LSI TITLE COMPANY, INC.
15601 RED MILL AVENUE, SUITE 201, TUSTIN, CALIFORNIA 92780
A CORPORATION, HEREIN CALLED THE COMPANY

REF. NO.: 723376CA
GUARANTEE NO.: 85-02-95-9442

THE COMPANY HEREBY ASSURES THE ASSURED THAT SUBSEQUENT TO THE DATE OF THE GUARANTEE ISSUED UNDER THE ABOVE NUMBER, NO MATTERS ARE SHOWN BY THE RECORDS REFERENCED TO IN THAT GUARANTEE WHICH WOULD AFFECT THE ASSURANCES IN SAID GUARANTEE OTHER THAN THOSE SHOWN IN PREVIOUS ENDORSEMENTS; MATTERS THAT MAY BE DISCLOSED BY ANY FURTHER EXAMINATION OF ANY TAX, BOND OR ASSESSMENT RECORDS; OR THE FOLLOWING:

A NOTICE OF TRUSTEE'S SALE UNDER SAID DEED OF TRUST

DATE AND TIME OF SALE: APRIL 7, 2009 AT 1:30 P.M.
RECORDED: MARCH 19, 2009 IN BOOK 2006318, PAGE 252,
of official records

SAID MATTER AFFECTS ITEM 8 OF OUR TRUSTEE'S SALE GUARANTEE

BANKRUPTCY PROCEEDINGS THAT MAY IMPOSE AN AUTOMATIC STAY UNDER 11 U.S.C. § 362, ET SEQ., AFFECTING THE RECORD BENEFICIAL INTEREST OF ANY OF THE FOLLOWING LENDERS AND THEIR RELATED ENTITIES, IF APPLICABLE:
RESMAC MORTGAGE CORPORATION
OWNIT MORTGAGE SOLUTIONS
MORTGAGE LENDER'S NETWORK
PEOPLE'S CHOICE HOME LOAN
NEW CENTURY FINANCIAL

National Title Insurance Company of New York

JPMC-061682
CONFIDENTIAL
ORDER NO: MY2183

GUARANTEE NO: 95-96-854642

THIS SALES ENDORSEMENT IS MADE A PART OF SAID GUARANTEE AND IS SUBJECT TO THE LIABILITY EXCLUSIONS AND LIMITATIONS CONTAINED THEREIN. THE TOTAL LIABILITY OF THE COMPANY UNDER SAID GUARANTEE AND UNDER THIS ENDORSEMENT SHALL NOT EXCEED, IN THE AGGREGATE, THE AMOUNT STATED IN SAID GUARANTEE.

DATED AS OF MAY 7, 2008 @ 7:00 A.M., IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

LSI TITLE COMPANY (CA)

[Signature]

Marilyn Aguas, Title Officer

JPMC 401683
CONFIDENTIAL.
SALE ENDORSEMENT

LSI TITLE COMPANY (CA)
ISSUED BY: LSI TITLE COMPANY, INC.
15661 RED HILL AVENUE, SUITE 201, TUSTIN, CALIFORNIA 92780
A CORPORATION, HEREIN CALLED THE COMPANY

REF. NO.: 72397CA
GUARANTEE NO.: 66-92-95-9412

THE COMPANY HEREBY ASSURES THE ASSURED THAT SUBSEQUENT TO THE DATE OF THE GUARANTEE ISSUED UNDER THE ABOVE NUMBER, NO MATTERS ARE SHOWN BY THE RECORDS REFERRED TO IN THAT GUARANTEE WHICH WOULD AFFECT THE ASSURANCES IN SAID GUARANTEE OTHER THAN THOSE SHOWN IN PREVIOUS ENDORSEMENTS; MATTERS THAT MAY BE DISCLOSED BY ANY FURTHER EXAMINATION OF ANY TAX, BOND OR ASSESSMENT RECORDS; OR THE FOLLOWING:

A NOTICE OF TRUSTEE'S SALE UNDER SAID DEED OF TRUST

DATE AND TIME OF SALE:
APRIL 7, 2006 AT 1:30 P.M.
RECORDED:
MARCH 19, 2006 IN BOOK 23080319, PAGE 352,
OF OFFICIAL RECORDS

SAID MATTER AFFECTS:
ITEM 8 OF OUR TRUSTEE'S SALE GUARANTEE

BANKRUPTCY PROCEEDINGS THAT MAY IMPOSE AN AUTOMATIC STAY UNDER USC TITLE 11,
CHAP. 5, SECT. 522 ET SEQ., AFFECTING THE RECORD BENEFICIAL INTEREST OF ANY OF THE FOLLOWING LENDERS AND THEIR RELATED ENTITIES, IF APPLICABLE:

RESMAE MORTGAGE CORPORATION
CREDIT MORTGAGE SOLUTIONS
MORTGAGE LENDER'S NETWORK
PEOPLE'S CHOICE HOME LOAN
NEW CENTURY FINANCIAL
ORDER NO: MP11586

GUARANTEE NO: 98-08-00-0442

THIS SALE ENDORSEMENT IS MADE A PART OF SAID GUARANTEE AND IS SUBJECT TO THE LIABILITY EXCLUSIONS AND LIMITATIONS CONTAINED THEREIN. THE TOTAL LIABILITY OF THE COMPANY UNDER SAID GUARANTEE AND UNDER THIS ENDORSEMENT SHALL NOT EXCEED, IN THE AGGREGATE, THE AMOUNT STATED IN SAID GUARANTEE.

DATED AS OF MAY 7, 2008 @ 7:30 A.M., IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

LSI TITLE COMPANY (CA)

[Signature]

MARILYN AGUJA, TITLE OFFICER

JPMC-001685
CONFIDENTIAL

National Title Insurance Company of New York
RECORDING REQUIREMENTS:
CALIFORNIA RECONVEYANCE COMPANY
AND WHEN RECORDED MAIL TO:
CALIFORNIA RECONVEYANCE COMPANY
9203 Oakdale Avenue
Mail Stop: N 11 06 12
Chatsworth, CA 91311
800 892-6902
(818)775-2226 (Fax)

Sacramento County Recorder
Craig A. Kramer, Clerk/Recorder
BOOK 20071214 PAGE 0358

Traverse Sale No. 723976A
Loan No. 723976A
Title Order No. 1721684

IMPORTANT NOTICE
NOTICE OF DEFAULT AND ELECTION TO SELL UNDER DEED OF TRUST

IF YOUR PROPERTY IS IN FORECLOSURE BECAUSE YOU ARE BEHIND IN YOUR PAYMENTS, IT MAY BE SOLD WITHOUT ANY COURT ACTION, and you may have the legal right to bring your account in good standing by paying all of your past due payments plus permitted costs and expenses within the time permitted by law for reinstatement of your account, which is normally five business days prior to the date set for the sale of your property. No sale date may be set until three months from the date this notice of default may be recorded (which date of recordation appears on this notice).

This amount is $18,355.40 as of December 13, 2007 and will increase until your account becomes current.

While your property is in foreclosure, you still must pay other obligations (such as insurance and taxes) required by your note and deed of trust or mortgage. If you fail to make future payments on the loan, pay taxes on the property, provide insurance on the property, or pay other obligations as required in the note and deed of trust or mortgage, the beneficiary or mortgagee may insist that you do so in order to reinstate your account in good standing. In addition, the beneficiary or mortgagee may require as a condition to reinstatement that you provide reliable written evidence that you paid all senior liens, property taxes, and hazard insurance premiums.

Upon your written request, the beneficiary or mortgagee will give you a written itemization of the entire amount you must pay. You may not have to pay the entire unpaid portion of your account, even though full payment was demanded, but you must pay all amounts in default at the time payment is made. However, you and your beneficiary or mortgagee may mutually agree in writing prior to the time the notice of sale is posted (which may not be earlier than the end of the three-month period stated above) to, among other things, (1) provide additional time in which to cure the default by transfer of the property or otherwise; or (2) establish a schedule of payments in order to cure your default; or both (1) and (2).

Following the expiration of the time period referred to in the first paragraph of this notice, unless the obligation being foreclosed upon is a separate written agreement between you and your creditor permits a longer period, you have only the legal right to stop the sale of property by paying the entire amount demanded by your creditor.

JPMC-001686
CONFIDENTIAL

CSOC.RICH.002578
To find out the amount you must pay, or to arrange for payment to stop the foreclosure, or if your property is in foreclosure for any other reason, contact: WASHINGTON MUTUAL BANK, FA at 7391 BAYMEADOWS WAY, JACKSONVILLE, FL 32256, (975) 926-8937.

If you have any questions, you should contact a lawyer or the governmental agency which may have insured your loan. Notwithstanding the fact that your property is in foreclosure, you may offer your property for sale, provided the sale is concluded prior to the conclusion of the foreclosure.

REMEMBER, YOU MAY LOSE LEGAL RIGHTS IF YOU DO NOT TAKE PROMPT ACTION. NOTICE IS HEREBY GIVEN THAT: CALIFORNIA RECONVEYANCE COMPANY is the duly appointed Trustee under a Deed of Trust dated 01/01/2007, executed by LAURA RICHARDSON, AN UNMARRIED WOMAN, as Trustor, to secure obligations in favor of WASHINGTON MUTUAL BANK, as Beneficiary Recorded 01/10/2007, Book 2007616, Page 1818, Instrument of official records in the Office of the Recorder of SACRAMENTO County, California, as more fully described on said Deed of Trust. APN: 013-0963-301 Situs: 3622 WEST CURTIS DRIVE, SACRAMENTO, CA 95816 Including the note(s) for the sum of $355,001.00 that the beneficial interest under said Deed of Trust and the obligations secured thereby are presently held by the beneficiary; that a breach of, and default in, the obligations secured thereby has occurred in that the payment has not been made for which said Deed of Trust is security has occurred in that the payment has not been made for which said Deed of Trust is security has occurred in that the payment has not been made for which said Deed of Trust is security has occurred in that the payment has not been made for which said Deed of Trust is security has occurred in that the payment has not been made for which said Deed of Trust is security has occurred in that the payment has not been made for which said Deed of Trust is security has occurred in that the payment has not been made for which said Deed of Trust is security has occurred in that the payment has not been made

That by reason thereof, the present beneficiary under such Deed of Trust, has executed and delivered to said Trustee, a written Declaration and Demand for Sale, and has deposited with said duly appointed Trustee, such Deed of Trust and all documents evidencing the obligations secured thereby, and has declared and does hereby declare all sums secured thereby immediately due and payable and has elected and does hereby elect to cause the trust property to be sold to satisfy the obligations secured thereby.

DATE: December 13, 2007

CALIFORNIA RECONVEYANCE COMPANY, as authorized agent for Washington Mutual Bank, Beneficiary.

By: FIDELITY NATIONAL TITLE COMPANY, authorized agent of CRC

Marilyn L. Aguas

CALIFORNIA RECONVEYANCE COMPANY IS A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

JPMC-001687
CONFIDENTIAL
NOTICE OF TRUSTEE'S SALE

YOU ARE IN DEFAULT UNDER A DEED OF TRUST DATED 01/04/2007. UNLESS YOU TAKE ACTION TO PROTECT YOUR PROPERTY, IT MAY BE SOLD AT A PUBLIC SALE. IF YOU NEED AN EXPLANATION OF THE NATURE OF THE PROCEEDINGS AGAINST YOU, YOU SHOULD CONTACT A LAWYER.

On 04/07/2008 at 6:13 PM, CALIFORNIA RECONVEYANCE COMPANY as the duly appointed Trustee under and pursuant to Deed of Trust Recorded 01/04/2007, Book 20070110, Page 1919, instrument 2007010225, in the office of the Recorder of SACRAMENTO County, California, executed by: LAURA RICHARDSON, AN UNMARRIED WOMAN, as Trustor, WASHINGTON MUTUAL BANK, as Beneficiary, will sell at public auction sale to the highest bidder for cash, cashier's check drawn by a state or national bank, a cashier's check drawn by a state or federal credit union, or a cashier's check drawn by a state or federal savings and loan association, savings association, of savings bank specified in section 502 of the Financial Code and authorized to do business in this state. Sale will be held by the duly appointed trustee as shown below, of all right, title, and interest conveyed to and now held by the trustee in the hereinafter described property under and pursuant to the Deed of Trust. The sale will be made, but without covenant or warranty, expressed or implied, regarding title, possession, or encumbrances, to pay the remaining principal sum of the note(s) secured by the Deed of Trust, interest thereon, estimated fees, charges and expenses of the Trustee for the total amount (at the time of the initial publication of the Notice of Sale) reasonably estimated to be set forth below. The amount may be greater on the day of sale.

Place of Sale: AT THE MAIN ENTRANCE TO THE COUNTY COURTHOUSE, 720 9TH STREET, SACRAMENTO, CA.

Legal Description: LOT 269 AS SHOWN ON THE OFFICIAL "PLAT OF SOUTH CURTIS OAKS SUBDIVISION NO. 5" FILED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, FEBRUARY 10, 1927 IN BOOK 10 OF MAPS, MAP NO. 18

Amount of unpaid balance and other charges: $675,366.52

Street address and other common designation of the real property: 3822 WEST CURTIS DRIVE SACRAMENTO, CA 95818

APN Number: 013-0383-091-0000

The undersigned Trustee disclaims any liability for any inaccuracy of the street address and other common designation, if any, shown herein. The property heretofore described is being sold "as is".

DATE: 03-17-2006

CALIFORNIA RECONVEYANCE COMPANY, as Trustee
(714) 269-7850 or www.filenoise.com
(714) 575-1956 or www.filenoise.com

Deborah Brignac
DEBORAH BRIGNAC, VICE PRESIDENT
3820 CASSIALE AVE
MAITLAND FL 32712
CHAPEL HILL, CA 92311

CALIFORNIA RECONVEYANCE COMPANY IS A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT. ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

JPMC-001688
CONFIDENTIAL

CSOC.RICH.002580
LSI TITLE COMPANY (CA)
ISSUED BY: LSI TITLE COMPANY, INC.
15851 RED HILL AVENUE, SUITE 201, TUSTIN, CALIFORNIA 92780
(949) 632-4200 • (800) 323-0165

TRANSMITTAL

TO:
CALIFORNIA RECONVEYANCE COMPANY
9200 OAKDALE AVENUE, MAIL STOP N100912
CHATSWORTH, CA 91311

ATTN: TAMARA HUGHES

REF. NO.: 723307CA
GUARANTEE NO.: 85-82-85-8442
ORDER NO.: X761684

WEDNESDAY, MARCH 19, 2008

PLEASE FIND ENCLOSED HERewith ITEMS CHECKED BELOW:

- CERTIFIED COPY
- OWNERS POLICY
- ALTA POLICY
- CORRECTED GUARANTEE, POLICY AND/OR ENDORSEMENT
- X PUBLICATION ENDORSEMENT
- PRELIMINARY REPORT
- SUPPLEMENTAL REPORT
- OTHER

Marilyn Aguas, Title Officer

JPMC-001689
CONFIDENTIAL
ORDER NO: MT21694
GUARANTEE NO: 05-92-95-9442

PUBLICATION ENDORSEMENT

LSI TITLE COMPANY (CA)
ISSUED BY: LSI TITLE COMPANY, INC.
15001 RED HILL AVENUE, SUITE 201, TUSTIN, CALIFORNIA 92780
A CORPORATION, HEREBIN CALLED THE COMPANY

REF. NO.: 723537CA
GUARANTEE NO: 05-92-95-9442

THE COMPANY HEREBY ASSURES THE ASSURED THAT SUBSEQUENT TO THE DATE OF THE GUARANTEE ISSUED UNDER THE ABOVE NUMBER, NO MATTERS ARE SHOWN BY THE RECORDS REFERRED TO IN THAT GUARANTEE WHICH WOULD AFFECT THE ASSURANCES IN SAID GUARANTEE OTHER THAN THOSE SHOWN IN PREVIOUS ENDORSEMENTS, MATTERS THAT MAY BE DISCLOSED BY ANY FURTHER EXAMINATION OF ANY TAX, BOND OR ASSESSMENT RECORDS; OR THE FOLLOWING:

NO CHANGES

BANKRUPTCY PROCEEDINGS THAT MAY IMPOSE AN AUTOMATIC STAY UNDER USC TITLE 11, CHAP. 3, SUBCHAP. 5, ET SEQ., AFFECTING THE RECORD BENEFICIAL INTEREST OF ANY OF THE FOLLOWING LENDERS AND THEIR RELATED ENTITIES, IF APPLICABLE:

- RESUME MORTGAGE CORPORATION
- CIANT MORTGAGE SOLUTIONS
- MORTGAGE LENDER'S NETWORK
- PEOPLES CHOICE HOME LOAN
- NEW CENTURY FINANCIAL

THIS PUBLICATION ENDORSEMENT IS MADE A PART OF SAID GUARANTEE AND IS SUBJECT TO THE LIABILITY EXCLUSIONS AND LIMITATIONS CONTAINED THEREIN. THE TOTAL LIABILITY OF THE COMPANY UNDER SAID GUARANTEE AND UNDER THIS ENDORSEMENT SHALL NOT EXCEED, IN THE AGGREGATE, THE AMOUNT STATED IN SAID GUARANTEE.

DATED AS OF MARCH 17, 2008 @ 7:30 A.M., IN THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA.

LSI TITLE COMPANY (CA)

[Signature]

MERILYN NOGAS, TITLE OFFICER

National Title Insurance Company of New York

JPMC-001690
CONFIDENTIAL

CSOC.RICH.002582
TRUSTEE'S SALE GUARANTEE

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE LIMITS OF LIABILITY AND THE OTHER PROVISIONS OF THE CONDITIONS AND STIPULATIONS HERETO ANNEXED AND MADE A PART OF THIS GUARANTEE, NATIONAL TITLE INSURANCE OF NEW YORK, INC., a corporation, herein called the Company,

GUARANTEES the Assured named in Schedule A of this Guarantee, against loss, not exceeding the liability amount stated in Schedule A, which the Assured shall sustain by reason of any incorrectness in the assurances which the Company hereby gives that, according to the public records, as of the Date of Guarantee shown in Schedule A:

1. The title to the herein described estate or interest was vested in the vendor named, subject to the matters shown as Exceptions herein, which Exceptions are not necessarily shown in the order of their priority;

2. The names and addresses of additional persons who have recorded requests as provided by Section 2924b (a) and (d) of the Civil Code, for a copy of notice of default and for a copy of notice of sale are as shown herein;

3. The names and addresses of additional persons who, as provided by Section 2924b (c) (1) and (2) of the Civil Code, are entitled to receive a copy of notice of default and copy of notice of sale, are as shown herein;

4. The names and addresses of state taxing agencies which, as provided by Section 2924b (c) (3) of the Civil Code, are entitled to receive a copy of notice of sale, are as shown herein; and

5. The herein described land is located in the city or judicial district stated herein and, if designated, the newspaper or newspapers listed herein qualify for publication of notice pursuant to Section 2924f of the Civil Code.

IN WITNESS WHEREOF, NATIONAL TITLE INSURANCE OF NEW YORK, INC. has caused this Guarantee to be signed and sealed as of the date of guarantee shown in Schedule A, the Guarantee to become valid when countersigned by an authorized signatory.

[Signature]

By: [Signature]

National Title Insurers of New York, Inc.

Trusting's Sale Guarantee - (12/94)

JPMC-001691

CONFIDENTIAL

FORM 56-92-65
1. Except to the extent that specific assurances are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
   (a) Defects, errors, unauthorized, adverse claims or other matters against the title, whether or not shown by the public records.
   (b) (i) Terms or assessments of any taxing authority that evidence taxes or assessments on real property, or (ii) Proceedings by a public agency which may result in taxes or assessments, or notices of such proceedings, whether or not the matters excluded under (i) or (ii) are shown by the public records.
   (c) Unpaid liens, mortgages, mechanics or other liens not shown by the public records.
   (d) (i) Unpaid liens, mortgages, and assessments on the title, whether or not shown by the public records, (ii) matters which are, or are in any way, shown by the public records.
   (e) (i) Assumptions, or (ii) matters that are, or are in any way, shown by the public records.

2. Notwithstanding any specific assurance which are provided in Schedule A of this Guarantee, the Company assumes no liability for loss or damage by reason of the following:
   (a) Default, lien, encumbrance, adverse claim or other matter affecting the title to any property beyond the lines of the land described in Schedule A or, in any way, shown by the public records.
   (b) (i) Default, lien, encumbrance, adverse claim or other matter affecting the title to any property beyond the lines of the land described in Schedule A or, in any way, shown by the public records.
   (c) (i) Default, lien, encumbrance, adverse claim or other matter affecting the title to any property beyond the lines of the land described in Schedule A or, in any way, shown by the public records.
   (d) (i) Default, lien, encumbrance, adverse claim or other matter affecting the title to any property beyond the lines of the land described in Schedule A or, in any way, shown by the public records.
   (e) (i) Default, lien, encumbrance, adverse claim or other matter affecting the title to any property beyond the lines of the land described in Schedule A or, in any way, shown by the public records.

3. Notice of Claim to Be Given by Assured Claimant

   An Assured shall notify the Company promptly in writing in case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records.

4. Notice of Claim to Be Given by Assured Claimant

   In case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records, the Assured shall notify the Company promptly in writing in case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records.

5. Notice of Claim to Be Given by Assured Claimant

   In case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records, the Assured shall notify the Company promptly in writing in case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records.

6. Notice of Claim to Be Given by Assured Claimant

   In case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records, the Assured shall notify the Company promptly in writing in case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records.

7. Notice of Claim to Be Given by Assured Claimant

   In case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records, the Assured shall notify the Company promptly in writing in case knowledge comes to the Assured of any claim against the Assured, which is not shown by the public records.
LSI TITLE COMPANY (CA)
ISSUED BY FIDELITY NATIONAL DEFAULT SOLUTIONS
15861 RED HILL AVENUE, SUITE 204, TUSTIN, CALIFORNIA 92780
(949) 622-4290 - (800) 323-0165

TRUSTEE SALE GUARANTEE

SCHEDULE A

GUARANTEE NO.: 88-02-85-8442
REF NO.: 235397CA
LOAN NO.: 1
ORDER NO.: M721884
COUNTY REF. NO.: M721884
PREMIUM: $935.00
LIABILITY: $534,000.00
DATED: DECEMBER 14, 2007 @ 5:41 A.M.

1. NAME(S) OF ASSURED:
   TRUSTEE: CALIFORNIA RECONVEYANCE COMPANY
   BENEFICIARY: WASHINGTON MUTUAL BANK, PA

2. THE ESTATE OR INTEREST IN THE LAND HEREINAFTER DESCRIBED, OR REFERRED TO, AND COVERED BY THIS GUARANTEE IS:
   A FEATHER

3. TITLE TO SAID ESTATE OR INTEREST, AT THE DATE HEREOF, IS VESTED IN:
   LAURA RICHARDSON, AN UNMARRIED WOMAN

4. THE LAND REFERRED TO IN THIS GUARANTEE IS Situated IN THE CITY OF SACRAMENTO, COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS:
   SEE EXHIBIT "A"

JPMC-001693
CONFIDENTIAL
EXHIBIT A

LEGAL DESCRIPTION

EXCEPTIONS

1. PROPERTY TAXES, INCLUDING ANY PERSONAL PROPERTY TAXES AND ANY ASSESSMENTS COLLECTED WITH TAXES, FOR THE FISCAL YEAR 2007-2008 ASSESSOR'S PARCEL NUMBER

   TOTAL AMOUNT : $1,016.82
   1ST INSTALLMENT : $958.41 (DELINQUENT)
   2ND INSTALLMENT : $50.34
   1ST PENALTY : $50.34
   2ND PENALTY/COSTS : $50.34
   LAND : $16,058.30
   IMPROVEMENT : $92,120.30
   CODE AREA : 03-005
   EXEMPTION : (NONE SHOWN)

2. SUPPLEMENTAL ASSESSMENT FOR 2007-2008,

   BILLING DATE : SEPTEMBER 24, 2007
   TOTAL AMOUNT : $1,045.13 (DELINQUENT)
   MUST BE PAID BY : DECEMBER 10, 2007
   1ST PENALTY : $104.92
   2ND INSTALLMENT : $1,040.17 (OPEN)
   MUST BE PAID BY : APRIL 10, 2008
   2ND PENALTY : $114.92

3. SUPPLEMENTAL ASSESSMENT FOR 2007-2008,

   BILLING DATE : NOVEMBER 20, 2007
   TOTAL AMOUNT : $2,407.32 (OPEN)
   MUST BE PAID BY : DECEMBER 31, 2007
   1ST PENALTY : $240.73
   2ND INSTALLMENT : $2,407.32 (OPEN)
   MUST BE PAID BY : APRIL 30, 2008
   2ND PENALTY : $259.73

4. THE LIEN OF SUPPLEMENTAL TAXES, IF ANY, ASSESSED PURSUANT TO THE PROVISIONS OF CHAPTER 3.5 (COMMENCING WITH SECTION 75) OF THE REVENUE AND TAXATION CODE OF THE STATE OF CALIFORNIA.

5. ANY UNPAID AMOUNTS NOW OWING, FOR DELINQUENT UTILITIES, OF RECORD OR NOT, DUE TO THE CITY OF FOLSOM, CITY OF GALT, AND CITY OR COUNTY OF SACRAMENTO.

   ANY SUCH AMOUNTS MAY BE ASCERTAINED BY CALLING (916) 264-5481 FOR CITY AND (916) 875-6555 FOR COUNTY OF SACRAMENTO.

   CITY OF FOLSOM : (916) 355-7200
   CITY OF GALT : (209) 745-2061

6. ASSESSMENTS, IF ANY, FOR COMMUNITY FACILITY DISTRICTS AFFECTING SAID LAND WHICH MAY EXIST BY VIRTUE OF ASSESSMENT MAPS OR NOTICES FILED BY SAID DISTRICTS

FIDELITY NATIONAL DEFAULT SOLUTIONS

JPML-001695
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A. ANY UNPAID AND/OR DELINQUENT BOND OR ASSESSMENT AMOUNTS WHICH MAY HAVE BEEN REMOVED FROM THE ROLLS OF THE COUNTY TAX ASSESSOR AND WHICH MAY HAVE BEEN REMOVED FROM TAX BILLS AND TAX DEFAULT REDEMPTION AMOUNTS.

7. COVENANTS, CONDITIONS AND RESTRICTIONS IN INSTRUMENTS OF RECORD IN SAID COUNTY AND ANY AMENDMENTS, MODIFICATIONS AND ANNEXATIONS THERETO, WHICH PROVIDE THAT A VIOLATION THEREOF SHALL NOT DEFEAT OR RENDER INVALID THE LIEN OF ANY FIRST MORTGAGE OR DEED OF TRUST MADE IN GOOD FAITH AND FOR VALUE, BUT Omitting ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILY STATUS, MARRITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW.

EASEMENTS OR SERVITUDES AS THEY APPEAR ON MAPS OR IN DOCUMENTS RECORDED IN THE PUBLIC RECORDS OF SAID COUNTY.

LEASES, GRANTS, EXCEPTIONS OR RESERVATIONS OF MINERAL RIGHTS APPEARING IN THE PUBLIC RECORDS OF SAID COUNTY.

8. A DEED OF TRUST TO SECURE AN INDEBTEDNESS IN THE AMOUNT SHOWN BELOW, AND ANY OTHER OBLIGATIONS SECURED THEREBY

AMOUNT: $535,004.00
DATED: JANUARY 4, 2007
TRUSTOR: LAURA RICHARDSON, AN UNMARRIED WOMAN
TRUSTEE: CALIFORNIA RECONVEYANCE COMPANY, A CALIFORNIA CORPORATION
BENEFICIARY: WASHINGTON MUTUAL BANK, A FEDERAL ASSOCIATION
RECORDED: JANUARY 10, 2007, IN BOOK 45076112, PAGE 1818 OF OFFICIAL RECORDS

A NOTICE OF DEFAULT UNDER THE TERMS OF SAID DEED OF TRUST
RECORDED: DECEMBER 14, 2007, IN BOOK 45076124, PAGE 308 OF OFFICIAL RECORDS


10. ANY BANKRUPTCY PROCEEDING THAT IS NOT DISCLOSED BY THE ACTS THAT WOULD AFFORD NOTICE AS TO SAID LAND, PURSUANT TO TITLE 11 U.S.C. §52 (C) OF THE BANKRUPTCY REFORM ACT OF 1978, AS AMENDED.

FIDELITY NATIONAL DEFAULT SOLUTIONS

JPMC-001696
CONFIDENTIAL
INFORMATION FOR TRUSTEE

1. THE TRUSTEE MUST OBSERVE THE REQUIREMENTS OF SECTION 2924B OF THE CIVIL CODE AS TO THE 'NOTICES' TO BE SENT TO THE TRUSTORS. IF ADDRESS(ES) OF THE TRUSTOR(S) ARE NOT SHOWN IN SAID DEED OF TRUST, OR IF NO NOTICE HAS BEEN REQUESTED BY THE TRUSTORS IN SAID DEED OF TRUST, THIS CODE SECTION STATES THE PROCEDURE TO BE FOLLOWED AS TO 'NOTICES' IN SUCH CASES. THE NAME(S) OF THE TRUSTOR(S) AND THE ADDRESS(ES), IF ANY, SHOWN IN SAID DEED OF TRUST ARE:

LAURA RICHARDSON
3222 WEST CURTIS DRIVE
SACRAMENTO, CALIFORNIA 95810

2. THE NAME(S) AND ADDRESS(ES) OF PERSON(S) WHO HAVE RECORDED REQUESTS, OTHER THAN THE ORIGINAL TRUSTOR(S), AS PROVIDED IN SECTION 2924(E)(1) AND (2) OF THE CIVIL CODE, FOR A COPY OF ANY RECORDED 'NOTICE OF DEFAULT' AND A COPY OF ANY RECORDED 'NOTICE OF SALE' ARE:

NONE

3. THE NAME(S) AND ADDRESS(ES) OF ADDITIONAL PERSON(S) WHO, AS PROVIDED BY SECTION 2924(E)(1) AND (2) OF THE CIVIL CODE, ARE ENTITLED TO RECEIVE A COPY OF ANY RECORDED 'NOTICE OF DEFAULT' AND A COPY OF ANY RECORDED 'NOTICE OF SALE' ARE:

LAURA RICHARDSON
3222 WEST CURTIS DRIVE
SACRAMENTO, CA 95810
(VESTEE)

LAURA RICHARDSON
3222 W CURTIS DR
SACRAMENTO, CA 95810
(VESTEE)

LAURA RICHARDSON
717 & VERNON ST
LONG BEACH, CA 90808
(VESTEE)

4. THE NAME(S) AND ADDRESS(ES) OF STATE, FEDERAL AGENCIES OR THE INTERNAL REVENUE SERVICE WHICH, AS PROVIDED BY SECTION 2924(E)(3) AND SECTION 2924(E)(4) OF THE CIVIL CODE, ARE ENTITLED TO RECEIVE A COPY OF ANY RECORDED 'NOTICE OF SALE' ARE:

NONE

5. THE NAME(S) AND ADDRESS(ES) OF THE PERSON(S) DISCLOSED BY THE RECORDS EXAMINED, OTHER THAN THOSE TO WHOM 'NOTICE' IS REQUIRED BY SECTION 2924B OF THE CIVIL CODE, WHO MIGHT BE INTERESTED IN RECEIVING A COPY OF ANY RECORDED 'NOTICE OF DEFAULT' OR A COPY OF ANY RECORDED 'NOTICE OF SALE' ARE:

NONE
6. CITY IN WHICH SAID LAND IS LOCATED: SACRAMENTO
   IF NOT IN A CITY, JUDICIAL DISTRICT IN WHICH SAID LAND IS LOCATED:

7. LEGAL PUBLICATION:
   DAILY RECORDER
   P.O. BOX 1048
   SACRAMENTO, CALIFORNIA 95812-1048
   1115 H STREET
   SACRAMENTO, CALIFORNIA 95812
   TELEPHONE: 916-444-2555

   PUBLISHED: MONDAY THROUGH FRIDAY


9. ATTENTION IS CALLED TO THE FEDERAL TAX LIEN ACT OF 1962 (PUBLIC LAW 88-719) WHICH, AMONG OTHER THINGS, PROVIDES FOR THE GIVING OF WRITTEN NOTICE OF SALE IN A SPECIFIED MANNER TO THE SECRETARY OF THE TREASURY OR HIS OR HER DELEGATE AS A REQUIREMENT FOR THE DISCHARGE OR DIVESTMENT OF A FEDERAL TAX LIEN IN A NONJUDICIAL SALE, AND ESTABLISHES WITH RESPECT TO SUCH A LIEN A RIGHT IN THE UNITED STATES TO REDEEM THE PROPERTY WITHIN A PERIOD OF 120 DAYS FROM THE DATE OF ANY SUCH SALE.

10. ATTENTION IS CALLED TO SECTION 2924g(a)(3) AND SECTION 2924g(a)(4) OF THE CIVIL CODE, WHICH AMONG OTHER THINGS, PROVIDES FOR THE GIVING OF WRITTEN NOTICE OF ANY RECORDED NOTICE OF SALE, IN A SPECIFIED MANNER, TO THE OFFICE OF ANY STATE TAXING AGENCY IN SACRAMENTO, CA., WHICH HAS A NOTICE OF TAX LIEN OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

11. ATTENTION IS CALLED TO SECTION 2934a OF THE CIVIL CODE CONCERNING ANY "SUBSTITUTION OF TRUSTEE," REQUIRING THAT WHEN SUBSTITUTION IS BEING EFFECTED UNDER THE PROVISIONS OF THAT SECTION, NOTICE BE SENT IN ACCORDANCE WITH THE REQUIREMENTS OF SECTION 2934a OF THE CIVIL CODE.
8. Options to Pay or Otherwise Settle Claims
Termination of Liability.

In case of a claim under this Guarantee, the Company shall have the following additional option:
(c) To Pay or Tender Payment of the Amount of Liability or to Purchase the Indebtedness.

The Company shall have the option to pay or settle or compromise for or in the name of the Assured any claim which could result in loss to the Company under this Guarantee, or to pay the full amount of this Guarantee or, if this Guarantee is issued for the benefit of a holder of a mortgage or a lienholder, the Company shall have the option to purchase the indebtedness secured by said mortgage or said lien for the amount owing thereon together with any costs, reasonable attorneys' fees and expenses incurred by the Assured Claimants which were authorized by the Company up to the time of purchase.

The Company may pay or tender of payment of the full amount of the Guarantee shall terminate all liability of the Company hereunder.

In the event after issuance of claim has been given to the Company by the Assured Company to purchase paid indebtedness, the owner of such indebtedness shall transfer and assign said indebtedness, together with any collateral security to the Company upon payment of the purchase price.

Upon the exercise by the Company of the option referred to in Paragraph (a) or (b) the Company's obligation to the Assured under this Guarantee for the claimed loss or Assessment, other than to make the payment required in that paragraph, shall terminate including any obligation to continue the defense or protection of the Assured Claimant or the Company.

10. To Pay or Otherwise Settle With Parties Other than the Assured or With the Assured Claimant.

To pay or otherwise settle with parties other than the Assured Claimant for or in the name of an Assured claim shall be made for costs, attorneys' fees and expenses incurred by the Assured Claimant which were authorized by the Company up to the time of payment of which the Company is obligated to pay.

Upon the exercise by the Company of the option provided for in Paragraph (b) the Company's obligations to the Assured under this Guarantee, other than to make the payment required in that paragraph, shall terminate including any obligation to continue the defense or protection of the Assured Claimant for which the Company has exercised its options under Paragraph 8.


When a claim shall have been settled and paid a claim under this Guarantee, right of subrogation shall vest in the Company under this Guarantee.

The Company shall be subrogated to and be entitled to all rights and remedies which the Assured would have against any person or property in respect to the claim having given this Guarantee to be set up, if requested by the Company, the Assured shall transfer to the Company all rights and remedies against any person or property necessary in order to perfect this right of subrogation. The Assured shall permit the Company in its name, or in the name of the Assured, and to use the name of the Assured Company to commence, prosecute, and defend any action in the nature of an action for damages, or in the nature of an action to secure such rights or remedies.

If a payment on account of a claim does not fully cover the claim, the Company shall subrogate to all rights and remedies and, if the Assured shall have recovered its principal, interest, and costs of collection.

JPMC-00170
CONFIDENTIAL

XX. Arbitration.

Unless prohibited by applicable law, either the Company or the Assured may demand arbitration pursuant to the Title Insurance Arbitration Rules of the American Arbitration Association.

Arbitrable matters may include, but are not limited to, any or all provis or clauses of the Company and the Assured arising out of or relating to this Guarantee, any service of the Company to the Assured under the terms of this Guarantee, and the breach of a Guarantee provision or other obligation.

All arbitrable matters when the amount of liability is $100,000 or less shall be arbitrated at the option of either the Company or the Assured. All arbitrable matters when the amount of liability is in excess of $100,000 shall be arbitrated only as agreed upon by both the Company and the Assured. The Rules in effect at the time of arbitration shall be binding upon the parties.

The award may include attorneys' fees only if the laws of the state in which the claim is located permits a court to award attorneys fees to a prevailing party. Judgment upon the award rendered by the Arbitrator may be enforced in any court having jurisdiction thereof.

The law of the state of the Assured shall apply to an arbitration under the Title Insurance Arbitration Rules.

A copy of the rules may be obtained from the Company upon request.

13. Liability Limited To This Guaranty and to This Company.

(a) This Guarantee together with all modifications thereto by the Company is the entire Guarantee and contract between the Assured and the Company. In consideration of the做人 and consideration of the Company this Guarantee shall be construed as a whole.

(b) Any claim of loss or damage, whether or not the same be recoverable under this Guarantee, shall be limited to the amount of liability hereunder.

(c) No amendment or endorsement of this Guarantee can be made except by a writing endorsed, signed or on or attached hereto by either the President, a Vice President, the Secretary, an Assistant Secretary, or a vice president of the Company.


All notices to be given by the Company and all statements or writing supplied to be furnished by the Company shall include the name of this Guarantee and shall be addressed to

St. John's Claim Administration
725 S. Babcock St.
Jacksonville, Florida 32256-8023

CSOC.RICH.002592
REQUEST TO RECORD DOCUMENT(S)

CALIFORNIA RECONVEYANCE COMPANY
9200 Oakdale Avenue N 110612
Chatsworth, CA 91311
877 892-6902
(818)775-2258 (Fax)

Date: 05/29/2008

FIDELITY NATIONAL TITLE COMPANY
15661 RED HILL AVENUE
SUITE 201
TUSTIN, CA 92780
Attn: MERRLYN AGUAS

Trustee's Sale No: 733397CA
Title Order No: 4721888
Loan No:
County: SACRAMENTO
Site:
3622 WEST CURTIS DRIVE
SACRAMENTO, CA 95818
APN:

Dear MERRLYN AGUAS:

We have enclosed the following for recording:

NOTICE OF RESCISSION OF TRUSTEE'S DEED UPON SALE

Other Instructions:

Please examine the public records which impact constructive notice in the county or counties where the property is situated for evidence of a petition in bankruptcy being filed by the current owner of the subject property AND Temporary Restraining Order AND any defect in the legal description or title. DO NOT RECORD or otherwise proceed if there is such evidence and notify the undersigned immediately. If there is no such evidence, please record the above documents.

CALIFORNIA RECONVEYANCE COMPANY

[Signature]
HUEY JEN CHU, VICE PRESIDENT
818-775-2248

IPMC-001791
CONFIDENTIAL

CSOC.RICH.002593
NOTICE OF RESCISSION OF TRUSTEE'S DEED UPON SALE

This Notice of Rescission is made on 05/07/2008 with respect to the following facts:

1. That CALIFORNIA RECONVEYANCE COMPANY, a California Corporation as the duly appointed trustee under that certain Deed of Trust dated 01/04/2007, and Recorded 01/10/2007, Book 20070110, Page 1918, Instrument naming LAURA RICHARDSON, AN UNMARRIED WOMAN as Trustor and WASHINGTON MUTUAL BANK as beneficiary, securing a Promissory Note in the amount of $385,001.00.

2. The Deed of Trust encumbers the real property situated in the County of SACRAMENTO, State of CALIFORNIA, described as follows:
   LOT 259 AS SHOWN ON THE OFFICIAL "PLAT OF SOUTH CURTIS OAKS SUBDIVISION NO. 6", FILED IN THE OFFICE OF THE COUNTY RECORDER OF SACRAMENTO COUNTY, FEBRUARY 10, 1927 IN BOOK 19 OF MAPS, MAP NO. 18

APN: [---]
Site: 3822 WEST CURTIS DRIVE, SACRAMENTO, CA 95818

3. That by virtue of a Default under the terms of the Deed of Trust the Beneficiary did declare a default, as set forth in a Notice of Default and Election to Sell, which Notice was recorded in the Office of the County Recorder of SACRAMENTO, California.

4. On 05/07/2008, at 01:30 PM the property was purportedly sold to RED ROCK MORTGAGE, INC., being the highest bidder at such sale who bid the amount of $385,000.00.

5. The Trustee's Sale on 05/07/2008 is being rescinded at the request of the Beneficiary, as the Beneficiary had previously agreed to postpone the foreclosure sale to June 4, 2008. The Trustee's sale of 05/07/2008 is therefore null and void, and of no force and effect.

6. The express purpose for this Notice of Rescission is to return the priority and existence of all lien holders to the status quo ante that existed prior to the Trustee's Sale.

NOW, THEREFORE, THE UNDERSIGNED HEREBY RESCINDS THE TRUSTEE'S SALE AND PURPORTED TRUSTEE'S DEED UPON SALE AND HEREBY ADVISES ALL PERSONS, WHOMSOEVER AND WHATSOEVER LOCATED, THAT THE TRUSTEE'S DEED UPON SALE DATED 05/07/2008, FROM CALIFORNIA RECONVEYANCE COMPANY TO RED ROCK MORTGAGE, INC. AND RECORDED 05/10/2008 IN BOOK 20080519, PAGE 0407, OF COMPANY TO RED ROCK MORTGAGE, INC. AND HEREBY RESCINDED AND SHALL HAVE NO FURTHER FORCIBLE OR EFFECT WHATSOEVER.
IN WITNESS WHEREOF, CALIFORNIA RECONVEYANCE COMPANY, has caused its corporate name and seal to be hereunto affixed by its authorized signature.

DATE: 05/26/2008

CALIFORNIA RECONVEYANCE COMPANY, as Trustee

BY
Colleen Iby, Assistant Secretary

BY
Karime Arias, Assistant Secretary

WASHINGTON MUTUAL BANK, FA

BY
Deborah Brignac, Vice President

BY
Huey-Jen Chu, Vice President

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On 05/26/08 before me, SIERRA HERRENDUR, "Notary Public," personally appeared DEBORAH BRIGNAC, HUEY-JEN CHU, COLLEEN IBY AND KARIME ARIAS, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/their authorized capacity (ies), and that by his/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature

[Seal]

SIERRA HERRENDUR
Commission # 1192314
Notary Public - Commerce
Los Angeles County
Mccom issued 3/2012

JPMC-001703
CONFIDENTIAL

CSOC.RICH.002595
TRUSTEE'S DEED UPON SALE

The undersigned grantor declares:
1) The grantee herein was not the foreclosing beneficiary.
2) The amount of the unpaid debt together with costs was $574,023.87
3) The amount paid by the grantee of the trust deed was $388,590.01
4) The documentary transfer tax was $327.00
5) Said property is in SACRAMENTO

and CALIFORNIA RECONVEYANCE COMPANY (herein called Trustee), as the duly appointed Trustee, is a corporation under the laws of the State of California, is a corporation under the laws of the United States of America, and whose registered office is located in each of the following:

Sacramento County, California, at 800 12th St., Suite 500, Sacramento, CA 95814

and is authorized to exercise all the powers and authority of a Trustee under the laws of the State of California, is a corporation under the laws of the United States of America, and whose registered office is located in each of the following:

Sacramento County, California, at 800 12th St., Suite 500, Sacramento, CA 95814

and is authorized to exercise all the powers and authority of a Trustee under the laws of the United States of America.

This conveyance is made pursuant to the powers conferred upon Trustee by that certain Deed of Trust dated 01/02/2007 and executed by LAURA RICHARDSON, an unmarried woman, as Trustor, and Recorded 01/10/2007, Book 2007/0110, Page 162, in the Official Records of SACRAMENTO County, California, and is in the name of the undersigned grantor.

Default occurred as set forth in a Notice of Default and Election to Sell which was recorded in the Office of the Recorder of said County, and such default still exists at the time of sale.

All requirements of law regarding the mailing of copies of notices or the publication of a copy of the Notice of Default or the personal delivery of the copy of the Notice of Default and the posting and publication of copies of the Notice of a Sale have been complied with.

IPMC-001784
CONFIDENTIAL

CSOC.RICH.002596
Trustee, in compliance with said Notice of Trustee's Sale and in exercise of its powers under said Deed of Trust, sold the herein described property at public auction on 02/07/2006. Grantee, being the highest bidder at said sale, became the purchaser of said property for the amount bid being $338,000.01 in lawful money of the United States, or by credit bid if the Grantee was the beneficiary of said Deed of Trust at the time of said Trustee's sale.

DATE: 02/09/2006

CALIFORNIA RECONVEYANCE COMPANY, as Trustee

Karime Arias, Assistant Secretary

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

On May 09, 2006 before me, IRMA GARCIA TORRES, "Notary Public" personally appeared KARIME ARIAS, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature ( SEAL)

IRMA GARCIA TORRES
Notary Public
Commission # 1285692
Notary Public - Counties of
Los Angeles County
My Term Expires Aug 17, 2010

JPMC-001705
CONFIDENTIAL
April 17, 2008

Laura Richardson
717 East Vernon Street
Long Beach, CA 90806

RE: Washington Mutual Loan Number
Property Address: 3622 West Curtis Drive, Sacramento, CA 95818

WE MAY REPORT/HAVE REPORTED INFORMATION ABOUT YOUR ACCOUNT TO CREDIT BUREAUS. LATE PAYMENTS, MISSED PAYMENTS, OR OTHER DEFAULTS ON YOUR ACCOUNT MAY BE REFLECTED IN YOUR CREDIT REPORT.

WE ARE A DEBT COLLECTOR. THIS IS AN ATTEMPT TO COLLECT A DEBT, AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE.

Dear Ms. Richardson:

Thank you for your recent contact with our Executive Office. Please find your recast statement enclosed. Please remit the exact recast amount in certified funds to us at the below address:

Washington Mutual
Default Cash Processing
7255 Baymeadows Way
Jacksonville, FL 32256

We have placed a sixty day hold on all foreclosure sale or notices, the hold will expire June 4, 2008.

Should you have any further questions, please feel free to contact me at 904-732-8817.

Sincerely,

Alison Dolan
Default Specialist II – ERT
Washington Mutual Home Loans

JPMC-001706
CONFIDENTIAL
<table>
<thead>
<tr>
<th>Loan Number:</th>
<th>43658326</th>
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<tbody>
<tr>
<td>Borrower:</td>
<td>FAMILY AVOCAB</td>
</tr>
<tr>
<td>Property Address:</td>
<td>3422 W CURTIS DR</td>
</tr>
<tr>
<td>SACRAMENTO, CA 95810</td>
<td></td>
</tr>
<tr>
<td>Quote Type:</td>
<td>Conventional Uninsured</td>
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<td>Good Through:</td>
<td>4/7/2008</td>
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<tr>
<td>Loan Type:</td>
<td>12.00% PM</td>
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<tr>
<td>Prepayment Date:</td>
<td>5/1/2008</td>
</tr>
<tr>
<td>Date Prepared:</td>
<td>4/1/2008</td>
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<tr>
<td>9 months at $ 4,227.98</td>
<td>$ 38,051.02</td>
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<td>$</td>
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<td>months at $</td>
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</tr>
<tr>
<td>months at $</td>
<td>$</td>
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<tr>
<td>Total of Payments Due:</td>
<td>$ 25,001.27</td>
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<tr>
<td>Inspection Fees</td>
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<td>Appraisal Fees</td>
<td>$ 0.00</td>
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<tr>
<td>Escrow Charges</td>
<td>$ 0.00</td>
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<tr>
<td>Late Charges</td>
<td>$ 253.68</td>
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<td>Property Preservation:</td>
<td>$</td>
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<td>Corporate Advances:</td>
<td>$ 1,357.45</td>
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<tr>
<td>Other Fees</td>
<td>$ 46.80</td>
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<td>Total for Reinstatement</td>
<td>$ 37,028.62</td>
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<tr>
<td>Forbids:</td>
<td>81772795</td>
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</table>

**Please review the NewGen Fees & Cost Module for any outstanding fees and costs do not partake other than yourself. Please include these amounts in your final quote.**

JPMC-001707
CONFIDENTIAL

CSOC.RICH.002599
## 2008 LENDING COMPLAINT LOG

**Status:** Closed

**Customer Information:**
- **Last Name:** Laura
- **First Name:** Richardson
- **Address:** 2622 W Curtis Dr
- **City:** Sacramento, CA 95818
- **Phone:**
- **Subprime Loan:**

**Compliance Review Information:**
- **The following Compliance Complaint Categories Have Been Identified:** Foreclosure

### CUSTOMER INFORMATION:

<table>
<thead>
<tr>
<th>Customer's Last Name</th>
<th>Customer's First Name</th>
<th>Auto/Non-Auto Loan Type</th>
<th>Customer Loan Type</th>
<th>Subprime</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laura</td>
<td>Richardson</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### CONTACT INFORMATION:

<table>
<thead>
<tr>
<th>First Name</th>
<th>Last Name</th>
<th>Phone</th>
<th>Email</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laura</td>
<td>Richardson</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### ADDITIONAL INFORMATION:

- **Property Address:** 2622 W CURTIS DR
- **City:** SACRAMENTO
- **State:** CA
- **Zip Code:** 95818
- **Country:**

### COMPLAINT INFORMATION:

**Issue Type:**
- **Complaint Type:** Loan Servicing Issues
- **Source:** Direct
- **Method of Customer Contact:** Call
- **Executive**

### AREA RESPONSIBLE FOR COMPLAINT:

**LOAN SERVICE INFORMATION:**
- **Service Center:** HLS
- **Department:** Foreclosure
- **Nature of Complaint:**
- **Specific Nature:**
- **Foreclosure Amount/Breakdown:**

---

**JPMC-001706**
**CONFIDENTIAL**

CSOC.RICH.002600
2008 LENDING COMPLAINT LOG

Summary of Complaint: The customer is attempting to bring the loan current. She is looking to obtain a
reinstatement figure and prevent foreclosure.
Summary of Complaint entered: 04/09/2008
By: Rasel Ahammad

Summary of Resolution: The customer has been advised that the reinstatement figures have been sent
to her via FED-EX on 04/17/08 as she has requested. We apologized for the delay in providing the
information.
Summary of Resolution entered: 04/22/2008
By: Rasel Ahammad

LEGAL AND COMPLIANCE REVIEW:
Forwarded by Legal: No
Review Required By:

FILENET INFORMATION:
FileNet Case: 090400491
FileNet cover sheet Document Type: Supporting Documentation
Assigned To:
OTHER
To generate FileNet cover sheet, fill in all required fields

SECURITY INFORMATION:
Threat Assess: No

WORKFLOW & ISSUE RESOLUTION:
Logged By: Rasel Ahammad
Date ERT Received: 04/03/2008
Response Date Due: 04/10/2008
Method of Resolution:
Call
Date Research Completed: 04/23/2008
Aging: 12
Calendar Days: 19
Business Days: 13
Researchers:
Default
Follow Up Required By:
Rasel Ahammad
Data Issues Reassigned:
Resolution Partner I:
Data Info Requested:
Resolution Partner I Aging:

JPMC-001709
CONFIDENTIAL
2008 LENDING COMPLAINT LOG
Status: Closed

<table>
<thead>
<tr>
<th>Data Info Received:</th>
<th>Resolution Partner ID:</th>
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</thead>
<tbody>
<tr>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Customer Contacted By:
Rocio Alvarez

Date Call/Email Completed:
04/22/2008

Date Issue Closed:
04/22/2008

Issue closed by Rocio Alvarez

Date returned:
Reason Editor returned letter without edit:
Scheduled Call Back:

Loss:

Time:

Status Update: Required for issues exceeding 10 day resolution
Comments:

JPMC-001710
CONFIDENTIAL

CSOC.RICH.002602
ACTIVITY LOG:
Attachments:
Activity Log:
Activity Log History (Display):
From: Alvarez, Rosalva R.
Sent: Thursday, April 03, 2008 1:25 PM
To: GM Default Executive Response
Cc: Ajpalni, Erin E.; Siedzik, Tasha A.
Subject: DTE™ Laura Richardson Loan
Importance: High

Hello,

I am hoping that you can assist me with this Congressional complaint. I have called and left a message on her cell phone for her to call me. The situation as Jan describes it below is that the customer is attempting to bring the loan current. She is asking to obliterate mortgage arrearage and prevent foreclosure. Can you please assist me with this?

Thanks,

Rosalva Alvarez,
Executive Response Team
Customer Relationship Manager
Washington Mutual Bank
(800) 225-5487 Ext. 1 Ext. 467
Fax (206) 966-3062

From: Owen, Jan L.
Sent: Thursday, April 03, 2008 10:50 AM
To: Smith, Kimberly; GM GSM DTE
Subject: Laura

Congresswoman Laura Richardson
Loan 
Property Address: 3822 W. Curtis Drive
Sacramento, CA 95810

Has called. She is attempting to reinstate her loan as she indicates she has the money and would like to stay with the payment plan she had before she had her problems. I understand from her that her problems began when she starting running for Congress once she had just won the state assembly seat. The Congressional district she represents is San Pedro and Long Beach, CA. She believes there will be a foreclosure sale on the above referenced property on April 7, 2008. She wants to keep the house and again has indicated she has the $5 to pay the arrears and to pay this loan.

This one is sensitive. Contact numbers are:
Congressional office, 310-538-1190 - District office in CA. Please keep me posted. Thanks,

Jan Lynn Owen
First Vice President

JPMG-001711
CONFIDENTIAL
2008 LENDING COMPLAINT LOG

State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
916-553-4381
916-324-4717 fax
jen.dewar@vanu.net (04/06/2008 3:54:25 PM, Rosie Alvarez)

From: Sladowski, Tasha A.
Sent: Thursday, April 03, 2008 1:59 PM
To: Dolan, Allison A.
Cc: Alvarez, Rosalva R.; Alpigini, Erin E.
Subject: RE: DTE™ Laura Richardson Loan
Importance: High

Allison - will you please take care of this asap??? The FCL sales is scheduled 4/7.

Thank you.

From: Dolan, Allison A.
Sent: Thursday, April 03, 2008 2:12 PM
To: Sladowski, Tasha A.
Cc: Alvarez, Rosalva R.; Alpigini, Erin E.
Subject: RE: DTE™ Laura Richardson Loan

I have submitted the foreclosure hold for 60 days. Also, I emailed Fidelity to get the
reinstatement figures good thru 4/30/08 as a rush. I should have them by Bob tomorrow.

Thanks.
Allison Dolan (04/06/2008 8:43:15 AM, Rosie Alvarez)

From: Dolan, Allison A.
Sent: Friday, April 04, 2008 9:48 AM
To: Sladowski, Tasha A.
Cc: Alvarez, Rosalva R.; Alpigini, Erin E.
Subject: RE: DTE™ Laura Richardson Loan

I have put the foreclosure sale on a 60 day hold and ordered the reinstatement figures. I
should have those Monday.

Thanks.
Allison Dolan

(04/06/2008 10:35:07 AM, Rosie Alvarez)

From: Dolan, Allison A.
Sent: Thursday, April 10, 2008 1:15 PM
To: Sladowski, Tasha A.; Alvarez, Rosalva R.
Cc: Alvarez, Rosalva R.; Alpigini, Erin E.
Subject: RE: DTE™ Laura Richardson Loan

Hi Rosie-
Here is the reinstatement figures for this loan. Do you want me to also fax it to the
borrower?

JPMC-001712
CONFIDENTIAL
2008 LENDING COMPLAINT LOG
Status: Closed

Hello Allison,

Yes please send this to her via overnight on Monday.

Thank you. (04/12/2008 8:17:54 PM, Rosie Alvarez)

04/22/2008 16:42:31 X5 LOAN SERVICE EXECUTIVE RESOLVED
SWM RICHARDSO'S ASSISTANT AND ADVISED HIM THAT
THE REFINANCE FIGURES HAVE BEEN SENT TO HER VIA FED E
X ON 04/17, HE WILL MAKE SURE THAT SHE RECEIVES TH
END

1:41:21 PM, Rosie Alvarez)

Refund #1
Amount Refunded to Customer:
Refund Type:
Refund Account or Check number:

Refund #2
Amount Refunded to Customer:
Refund Type:

Refund #3
Amount Refunded to Customer:
Refund Type:
Refund Account or Check number:

WMI - Confidential
CONSORTIUM NOTES LOG 05/22/08 13:49:28

1830

FOR 041603 8U VENT: USER HAS ENDED THE HOLD. HOLD END DATE: 04/1

6/2008. HOLD TYPE: LOSS MITIGATION WORKOUT

FOR 041603 849 PROCEED

FOR 041603 850 PROCEED

FOR 041003 JRR **EXECUTIVE ISSUE** EMAILED REINSTATEMENT FIGURES

TO DTE

FOR 041803 MED CALLED BRR FOR MEDICAL... JANICE01349

FOR 044403 RYAN PACUDAS (CONT) - OR 60 DAYS TO ALLOW THE BORROWER TO REINSTATE THE LOAN. SHE IS A PROMINENT POLITICAL FIGURE. STATUS: ACTIVE, AWAITING APPROVAL

HOLD START: 4/4/2008

FOR 046403 8U RYAN PACUDAS SYSTEM UPDATED FOR THE FOLLOWING YEAR: USER HAS PLACED THE FILE ON HOLD. HOLD REASON: LOSS MITIGATION WORKOUT. HOLD Comments: DESTINY W

HITABLE. FIDELITY CLOSED BY: N.A. REVIEWED BY:

N.A. REVIEWED: N.A. PROJECTED END: N.A. DAYS 0

CONFIDENTIAL
CONSOLIDATED NOTES LOG  05/22/08  13:49:38

L' RICHARDS  L.R F:A B:  R:  DUE 08/01/07  TYPE: CONV. RES.  ARM
ANA Y AMI Y ARM Y 36N Y 36E Y CCN Y COL Y ELC Y FOR Y  HAZ Y LMT Y
MIP Y PIF Y PMT Y REG Y 36N Y TAX Y TSW Y DATE SELECT: KNOWN  PRINT:

FOR 040407 @VU PEN: 0  COMMENTS: FROM: DOLAN, ALLISON A.  MAILTO:
ALLISON.DOLAN@MAMU.NET  SENT: THURSDAY, APRIL 03, 2008  5:03  PM TO:
HOLDFOR.MAMU.NET  SUBJECT: DCE**
LAURA RICHARDSON LOAN #: 2230  IMPORTANCE: HIGH
PLEASE PLACE THE ABOVE LOAN ON FORECLOSURE HOLD F

FOR 040408 @VU RYAN PACUBAS  SYSTEM UPDATED FOR THE FOLLOWING EVE
NT: USER HAS APPROVED THE HOLD. HOLD TYPE: LOSS MI
TIGATION WORKOUT STATUS: ACTIVE, APPROVED.

FOR 040408 @VU RYAN PACUBAS  SYSTEM UPDATED FOR THE FOLLOWING EVE
NT: USER HAS ENDED THE ISSUE ASSOCIATED WITH THIS
LOAN. ISSUE TYPE: HOLD FC. COMMENTS: HOLD FC.

FOR 040410 @VU RYAN PACUBAS  USER HAS COMPLETED THE SALE SCHEDUL
ED FOR DATA FURNISHED WITH THE FOLLOWING ENTRIES: PREV
IOUS SALE DATE: 4/7/2008  SALE POSTPONEMENT REAS
ON: LOSS MITIGATION

FOR 040410 @VU RYAN PACUBAS  SYSTEM UPDATED FOR THE FOLLOWING EVE
NT: USER HAS APPROVED THE ISSUE. ISSUE TYPE: HOLD
This will acknowledge receipt of your email request that a foreclosure be stopped, put on hold, or sale date postponed. Please be advised that if such email request is being submitted less than forty-eight (48) business hours prior to the time of the scheduled sale, you must contact either Destiny Whitehead [destiny.whitehead@foco.net] at (904) 470-1310 or Reginald Lynch [reginald.lynnch@foco.net] at (904) 470-1310 to alert FIDCO to the time sensitive nature of your request. For escalated matters please contact Michael Cava at (904) 470-3601. Thank you.

The information contained in this message is proprietary. If you are not the intended recipient, please: (i) delete the message and all copies; (ii) do not disclose, distribute or use the message in any manner; and (iii) notify the sender immediately. In addition, please be aware that any message addressed to our domain is subject to archiving and review by persons other than the intended recipient. Thank you.
Hi Rosie,

Here is the Reinstatement figures for this loan. Do you want me to also fed-ex it to the borrower?

Thank you,

Allison Dolan

Tasha Siedzik
Loan Servicing Department Manager
Default Executive Response, CARE Team, Research Support
Customer Interaction Center

Washington Mutual
7255 Baymeadows Way, JAXA3000
Jacksonville, FL 32256
904/886-6108 direct, 886/271-7346 fax
Tasha.siedzik@wamu.net

TheEliteGroup

BE RECOGNIZED

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Alvarez, Rosalva R.
Sent: Thursday, April 03, 2008 4:25 PM
To: GM Default Executive response

JPME-001718
CONFIDENTIAL
Hello,

I am hoping that you can assist me with this Congressional complaint. I have called and left a message on her cell phone for her to call me. The situation as Jan describes it below is that the customer is attempting to bring the loan current. She is looking to obtain a reinstatement figure and prevent foreclosure. Can you please assist me with that?

Thanks.

Rosie Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank
(206) 225-6497 Opt. 1 Ext. 467
Fax (206) 965-3012

From: Owen, Jan L.
Sent: Thursday, April 03, 2008 10:50 AM
To: Smith, Kimberly; GM QSH DTE
Subject: Ladies

Congresswoman Laura Richardson

Loan

Property address: 3022 W. Curtis Drive
Sacramento, CA 95818

Has called. She is attempting to reinstate her loan as she indicates she has the money and would like to stay with the payment plan she had before she had her problems. I understand from her that her problems began when she started running for Congress- once she had just won the state assembly seat. The Congressional district she represents is San Pedro and Long Beach, CA. She believes there will be a foreclosure sale on the above referenced property on April 7, 2008. She wants to keep the house and again has indicated she has the $5 to pay the arrears and to pay this loan.

This one is sensitive. Contact numbers are:

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
615-555-1160- District office in CA. Please keep me posted. Thanks, J.
Hello Allison,

Yes please send this to her via overnight on Monday.

Thank you.

Rosie Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank
(602) 225-5477 Opt. 1 Ext. 467
Fax (206) 865-3822

"To long to accomplish great and noble tasks, but it is my chief duty to accomplish humble tasks as though they were great and noble. The world is moved along, not only by the mighty shoves of its heroes, but also by the aggregate of the tiny pushes of each honest worker." Helen Keller

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

Hi Rosie-

Here is the Reinstatement figures for this loan. Do you want me to also fed-ex it to the borrower?

JPMC-001720
CONFIDENTIAL
Thank you,

Allison Dolan << File: Reinstatement Figures w o Fees(1).pdf >>

From: skebin, Janie A.
Sent: Thursday, April 03, 2008 4:50 PM
To: Dolan, Allison A.
Cc: Alvarez, Rosalva R.; Alojini, Erin E.; Siedzik, Tasha A.

Allison — will you please take care of this asap?? The FCL Sales is scheduled 4/7.

Thank you,

Tasha Siedzik
Loan Servicing Department Manager
Default Executive Response, CARE Team, Research Support
Customer Interaction Center

Washington Mutual
7255 Baymeadows Way, JAXA3000
Jacksonville, FL 32256
904/886-6108 direct, 886/271-7346 fax
Tasha.Siedzik@wamu.net

<< OLE Object: Picture (Metafile) >>

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From: Alvarez, Rosalva R.
Sent: Thursday, April 03, 2008 4:25 PM
To: GM Default Executive Response
Cc: Alojini, Erin E.; Siedzik, Tasha A.

Hello,

I am hoping that you can assist me with this Congressional complaint. I have called and left a message on her cell phone for her to call me. The situation as Jan describes it below is that the customer is attempting to bring the loan current. She is looking to obtain a reinstatement figure and prevent foreclosure. Can you please assist me with that?

Thanks,

Rosalva Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank

JPMC-001721
CONFIDENTIAL

CSOC.RICH.002613
From: Owen, Jan L.
Sents: Thursday, April 03, 2008 10:50 AM
To: Smith, Kimberly; GM QSM DTE
Subject: Ladies

Congresswomen Laura Richardson

Loan

Property Address: 3522 W. Curta Drive
Sacramento, CA 95816

Has called. She is attempting to reinstate her loan as she indicates she has the money and would like to stay with the payment plan she had before she had her problems. I understand from her that her problems began when she started running for Congress- once she had just won the state assembly seat. The Congressional district she represents is San Pedro and Long Beach, CA. She believes there will be a foreclosure sale on the above referenced property on April 7, 2008. She wants to keep the house and again has indicated she has the $$ to pay the arrears and to pay this loan.

This one is sensitive. Contact numbers are: Congressional office, 310-536-1190- District office in CA. Please keep me posted. Thanks,

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
916-553-4881
916-553-4717 fax
JLOwen@warren.com

JPMC-001722
CONFIDENTIAL
Thanks, Allison

Thank you,

Tasha Siedzik
Loan Servicing Department Manager
Default Executive Response, CARE Team, Research Support
Customer Interaction Center

Washington Mutual
7255 Raymounde Way, 1AXA1000
Jacksonville, FL 32256
904/886-6168 direct, 886/277-7346 fax
Tasha.siedzik@wamu.net

The Elite Group
BE RECOGNIZED

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I have submitted the foreclosure hold for 60 days. Also, I emailed Fidelity to get the reinstatement figures good thru 4/30/08 as a rush. I should have them by EOB tomorrow.

Thanks,

Allison Dolan

Allison - will you please take care of this ASAP?? The FCI sales is scheduled 4/7.
Thank you,

Tasha Siedzik
Loan Servicing Department Manager
Default Executive Response, CARE Team, Research Support
Customer Interaction Center

Washington Mutual
7255 Baymeadows Way, JAXA3000
Jacksonville, FL 32256
904/886-6108 direct, 886/271-7346 fax
Tasha.siedzik@wamu.net

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This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Alvarez, Rosalva R.
Sent: Thursday, April 03, 2008 4:25 PM
To: GM Default Executive Response
Cc: Ajaypal, Erin E.; Siedzik, Tasha A.
Subject: DTE*** Laura Richardson Loan

I am hoping that you can assist me with this Congressional complaint. I have called and left a message on her cell phone for her to call me. The situation as Jan describes it below is that the customer is attempting to bring the loan current. She is looking to obtain a reinstatement figure and prevent foreclosure. Can you please assist me with that?

Thanks,

Rosie Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank
(800) 225-5497 Opt. 1 Ext. 467
Fax (206) 965-3052

From: Owen, Jan L.
Sent: Thursday, April 03, 2008 10:50 AM
To: Smith, Kimberly; GM QSM DTE
Subject: Ladies

Congresswomen Laura Richardson

JPMC-001724
CONFIDENTIAL
Loan #: [Redacted]
Property address: 3632 W. Curtis Drive
Sacramento, CA 95818

Has called. She is attempting to reinstate her loan as she indicates she has the money and would like to stay with the payment plan she had before she had her problems. I understand from her that her problems began when she started running for Congress once she had just won the state assembly seat. The Congressional district she represents is San Pedro and Long Beach, CA. She believes there will be a foreclosure sale on the above referenced property on April 7, 2006. She wants to keep the house and again has indicated she has the $3 to pay the arrears and to pay this loan.

This one is sensitive. Contact numbers are: Congressional office, 310-838-1100; District office in CA. Please treat this as "privileged" and "confidential.

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
851 K Street Suite 110
Sacramento, CA 95814
916-553-4691
916-520-4171/ Fax
jan.owen@awwa.net

JPMC-001725
CONFIDENTIAL
Dolan, Allison A.

From: Terri Walker
Sent: Friday, April 04, 2008 12:24 PM
To: Dolan, Allison A.
Subject: RE: Richardson**reinstatement

Allison this is a WaMu Subprime loan issue would have to be raised on PM do you have access to Fidelity Process Management system?

Terri Walker
Supervisor, Financial Support
FIS Foreclosure Solutions, Inc.
A Division of FIS Default Solutions
Phone: (904) 475

From: Dolan, Allison A. [mailto:allison.dolan@wamu.net]
Sent: Thursday, April 03, 2008 5:09 PM
To: Terri Y. Walker
Subject: Richardson**reinstatement
Importance: High

Hi Terri-

Happy Almost Friday!

Can I please get reinstatement figures for this loan as soon as possible? We need them good thru April 30 and it can include all fees and costs due.

Thank you! I appreciate you!

Allison Dolan
Fulfillment Specialist
Default Correspondence and Support Center

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WaMu Focused News

1. Ex-WaMu workers tapped for their mortgage expertise
   June 10, 2008
   By BILL VIRGIN
   Seattle Post-Intelligencer

Rising defaults and delinquencies on loans, houses staying on the market longer and fetching less-than-
expected prices when they do sell, a weakening economy — sounds like a great time for banks to get
into or expand their presence in the mortgage business.

Yet several banks in this region are doing just that.

And they've got just the place to go to recruit people they need to increase the number of home loans
they write: former Washington Mutual employees.

KeyBank became the latest to tap the pool of former WaMu home-loan personnel when it named
Michael Taylor as its vice president and sales manager for its Northwest region; he had been regional

Taylor, in turn, has hired Ed Sauriol, a 16-year WaMu veteran, as producing sales manager for Key's
South Puget Sound region.

That's just the start. Although Key started the year with 13 employees on its mortgage lending staff in
Washington, Taylor says the bank is at 30 now and could be up to 50 by the end of the year "as long as
I find the right talent."

Taylor and Key are hoping to generate home-loan business not only from its existing customers, but
also from the contacts with real estate agents, builders and others in the community those recruits bring
with them. Key wants to double its mortgage lending in the 13 states it operates in nationally, and triple
its mortgage writing in Washington state.

Key's not alone, either in expanding home lending or recruiting former WaMu employees to accomplish
that.

Wells Fargo & Co. opened a new downtown Seattle home-loan office with 31 employees, all from the
same WaMu home-loan center.

Wells Fargo has also added 10 former WaMu employees on the Eastside, five in Bellingham, four in
Mount Vernon and a couple in the South Sound area, according to spokeswoman Lara Underhill.

JPMorgan Chase, meanwhile, has hired former WaMu mortgage staffers in Seattle, California and
Utah.

These employees are available because of WaMu's decision, announced in April, to close all of its free-
standing home-loan centers — 196 nationally, 23 in Washington — and lay off 3,000 employees. WaMu
plans to make home loans through its retail bank branches.

"These are experienced mortgage officers," Wells Fargo's Underhill says. "They're familiar with the
market."

Less obvious is why Key, Wells and others would want to expand in home lending just now.

KeyBank's Taylor says that for all the bad news about the housing sector — "the consumer has a feeling
the mortgage business has shut down" — there's still business to be done. Maybe even more business,
he adds, with WaMu and others pulling back not just from retail lending, but also the wholesale
business (loans written by brokers and other lenders).
"It's creating some opportunity for us," Taylor said. "Even though the mortgage pie has shrunk, the number of hands in that pie has shrunk even further."

"We're still writing mortgages; we're still in business," adds JPMorgan Chase spokeswoman Christine Holmes. "People still want the American dream. They want to own their own home. We're helping them do so in a prudent manner."

These banks say prudent lending in the past -- not loading up on the sorts of exotic and risky mortgages now going sour -- puts them in a position to expand now. Taylor says FHA lending programs are gaining favor. "It's old-school stuff," he says. Interest rates that are still attractive are driving business for new loans and refinancing activity.

Lenders are expanding in the Seattle area, he adds, because "we were never down as far as the national market. That doesn't mean we were without pain. But inventory is moving. ... We could potentially see a rebound this summer," although he's not predicting it will be substantial.

WaMu Related News

2. In an "extremely unusual" move, WaMu goes to bat for Rep. Richardson
June 10, 2006
Los Angeles Times

Just when you thought you were safe from news about U.S. Rep. Laura Richardson, Democrat of Long Beach: The Daily Breeze reports that her lender, Washington Mutual, is trying to help her get her foreclosed house back (that's the house at right, located in Sacramento).

The Breeze's Gene Maddaus: "The real estate broker who bought Rep. Laura Richardson's house at a foreclosure sale last month is accusing her of receiving preferential treatment because her lender has issued a notice to rescind the sale.

Nickels Richardson nor WaMu would talk to Maddaus about the situation. Richardson has yet to answer L.A. Land's questions, posed in writing on May 22, about the Sacramento mortgage, and the modification to the mortgage she says she received from WaMu.

Catching up: I must confess I failed to post a story about Richardson's car troubles. Here's how the Long Beach Press-Telegram told it: "In 2005, when she was still on the Long Beach City Council, she left one mechanic in a lurch with an unpaid bill, then later had her badly damaged BMW towed to an auto body shop but didn't pay for any work and abandoned the car there, owners of the businesses said this week. The next day, Richardson began using a city-owned vehicle -- putting almost 31,000 miles on it in a year -- and continued driving the car five days after she had left the council to serve in the state Assembly, city records show.

In a terrific example of public service journalism, though, the Press-Telegram did manage to get some money for the mechanic. It reports that Richardson paid the 2-year-old, $735 bill after the newspaper called seeking an interview about the unpaid debt.

More: James York, owner of Red Rock Mortgage, said he would file a lawsuit against Richardson and her lender, Washington Mutual, by the end of the week, and has every intention of keeping the house.

"I'm just amazed they've done this," York said. "They never would have done this for anybody else.""

Maddaus seeks our analysis from foreclosure expert Leo Nordine, who opines that a bank going to bat for a former homeowner in a situation such as this is "extremely unusual." "Unless [the borrower] filed bankruptcy beforehand, they'd never do it."

3. Overdraft and ATM Fees Rise, As Economy Slumps
June 2008
By Anthony Malakian
American Banker

Consumers are always wary of being nickel-and-dimed to death, and thanks to the current economic melee, more banks are heading in that direction. Many of the biggest banks are raising fees for ATM usage and overdrafts, which analysts say isn't such a bad idea.
Bank of America recently raised its overdraft fee (also called NSF for non-sufficient funds) to $25 from $20 for the first day, and $35 for each subsequent day. First Horizon raised its NSF fee to $35 from $32. Washington Mutual upped its overdraft to $34 from $32 in most states. Citibank now also is charging a $3 ATM fee for non-customers, as is BoA, which raised its surcharge last July.

Bank of the Sierra, a $1.3-billion-asset bank in Porterville, CA, hasn't joined the wave of increased fees, but bank president and CEO James Holly acknowledges the changing attitude. "Years ago, if you overdraw your account, we wouldn't wait to close your account and throw you out," says Holly, joking, "Now we have to go and find those people and bring them in, because they are really valuable to have."

Robert Hammer, chairman and CEO of Thousand Oaks, CA-based bank advisory firm R.K. Hammer Investment Bankers, says banks should be mandated to raise fees. "Without a doubt, bank fees are rising, but you have to understand that rising risk in our industry today is indisputable," Hammer says. "In an environment of rising risk, you would expect fees of those risks to rise, too. It would be an abdication of responsibility for bank management to not have fees rising as well."

"While some argue this promotes customer dissatisfaction, it doesn't seem to lead to attrition," says Greg Lowell, senior manager in the financial-services strategy group for research company Accenture. In a report to be released this month, Accenture found a 23 percent difference in customer satisfaction between banks that charged fees and those that didn't. Yet, 61 percent of customers said that if their bank charged a fee, they would continue to do business with it, only 12 percent less than those banks that wouldn't charge a fee for the service. "Our research does bear out that customers in retail banking do tend to stay with the bank, not necessarily out of a strong sense of loyalty, but out of a reluctance to make the move to another bank because of all the time and cost in making that happen," says Lowell.

Certain fees really aggravate customers, such as customer-service fees, monthly service fees and product-purchase fees. Overdraft fees, on the other hand, were found to be somewhat acceptable, because "people, for the most part, understand it's a fee related to a specific error on their part," Lowell says. Consumers also understand a fee for use of an ATM not connected to their bank. Lowell says banks need to understand how their customers view certain fees and not just make a "horse-jerk increase in fees", because BoA did.

Ed Woods, a senior analyst at Boston-based consultant Celent, agrees that not all fees are greeted with anger. "There are segments of the population that aren't adverse to paying fees," he says. "What seems to be most important to them is to have the flexibility to get the payment or take out money when they want."

Ron Shevlin, senior analyst at Boston-based consultant Aite Group, says, though, banks do need to worry about silent attrition. While higher fees may not provoke a customer to leave his bank, he may not keep depositing money or buying new products, either. "In the short term, it seems like a great business move. The problem is that it leaves such a bad taste in the consumer's mouth," Shevlin says. "These are the kinds of things that over time build up dissatisfaction, but the bank won't see that in terms of a hit for at least a couple of quarters."

Shevlin adds that there is no reason to believe that fees will go back down, either. "If they were to spend the next year maintaining their retention rates in the face of increasing fees, the business will look at it and say, "Why would we want to reduce the fees now?" Shevlin says.

4. Lessons for Small Die In Bank Blow-ups
Elizabeth Blackwell
June 10, 2003
TheStreet.com

No one pities CEOs these days, what with their stratospheric compensation, company-paid perks and golden parachutes. Even when they do get fired, they don't have to join the fine at the local unemployment office.

Still, most of us wouldn't want to be running a major financial institution these days, when bank CEOs seem to be dropping left and right. Citigroup (C - Cramer's Take - Stockpickr) and Merrill Lynch (MER - Cramer's Take - Stockpickr) both gave their CEOs the boot late last year; this week, Wachovia (WAC - Cramer's Take - Stockpickr) did the same. Washington Mutual's (WAMU - Cramer's Take - Stockpickr) CEO got to keep his job -- barely -- but was forced to give up his chairman title, a move that was the
result of pressure from shareholders. All this fallout from the subprime mortgage mess may seem far removed from the average small business owner (unless your small business happens to be a title company or mortgage lender). But the lack of confidence in Wachovia’s and Washington Mutual’s leadership serves as a cautionary tale for anyone who runs a business, no matter what size.

It’s not as if Wachovia’s CEO was touting suburban subdivisions, hustling no-interest loans to unqualified buyers. But the current mortgage meltdown is partially the result of incentives put in place by high-ranking executives. Those top dogs are now realizing that any shady dealings within their companies — no matter how far removed from their corner offices — can bring them down, too.

The lesson here is clear: If you give your employees incentives to cut corners, however unintentionally, their shoddy tactics can eventually be pinned on you. You need to know how your subordinates operate, because you may ultimately be the fall guy for their mistakes.

At Wachovia and other major banks, “Everyone had a cash incentive to approve loans, and that started at the top,” says Tomas Norton of The Norton Group, which provides banking-related consulting and litigation support services. “A mindset based on volume went from the absolute top to the very bottom of the food chain.”

Troubled Mentality

The repeal of the Glass-Steagall Act in 1999, which allowed commercial and investment banks to merge, was the beginning of what Norton points to as a change in mentality in the lending business. “It put an investment banker mentality into a commercial banking operation,” he says. Mortgages became commodities that were packaged into securities. The more mortgages were approved, the more executive compensation soared.

CEOs, in search of the short-term profits that could boost stock prices, demanded more and more loans. And they didn’t ask too many questions about how those mortgages were being approved. For banks like Washington Mutual and Wachovia, the result was a disconnect between public perception and real-world tactics. To the general public, banks remained traditional, even conservative institutions. Bank branches continued to spring up in suburban subdivisions and big-city downtowns, creating the illusion that these banks were a part of the community.

But behind the scenes, banks were indulging in speculative, risky financial behavior. “They created the illusion of community banking by having a branch on every corner,” says Norton. “But they had no relationship with the customer. They wanted to get your loan, keep it for five minutes, and sell it off for short-term profits.”

And they were willing to overlook all the warning signs, such as home buyers who didn’t have enough income to pay off their loans. For a while it worked — until the whole system fell apart.

Bank CEOs had a few great years, where they took credit for soaring stock prices and were compensated accordingly. And you could do the same, by overlooking red flags and making some short-term profits. But if you want your business to last, you’d better take a close look at how your employees are operating on your behalf.

Do you reward results, regardless of how they were obtained? Do you send the message — overt or implied — that you’re always thinking short-term? For the banks, says Norton, “Compensation was based on approval. No one wanted to say no to loans.” Are you willing to say no?

It’s easy to think — as the bank CEOs did — that the folks in charge should focus on the big picture. But if they don’t know exactly how the people at the bottom are operating, they won’t stay on top very long.

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All:
FYI - It appears that Congresswoman Richardson has now engaged a spokesperson — William Marshall. Among other things, he states that Ms. Richardson is awaiting clarification from Wamu as to whether she had secured new loan terms in time, but that she is still in fact the owner of her Sacramento home (though public records state otherwise).

I'll continue to let you know of any other new developments as reported by the media.

- Sara

> Rep. Richardson defaulted on three Calif. home loans — The Hill
> By Jared Allen
> 06/27/08
> The tale of Rep. Laura Richardson’s (D) personal housing crisis got even more captivating Tuesday as her office said the freshman lawmaker defaulted on loans she took out for not just one, but three, California homes.
> The news of one of Richardson’s properties recently being sold at auction captured widespread attention last week in the wake of the nation’s housing crisis. But that was only part of the story.
> Richardson’s office said Tuesday she has caught up on her payments and renegotiated the terms of loans she took out to purchase homes in San Pedro and Long Beach, Calif. Her office confirmed that the lawmaker defaulted on both of these homes and was risking foreclosure when she went months without making payments.
> A third home that Richardson borrowed heavily to move into in Sacramento was sold at auction earlier this month — at a $150,000 loss to the bank that issued her the $535,000 loan.
> William Marshall, a spokesman for Richardson, said on Tuesday that she was still awaiting clarification from her lender, Washington Mutual, as to whether she had secured new loan terms in time and was still, in fact, the owner of the home.
> Richardson told The Associated Press on Friday that she was surprised to learn that the home was sold at the May 7 auction. She claimed that the sale never should have happened because she had...
renegotiated her loan to pay it off.

> Even as that was happening, ethics watchdogs were crying foul over Richardson’s personal finances and questioning how she was able to lend her campaign $77,500 in the midst of multiple home loan defaults.

> Federal Election Commission (FEC) reports show that Richardson loaned her campaign a total of $77,500 — in three installments — between June and July of 2007.

> Richardson’s year-end FEC filing showed that her campaign still had $331,000 worth of debt but $116,000 cash-on-hand.

> Marshall was unable to immediately answer questions about whether Richardson borrowed against any of her home equity — from homes she defaulted on — to finance her House campaign.

> But he did not dispute reports that Richardson had done the very same thing the year prior when she borrowed $100,000 against her Long Beach home — whose mortgage she later defaulted on — to loan to her campaign for the California General Assembly. She repaid that personal loan in its entirety, according to Los Angeles media outlets.

> Melanie Sloan, executive director of the Citizens for Responsibility and Ethics in Washington, criticized Richardson for falling deeper into debt while choosing to spend more than $77,500 of her own money on her campaign. She suggested that Richardson’s actions demonstrated that winning a seat in Congress was more important that practicing personal fiscal responsibility.

> Sloan added Richardson should not be in the situation she is while making a congressional salary when homeowners around the country making $60,000 or less are struggling to pay their debts.

> "Truthfully, it’s appalling," Sloan said.

> Meredith McGeehe, policy director for the Campaign Legal Center, said it would be reasonable for the FEC to look into the timing of the loan against the timeline of Richardson’s home loan defaults.

> "In situations like this it’s very important for whoever loaned her the money to demonstrate that they treated her equitably, not favorably," McGeehe said. "Otherwise, you’re getting into a situation of a corporate underwriting of a campaign."

> Richardson’s FEC reports do not spell out the terms of her personal loans to her campaign.

> Richardson originally came under scrutiny last week when it was learned that a home she owned in Sacramento was sold at auction after it went into foreclosure.

> As well as her $535,000 home in Sacramento, a home that Richardson owned in San Pedro — which she borrowed $359,000 to obtain — went into default in September 2007 when she became more than $12,000 behind in her payments.

> In addition, Richardson’s primary residence in Long Beach went into default just two months ago after she failed to make a payment for four months and owed nearly $20,000 on the property.

> Marshall declined to give details of the new loans that he said Richardson was able to secure.

> Richardson last week told reporters in California that her experience makes her particularly well-suited to help Congress legislate a solution to the nation’s housing crisis, saying she hoped to testify before congressional committees on the issue.

> And when Congress returns following the Memorial Day recess, reconciling the House and Senate versions of the legislation designed to help the housing market rebound will be on the top of the
agenda.

Richardson did not vote on the version of the Foreclosure Prevention Act that passed the House, but said she missed the vote only because she was attending her father's funeral.

Richardson was a member of the Long Beach City Council when she won a California General Assembly seat in November 2006, months before she purchased the home in Sacramento. She won the congressional seat the following year in the special election to replace the late Rep. Juanita Millender-McDonald (D).

Sara Gaugl
Home Loans Public Relations

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sara.gaugl@wamu.net

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Thank you for contacting me. I am presently out of office 5/22 - 5/26. If this is an urgent matter or an emergency please contact my assistant Susan Samuel at 904-888-1234 or susan.samuel@wamu.net, otherwise I will respond once I've returned. Thank you and have a Wamu day!
Consumer Mortgage Coalition

Financial Services Clips

May 27, 2008

1. Partisan Feud Stalls HUD Chief Confirmation—Wall St. Journal, p.3

2. Housing woes mount for Rep. Laura Richardson—DailyBroz.com, p.4

3. Housing relief: Help, but for how many?—CNNMoney, p.8

4. Senate and House Mortgage Bills Compared—CQ Weekly, p.10

5. Sources To Pay For FHA Financing Bill—CongressDaily, p.12


7. Locater Credit on the Way In ‘Declining’ Markets?—Washington Post, Commentary, p.15

8. Strong Growth Seen in GSEs' Portfolios—American Banker, p.17

9. UPDATE 1:RESEARCH ALERT-Lehman widens 2008 loss view for GSEs—Reuters, p.18
10. Slower FHLB Advance Growth May Signal Crunch is Easing—American Banker, p.19


13. Case-Shiller: House Prices Fall 14%—Wall St. Journal Online, p.26

14. Government’s Housing Price Index Records Largest Decline in 17 Years—BNA, p.27

15. Recent borrowers hit problems earlier—Financial Times, p.28

16. Drastic action may be needed if housing slump worsens—Financial Times, Commentary, p.30

17. Fed Keeps Watch on Wall St. — From the Inside—Washington Post, p.32

18. Greenspan warns of “greater than 50% probability” of US recession—Financial Times, p.34

19. Greenspan urges policymakers to focus on banks’ capitalization—Financial Times, p.35

20. European Commission Moves to Boost Banking, Securities, Insurance Supervision—BNA, p.37

21. National City Agrees to $4.6 Million Settlement Over HUD Loans. DOJ Says—BNA, p.39

22. Vallejo, Calif. files for bankruptcy—AP, p.40

23. FASB Issues Standard Clarifying Accounting For Financial Guarantee Insurance Contracts—BNA, p.42

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24. Multi-Bond Bidders A Rarer Commodity—Wall St. Journal, p.44

25. FGIC Posts Loss on Exposure To Asset-Backed CDOs—Wall St. Journal, p.46

26. Auction-Rate Securities Give Firms Grief—Wall St. Journal, p.47

27. Gauging the Big Beis of a Hot Hand—New York Times, p.49


29. Moody's fasco: The cover-up?—Fortune's Daily Briefing Blog, p.54


31. Lost Opportunities Haunt Final Days of Bear Stearns—Wall St. Journal, p.56


33. Freddie Mac's Triad Split May Snag Start-Up Insurer—American Banker, p.66

34. Ranieri Begins Fund to Buy Home Loans—American Banker, p.68


36. Auto Industry Feels the Pain of Tight Credit—New York Times, p.73

37. Education Department Commits to Buy Student Loans From Worried Lenders—BNA, p. 76
33. Loan Programs Will Leave Some Students Behind—Washington Post, Commentary, p.77

39. Washington People—American Banker, p.79

Erin Frederick
Senior Legislative Assistant
Consumer Mortgage Coalition
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CMC Main Phone: 202.742.4386
Direct Dial: 202.742.
Fax: 202.403.
CONSUMER MORTGAGE COALITION

Financial Services Clips
May 27, 2008

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5. Sources To Pay For FHA Financing Bill—CongressDaily, p.12
7. Looser Credit on the Way In ‘Declining’ Markets?—Washington Post, Commentary, p.15
8. Strong Growth Seen in GSE’s Portfolio—American Banker, p.17
9. UPDATE 1:RESEARCH ALERT—Lehman widens 2008 loss view for GSEs—Reuters, p.18
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6. Auction-Rate Securities Give Firms Grief — Wall St. Journal, p.47
11. Lost Opportunities Haunt Final Days of Bear Stearns — Wall St. Journal, p.56
13. Freddie Mac's Triad Split May Snap Start-Up Insurer — American Banker, p.66
14. Ranieri Begins Fund to Buy Home Loans — American Banker, p.68
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Wall St. Journal—5/24/08

Partisan Feud Stalls HUD Chief Confirmation

By HENRY P. ALVAREZ
May 24, 2008; Page A2

WASHINGTON -- As lawmakers look to piece together a housing-rescue package that President Bush can sign, a partisan feud has delayed the Senate confirmation of Steven Preston to be housing secretary.

The White House and Senate Majority Leader Harry Reid (D., Nev.) are accusing each other of reneging on a deal that would have seen Mr. Preston confirmed Thursday as head of the Department of Housing and Urban Development.

With lawmakers now in recess, the earliest Mr. Preston could be confirmed is in early June.

"This is pretty appalling given the situation we're in with housing," White House spokesman Tony Fratto said Friday. "We had a deal."

But Sen. Reid's office said the White House's failure to keep a Republican senator in line is to blame for the collapse of an agreement under which the Senate was to confirm Mr. Preston and 79 others. "This is what we get for trying to act with unusual speed and haste," Reid spokesman Jim Manley said, noting that Democrats agreed to move forward on Mr. Preston without a vote by the Senate Banking Committee.

The dispute, which emerged late Thursday, has an unlikely source: the Tennessee Valley Authority. Sen. Lamar Alexander (R., Tenn.), angry that Sen. Reid is blocking the reappointment of William H. Graves to the TVA board, put a hold Mr. Reid's choice for the board of the Institute of Peace, Ikram U. Khan. That brought down the Reid-White House agreement. The institute is an independent, nonpartisan organization funded by Congress.

"There's only one senator holding up the housing secretary in the midst of a housing slump and that's the Democratic leader," Mr. Alexander said. "I have tried to be as polite as possible about this."

Mr. Preston, head of the Small Business Administration, was expected to breeze through the Senate confirmation process. Mr. Bush nominated him to succeed Alphonso Jackson, who stepped down in April amid controversy over the agency's awarding of contracts.

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DailyBreeze.com (Los Angeles)

**Housing woes mount for Rep. Laura Richardson**

FORECLOSURE: South Bay Rep. Laura Richardson has three homes that have gone into default.

By Gene Maddaus, Staff Writer
Daily Breeze.com [LA]
Article Launched: 05/23/2008 11:02:16 PM PDT

Rep. Laura Richardson says the foreclosure on her Sacramento house was due to a miscommunication. (Scott Smeltzer / Staff Photographer)

Rep. Laura Richardson, who lost her Sacramento home in a recent foreclosure auction, has also defaulted on properties in Long Beach and San Pedro, records show.

Richardson, of Long Beach, was able to bring her payments up to date on the Long Beach home relatively quickly, but the San Pedro property lingered in the foreclosure process for almost eight months, and still has a pending auction date.

In her first interview since the news broke Tuesday that her Sacramento home had been foreclosed, Richardson blamed the foreclosure on a miscommunication by her lender. She offered no apologies for failing to make payments on three separate homes and expressed no regret for failing to pay nearly $9,000 in property taxes.

In her only admission of fault, she said she could have acted more quickly to correct the situation.

"I should have moved forward in an earlier fashion," she said. "I acknowledge that. I intend never to conduct business in that fashion again."

Asked how she planned to reimbursed the state for her unpaid property taxes, Richardson said, "I have financial obligations, and I will fulfill those financial obligations. There will be no debts to the state of California."

In an hour-and-a-half interview in the offices of the Press Telegram, Richardson declined to answer numerous detailed questions about her finances. For example, she refused to discuss the mortgage terms on the Sacramento house, refused to say how many payments she had made, and refused to say when she learned that the mortgage was in default.

A notice of default was issued in December, but Richardson offered no evidence that she had taken any remedial action before April. By then, the auction had already been scheduled for one month.

The home, which Richardson bought in January 2007 for $335,000, sold at auction on May 7 to a real estate investor for $388,000. The lender, Washington Mutual Bank, took a loss of nearly $200,000 on the deal, and

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The Long Beach home of former City Councilwoman and now 37th district Rep. Laura Richardson went into default on March 28. She had not made a payment on it since November.

(Stephen Carr / Staff Photographer)
the buyer, James York, agreed to pay her property tax bill.

Richardson said that she was not aware the home had sold until she was contacted by reporters this week. She produced correspondence from Washington Mutual Home Loans, dated April 17, that indicated her loan was reinstated and the auction would be put on hold until June 4.

She produced an e-mail, dated Thursday, indicating that she was trying to work with the lender to have the foreclosure rescinded.

A spokeswoman for Washington Mutual Bank, Sara Gaugl, declined to comment on the matter.

"We have not received consent from Ms. Richardson that would allow us to discuss her loan situation," Gaugl said.

County records indicate that the San Pedro home
A San Pedro home on Parker Street, reportedly owned by Rep. Richardson, went into default in September 2007, at which point she was $12,410.71 behind in payments on the property. (Brad Graverson / Staff Photographer)
went into default in September 2007, at which point Richardson was behind on her payments by $12,410.71, and had made no payments since June.

A notice of trustee sale was issued on April 17, and an auction was scheduled for May 14 on the courthouse steps in Norwalk. The outstanding loan balance was $367,436, on an original 2005 loan of $399,000.

However, the auction was put on hold.

Richardson produced records from Wells Fargo Bank, which holds the note on her San Pedro home. That document, dated March 21, indicated that Richardson had qualified for a loan modification that would prevent the foreclosure from going forward.

Cal Western Reconveyance Corp., which was responsible for collecting the debt, confirmed
This Sacramento home owned by Rep. Richardson was sold at auction. The buyer agreed to pay her property tax bill, and her lender lost $200,000 on the deal. She is trying to rescind the foreclosure. (Rich Pedroncelli / The Associated Press)
that a hold had been placed on the auction, and the auction date had been postponed to July 14, pending a workout of the loan.

Again, Richardson produced no document to confirm that she took any remedial action on the San Pedro property before March.

The Long Beach home, which is Richardson's primary address, went into default on March 28. Richardson had not made a payment on the house since November, and owed $19,921.74 on the
property. Three days later, the default was rescinded, indicating that Richardson had arranged to make the payments.

While Richardson did not apologize for her actions, she did attempt to explain them.

In 2005, Richardson was a Long Beach councilwoman and a staffer for L.t. Gov. Cruz Bustamante. She was elected to the Assembly in 2006 and then to Congress in 2007, to fill a seat vacated by the death of Rep. Juanita Millender-McDonald.

Richardson loaned her Assembly campaign $100,000 in the summer of 2006, borrowing against the equity in her Long Beach home. After her election, she raised enough money to pay herself back, but immediately had to plow $77,500 in loans to her congressional campaign.

"I am not financially wealthy," she said. "I am not a millionaire. - Based upon what I was going through, changing four jobs in less than one year, I think any American would understand what that does in terms of a person’s financial stability."

As a member of Congress, Richardson makes $169,300 a year. As a member of the Assembly, she made about $116,000, plus a per diem for living expenses in Sacramento.

When it was pointed out that the average American makes far less than that, Richardson responded, "The average American is not responsible for maintaining several households."

Richardson said she did not make an effort to sell the Sacramento home, even after she was elected to Congress, and still hoped to rent it out.

Richardson attempted to link her situation to the plight of others facing foreclosure, and said the experience would help make her a better advocate on foreclosure issues.

"I think this is what many Americans are unfortunately facing right now," she said. "I am concerned that I can take what I have learned from this to help somebody else. - Many people are one step away from issues that are life-changing moments. When a person moves across the country, that is a life-changing moment."

Richardson noted that unlike the state Legislature, the U.S. Congress does not provide for living expenses.

"On the federal level, there is no per diem," she said. "They don't pay for you to move."

Richardson is renting an apartment in the Washington, D.C., area. She declined to disclose or discuss her credit score.

She has begun to pay down her congressional campaign debt, and repaid herself $18,000 of the $77,500 in personal loans. She still owes $230,000 to her campaign consultant - which is unusual for a successful campaign and about $336,000 overall.
Richardson said she would advise anyone in her circumstance "to seek assistance immediately" and to maintain contact with their lenders.

She said she ultimately hopes to testify about her situation in front of the Senate, and will write to the president to urge him to sign a package of foreclosure legislation.

"We need to put a better process in place, so a person's home is not being sold up underneath them," she said. "We have to improve the way we respond to this crisis."

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Staff Writer Sandy Mazza contributed to this article.
CNNMoney—5/23/08

Housing relief: Help, but for how many?

*Sponsors of the Senate’s bipartisan mortgage bill say it will help 500,000 people. But an Oct. 1 start date means many homeowners could be out of luck.*

By Jenna Sadot, CNNMoney.com senior writer
May 23, 2008: 10:39 AM EDT

NEW YORK (CNNMoney.com) — When the Senate Banking Committee passed a housing bill intended to limit foreclosures, panel Chairman Christopher Dodd, D-Conn., said he expected the measure could help 500,000 borrowers stay in their homes.

While the bill could help a lot of people, it’s unlikely to help 500,000.

The bill’s key provision would allow the Federal Housing Administration (FHA) to insure up to $300 billion in new loans for at-risk borrowers if lenders agree to write down loan balances below the appraised value of borrowers’ homes.

The Congressional Budget Office has not yet released its official estimates of the bill’s FHA proposal.

But in analyzing the potential costs and reach of a similar proposal passed by the House in May, the CBO estimated that 500,000 borrowers may enter the program - and that 35% of them could still default. So the best estimate of the net number of borrowers who will stay in their homes under the program is 325,000.

That would reduce anticipated foreclosure filings by 8% over the next few years, according to an estimate from Goldman Sachs analyst Alec Phillips.

That’s not the only factor that could reduce the number of homeowners helped by the Senate bill. In making its estimates, the CBO assumed a June 1 start date for the FHA program. But the Senate version of the legislation — considered more politically viable than the House bill — would start the program on Oct. 1.

That four-month difference is likely to flush from consideration a segment of the bill’s immediate target group: the 1.5 million subprime borrowers with adjustable-rate mortgages (ARM) whose loans are scheduled to reset in 2008.

Come Oct. 1, many of those whose ARMs reset between January and May might have already had their homes repossessed or left them during the foreclosure process.

Typically foreclosure proceedings begin after a mortgage payment is 90 days past due. Homeowners who are unable to reach deals with their lenders for more affordable loans may lose their homes within three or four months after the 90-day delinquency period, said Rick Sharga, vice president of marketing for Realty Trac, which publishes foreclosure data.
So those whose rates reset in Jan. 1 could lose their homes by June or July. Likewise, anyone whose rate reset in February, March, and April could lose their homes before the new FHA program would go into effect. Some portion of those whose rates reset in May - one of the peak months for subprime ARM resets - could be in the same boat.

"The people the bill will most likely help are those resetting in the third quarter and beyond," Sharga said. "The people who reset in the first quarter will almost certainly be beyond help."

In some states, however, it takes as long as a year to go through the whole foreclosure process, giving some borrowers whose loans reset early in the year a potential chance to use the Senate-proposed version of the FHA program should it become law.

A congressional plan to limit foreclosures would have been most effective if it caught more subprime borrowers before their rates reset. That’s because the repossession rate on homes of borrowers with subprime ARMs rises dramatically after reset, according to First American CoreLogic LoanPerformance data from the past decade. The same holds true when considering foreclosure filings and repossessions combined.

Of course, choosing a start date for the FHA program isn’t just a matter of figuring out how to limit the maximum number of foreclosures. "There’s upfront planning that needs to occur for this to be successful," said Jaret Seiberg, an analyst with the Stanford Group, a Washington policy research firm.

And then there’s the political calculus. The bill has been the source of heated wrangling between Democrats and Republicans, which has delayed its path to enactment.

"At the end of the day you compromise to get legislation enacted. But it’s better to start the program later than have it die in the Senate."
Senate and House Mortgage Bills Compared
By CQ Staff

The House passed mortgage relief legislation (HR 3221) on May 8, and the Senate Banking Committee approved its draft May 20. Following is a comparison of the bills.

FHA Expansion

Senate

Loan Guarantees: The Federal Housing Administration would provide up to $300 billion in new guarantees to help borrowers refinance loans. Lenders would accept a write-down of the current loan amount, receiving payment from the proceeds of the new loan. The loan amount could not exceed 90 percent of the appraised value of the property, and it would be a fixed-rate mortgage of at least 30 years. The FHA would collect an up-front premium of 3 percent of the new FHA loan to be paid from the proceeds of the new mortgage and an annual premium of 1.5 percent on the remaining balance of the loan.

Offsets: The costs of the FHA program would be covered by a newly createdaffordable-housing trust fund. One hundred percent of those funds would go to the FHA program in 2009, 50 percent in 2010 and 25 percent in 2011.

Appreciation: Borrowers would be required to share accumulated equity with the government based on a five-year phased-in schedule, and half of any future appreciation if the home is sold.

Bulk Auctions: The creation of an auction mechanism to refinance eligible mortgages on a bulk basis would be allowed, if feasible.

House

Loan Guarantees: The FHA would provide the same guarantees as in the Senate bill. Existing lenders would have to take write-downs, receiving payment of no more than 85 percent of the property's current value. The new loan would have to have a loan-to-value ratio of no greater than 90 percent of property's current value, and it would have to be a fixed-rate mortgage.

Offsets: No offsets.

Appreciation: Participating borrowers who sell homes would have to pay the government whenever greater: a fee equal to 3 percent of the original FHA loan balance or a percentage of future sale profits, ranging from 100 percent if the home was sold in the first year after refinancing to 50 percent if sold in the fourth year or later.

Bulk Auctions: The Federal Reserve Board would be required to conduct a study of the need for, and efficacy of, an auction or bulk refinancing mechanism.

Fannie Mae/Freddie Mac Overhaul

Senate
Regulator: Fannie, Freddie and Federal Home Loan Banks would have a single federal regulator. The regulator could establish minimum capital requirements and temporarily raise their required capital levels. The measure also grants the regulator power to limit the size of the companies' retained mortgage portfolios, including ensuring that they have enough capital to support their holdings.

Trust Fund: An affordable-housing trust fund would be established, to be funded by Fannie, Freddie and Federal Home Loan Banks.

Loan Limits: The maximum conforming loan in high cost areas would be set at $550,000. It would prohibit the enterprises from holding loans purchased with principal obligations greater than the normal conforming limit on their portfolios, either as whole loans or mortgage-backed securities, except to the extent that such loans are held for the purposes of securitization.

House

Regulator: A single regulator would be established, with broad safety and soundness powers. The regulator could establish minimum capital requirements, require temporary increases in those capital levels and establish limits on the company’s portfolios, all in accordance with a safety and soundness standard.

Trust Fund: Similar to Senate provision.

Loan Limits: Would make permanent increases in loan limits included in the economic stimulus law (PL 110-185), which were raised from $417,000 to either 125 percent of the median home price in the local market or $729,750, whichever is less.

Source: CQ Weekly
The definitive source for news about Congress.
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Sources To Pay For FHA Financing Bill
By Bill Swindell
May 23, 2008
CongressDaily

House Financial Services Chairman Barney Frank suggested today other avenues to fund legislation for the Federal Housing Administration to guarantee up to $300 billion in new mortgages rather than diverting money away from a new affordable-housing trust fund.

In particular, Frank said he would explore using extra revenue from lifting a cap on FHA reverse mortgages as an option to pay for the FHA refinancing proposal. "We'll find other sources," Frank said at housing conference sponsored by the American Bar Association. "I think ... there are other ways we can do it." As the foremost congressional advocate for expanding affordable housing, Frank's top priority is protecting the trust fund as the House and Senate near negotiations on a major housing-stimulus package.

The House has passed its package and the Senate will take up its measure after the Memorial Day recess. Both measures would take a portion of Fannie Mae's and Freddie Mac's assets and siphon them off for a new trust fund, which is estimated to receive about $500 million annually.

Both bills would allow FHA to guarantee new 30-year, fixed-rate mortgages for at-risk subprime borrowers, providing that their lenders voluntarily write down their current notes to below-market value. The Senate version narrowed the eligibility, bringing down its cost to $500 million, while the House version was more expansive, estimated to cost $1.7 billion by CBO.

But at the insistence of Senate Banking ranking member Richard Shelby, the Senate bill paid for the FHA refinancing plan by diverting the funds intended for the trust fund in its first few years of operation. That stance has forced Frank to examine other avenues to pay for the FHA refinancing plan as he gears up for conference negotiations. By lifting the cap on the FHA reverse-mortgage program, Frank said, the measure could bring in $300 million annually.

He noted that raising the FHA loan limit would raise tens of millions of dollars annually, and he wants the cap to go up to almost $730,000. Shelby opposes permanently raising the limit beyond $330,000. Frank will press his case by arguing that the House bill would allocate the first year of trust fund money to areas affected by 2005's Hurricane Katrina in an effort to help these communities rebuild, and is looking for allies in the Senate such as Sen. Mary Landrieu, D-La., who has been successful with various Senate bills in attaching Katrina-related language beneficial to her constituents. Shelby noted his state was also affected by Katrina. "We got a nationwide housing crisis here we’re going to continue to deal with. We continue to deal with Katrina. We will because we care what happened in Louisiana, Mississippi and my state of Alabama," Shelby said Tuesday.
Wall St. Journal—5/27/08

Cleanup Is No Easy Task

Three Tough Areas
Face New Regulator
Of Fannie, Freddie
By DAVID REILLY and PETER EAVIS
May 27, 2008; Page C12

Fannie Mae and Freddie Mac may soon come under the thumb of a new, beefed-up regulator following a compromise reached last week between the White House and Congress on new housing legislation. Like any new sheriff, this one will want to clean up the town.

That means putting Fannie and Freddie on firmer financial footing so they can be strong enough to act when the housing market needs them. The current regulator, James Lockhart, says they are far from that now. In a recent speech, he said that Fannie and Freddie "have continued to be a point of vulnerability for the financial system because they are so highly leveraged relative to their risks."

It all gets down to Fannie and Freddie's balance sheets, specifically the amount of capital they have relative to the amount of assets they hold. Problem is, these balance sheets look something like the Augen Stables, and it would take a financial and political Hercules to clean them out. A look at three of the knottiest areas shows why.

Mirage Capital: Just like banks, Fannie and Freddie are judged by their regulatory capital. But regulatory capital at Fannie and Freddie is a mirage thanks in part to the inclusion of deferred tax assets.

These are essentially losses that can one day be used to offset future tax bills. These assets won't be much use if Fannie and Freddie need to come up with quick cash.

Banks, for example, only get to count a portion of these assets toward their regulatory capital. That should also be the case at Fannie and Freddie, especially since those tax assets recently ballooned. At the end of the first quarter, Fannie had deferred tax assets of $17.8 billion, equal to 45% of total shareholders' equity, while they were $16.6 billion at Freddie, slightly more than total equity.

To get to use these assets, which generally have lives of about 20 years, Fannie will need to generate about $50 billion in profit and Freddie about $47 billion. Between 2003 and 2007, Fannie posted net income of $19.7 billion while Freddie's total profit was $7.4 billion.

When it becomes unlikely that a company will use their deferred tax assets, they often write down a portion of them. Fannie and Freddie have yet to do so.

A Freddie Mac spokesman said, "We feel very comfortable about how we're operating our business under the current regulatory environment." A Fannie Mae spokesman declined to comment.

Lost Losses: The accounting rules say you don't need to actually post a loss to get a deferred tax asset. Those losses can be unrealized and are accounted for on the balance sheet. But companies can't delay the inevitable; eventually, unrealized losses must hit profits.
At the end of the first quarter, about $5.4 billion of Fannie's $9.3 billion in unrealized losses on some debt securities were older than 12 months. Freddie had $13.7 billion of unrealized losses more than 12 months old. A new regulator should press Fannie and Freddie to recognize at least a portion of these losses, whose age suggests they are more than temporary.

Doing so would hit profit and reduce regulatory capital. Already some other financial firms, such as American International Group Inc., have begun to recognize such losses.

**Bad Debt:** Another area requiring action is the reserves Fannie and Freddie take against bad loans. These act as a balance-sheet buffer against losses from defaults, and they are a big concern for bank regulators, particularly when defaults are rising.

Post-due loans are soaring at Fannie and Freddie, but it doesn't look like they have increased loan-loss reserves at a brisk-enough pace. Freddie, for instance, had $22.8 billion of nonperforming assets at the end of the first quarter, up from $18.5 billion at the end of 2007. Freddie's loan-loss reserve of $3.9 billion is equivalent to 17.1% of first-quarter nonperforming assets. Analysis estimate that Fannie's reserve was equal to about 16% of its past-due loans in the first quarter.

When a standard mortgage goes into delinquency, analysts say lenders should reserve between 20% and 40% of the value of the loan. With Fannie and Freddie's loan-loss reserves apparently below these levels, a new regulator should want more protection against credit problems.

A regulator that pursues these kinds of changes, and thereby strengthening Fannie and Freddie, could at least be one positive to emerge from the housing crisis.

Write to David Reilly at david.reilly@wsj.com and Peter Davis at peter.davis@wsj.com.
Looser Credit on the Way in 'Declining' Markets?

By Kenneth R. Harney
Saturday, May 24, 2008, P01

Could the mortgage industry scrap its controversial practice of listing hundreds of local real estate markets as "declining" — and restricting lending there through higher down payments or credit scores?

The two biggest players in the home mortgage field, Fannie Mae and Freddie Mac, did precisely that last week. Reversing its policy of penalizing buyers in troubled real estate markets with five-percentage-point higher down payments, Fannie Mae switched to a policy of requiring the same minimum down payments irrespective of location. Freddie Mac spokesman Brad German said his company will be "suspending" its declining-markets policy indefinitely, too.

Starting June 1, mortgage applicants who are underwritten by Fannie Mac's automated system online will qualify for a 3 percent minimum down payment, wherever the property is. Borrowers whose applications require "manual" underwriting will have a 5 percent minimum.

Under Fannie Mae's previous system, applicants buying homes in designated declining markets had to contribute five percentage points extra in upfront equity compared with borrowers in nondeclining areas.

Freddie Mac did not use a list of specific areas designated as declining; it relied instead on lenders to flag applications using appraisal data or home-price indexes. For those applicants, it also required the same increase in equity contributions upfront.

Critics, including the National Association of Realtors and consumer advocacy groups, had charged that Fannie Mae's policy served to further depress sales and real estate values in areas tainted as declining.

Critics also argued that many metropolitan markets experiencing price decreases contain submarkets performing relatively well and do not deserve to be underwritten as high risk.

Marianne Sullivan, Fannie Mae's senior vice president for single-family credit and risk management, said the policy reversal was possible because of improvements to the company's automated underwriting system allowing it to "assess each loan more precisely" wherever the property is.

The change was welcomed by national real estate and housing groups. Dick Gaylord, president of the National Association of Realtors, said the termination of a policy that "stigmatized" certain communities will "help stabilize the credit markets."

David Berenbaum, executive vice president of the National Community Reinvestment Coalition, said his group hopes the revised policies will be "a model for others to follow."

Whether that happens anytime soon is far from certain. Almost all private mortgage insurers, which provide loss protection to lenders on loans with low down payments, have adopted highly
restrictive policies affecting Zip codes or metropolitan areas they designate as distressed or declining.

MGIC, the largest-volume mortgage insurer, recently expanded its list of distressed markets along with a slate of cutbacks on specific types of low-equity loans. As of June 1, MGIC will not insure mortgages on condominium units in Florida. It has also abandoned cash-out refinancings and loans on investment properties.

PMI Group, another major insurer, has banned cash-out refinances and investor loans in areas it judges to be distressed. Genworth Financial will not consider applications on second homes anywhere in Florida. AIG United Guaranty no longer will write insurance on condominiums in any of hundreds of Zip codes around the country that are on its declining-markets list.

As a result of Fannie Mae’s and Freddie Mac’s actions, Genworth Financial’s mortgage insurance unit, said, "We’re aware of their actions and will take them into consideration to see if additional steps are necessary."

But Michael J. Zimmerman, senior vice president for investor relations at MGIC, said his company has no immediate plans to abandon declining-market restrictions.

“We’re not contemplating any changes,” he said. MGIC, which reported a $1.4 billion loss for the fourth quarter of 2007 and a $34 million loss for the first quarter of this year, has been hit hard by claims following foreclosures and extended delinquencies in once-booming housing markets.

What’s the trend here? Fannie Mae’s and Freddie Mac’s policy switches should open the door to some additional low-down-payment mortgages -- and home sales -- in areas once tagged as declining.

But without the participation of private mortgage insurers -- who report solely to stock market investors rather than Congress -- many borrowers will probably have to turn to the Federal Housing Administration, which accepts 3 percent down and does not have declining-market restrictions.

*Kenneth R. Harney’s e-mail address is KenHarney@worthlink.net*
Strong Growth Seen in GSEs' Portfolios

American Banker | Tuesday, May 27, 2008

By Kate Berry

Fannie Mae and Freddie Mac on Friday reported strong growth in their mortgage portfolios though Fannie's delinquency rate rose to its highest point in a year.

Fannie's portfolio grew at an annual rate of 9.8% last month to $728.4 billion, while Freddie's grew at an annual rate of 42.2% to $737.5 billion, its strongest growth rate in a year.

Fannie's total book of business — the portfolio plus mortgages it guarantees for other investors — grew 6.7% in April, to $3 trillion, and Freddie's rose 4.7%, to $2.2 trillion.

Mortgage bond and other guarantees rose for Fannie at an annual rate of 7.2% in April, to $2.5 trillion, and for Freddie at a 7.8% pace, to $1.8 trillion. According to Freddie, the two GSEs' combined mortgage-backed securities issuance rose 8%, to $99 billion in April.

Fannie's delinquency rate rose 5 basis points from February, to 1.15% in March, the most recent month for which figures were available. Freddie's delinquencies rose 3 basis points over the same period, to 0.77%.
UPDATE 1-RESEARCH ALERT-Lehman widens 2008 loss view for GSEs
May 27, 2008

Reuters

May 27 (Reuters) - Lehman Brothers widened its 2008 loss estimates for Freddie Mac (FRF.N; Quote, Profile, Research) and Fannie Mae (FNM.N; Quote, Profile, Research), saying Freddie Mac and Fannie Mae businesses will be characterized by surging revenue on the positive side and credit costs on the negative side in the near term.

If Congress imposes a fee on government-sponsored enterprises (GSEs) to support affordable housing as contemplated in the House & Senate GSE Reform bills, Lehman said it would cost Fannie Mac and Freddie Mac roughly 30 cents a share annually.

Lehman sees a loss of $1.65 per share for Freddie Mac compared with its prior view of a loss of $1.50 per share. For Fannie Mae, it widened its 2008 loss-per-share estimate to $2.39 from its prior view of $2.23.

Lehman said as credit costs normalize, rising revenues should support significant earnings power and expects robust balance sheet growth from Fannie Mac and Freddie Mac over the next few years.

For Freddie Mac, it sees 14 percent year-over-year growth in 2008, 10 percent in 2009, and 8 percent in 2010.

For Fannie Mae, it sees 17 percent year-over-year growth in 2008, with 9 percent growth in both 2009 and 2010.

Lehman has an "overweight" rating on both Freddie Mac and Fannie Mae. It has a price target of $45 on Freddie Mac and a target of $46 on Fannie Mae.

While Freddie Mac closed at $25.73 Friday on the New York Stock Exchange, Fannie Mae shares closed at $27.59. (Reporting by Jennifer Robin Raj in Bangalore; Editing by Jarshad Kasirakandy)
Slower FHLB Advance Growth May Signal Crunch Is Easing

American Banker | Tuesday, May 27, 2008

By Stefan Sloan

WASHINGTON — The heyday for Home Loan bank advances may be coming to an end.

While first-quarter earnings increased at eight of the 12 Federal Home Loan banks, the rate of growth for advances slowed to just 4.3%.

The Federal Home Loan Bank of San Francisco provides a good example.

While it continued to outpace its peers — net income grew 69% during the quarter, to $240 million — the San Francisco bank said three large members reduced their borrowings. The bank’s overall advances fell 1%, to $248.4 billion.

The advance business has been booming since the credit crunch hit in August and many financial institutions turned to the Home Loan banks as sources of quick, cheap liquidity. The system’s advance business grew 36.6% in 2007.

In interviews and in quarterly reports released this month, some of the banks cited the slowdown as a sign that the credit crunch is easing.

"It appears to be stabilizing," said Dave Fisher, the chief operating officer at the Federal Home Loan Bank of Topeka, whose advances dropped 4.8% during the quarter, to $30.5 billion. "We’re seeing advances ... plateauing a bit."

But during the first quarter, three banks’ advances declined and five others had single-digit growth. Advance growth remained robust at the Cincinnati, Dallas, Des Moines, and Indianapolis banks.

The Federal Home Loan Bank of Atlanta said advances rose 6.5%, to $152.1 billion, during the three months that ended March 31, and in its quarterly report it said, "if credit market disruptions continue to subside, the bank does not expect that new advance activity will continue to increase at the 2007 rate."

Richard Dorfman, the Atlanta bank’s chief executive, insisted in an interview that advances remain more attractive than other potential sources of liquidity.

"Price for value, this is a great deal," he said. "What you’re buying is certainty of availability" of funds.

Though advance volumes may level off, Jim Vogel, the head of fixed-income research at First Horizon National Corp.’s FTN Financial Markets Corp., said demand among larger members will remain strong.

"We see the large banks still in sort of a scramble mode," he said. "They are not in a rebalancing mode just yet."

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That seemed to be playing out at the Federal Home Loan Bank of Dallas, where Wachovia Corp. increased its borrowings by 23.2% from yearend, to $21.3 billion.

Overall the Home Loan banks' net income grew to $697 million in the quarter, and assets grew 4%, to $1.32 trillion. Total capital rose 4.2% from yearend, to $85.9 billion.

As expected, the Chicago bank showed significant weaknesses as it trudged forward as an independent institution. It attempted to merge with the Dallas Home Loan bank, but last month both parties walked away from negotiations. The Chicago bank said then that it would report a $78 million loss for the first quarter, and end purchases under its troubled Mortgage Partnership Finance program after July 31. The Chicago bank offered more details on the extent of its problems in its quarterly report.

"The size of our MPF assets is disproportionate relative to our overall balance sheet," the bank said in its filing. "Also, the process of funding 15- to 30-year fixed assets with voluntary capital stock and shorter-term consolidated obligations, in combination with hedging strategies, proved to be challenging and, ultimately expensive, especially from a risk management standpoint."

The MPF portfolio, which was $34.5 billion on March 31, is expected to decline roughly 7% to 9% during the year, according to the quarterly report.

Still, there were positive signs emerging from Chicago. The Home Loan bank said nearly 75% of its 831 members borrowed advances during the quarter, sending the business up 8.1% from yearend, to $32.7 billion.

The Federal Home Loan Bank of Cincinnati, typically one of the stronger banks, reported earnings fell 23.1% during the quarter, to $49.3 million, on a debt restructuring charge.

As interest rates declined in recent months, the Cincinnati bank elected to refinance $7 billion of debt into bonds with a lower rate, which resulted in a one-time cost of $7 million.

Advances were up 15.8% from yearend, to $61.7 billion. National City Corp., which has struggled to find liquidity in recent months, became the Cincinnati bank's second-largest borrower, with advances totaling $6.4 billion, up 50% from yearend.

Earnings at the Topeka bank fell 28% during the first quarter, to $23.6 million, but Mr. Fisher attributed that to accounting rules governing its derivative portfolio.

"I'd characterize it as more of an accounting issue than a true economic value issue," he said, noting that net interest income rose 10% in the quarter.
Off the Charts

Mortgages Without U.S. Backing Start to Rise

By FLOYD NORRIS

The private mortgage market in the United States—almost moribund in the wake of the subprime crisis that bankrupted some lenders last year—is showing small signs of revival.

In the first quarter of this year, there were $116 billion in private mortgage loans, loans not issued or insured by the federal government or a government-sponsored entity. That was up from $84 billion in the first quarter of 2007, according to a survey of lenders by Inside Mortgage Finance, a newsletter.

In the wake of the collapse of the private mortgage securitization market in the second half of last year, few banks were willing to make loans that they could not sell, primarily to the government-sponsored enterprises Fannie Mae and Freddie Mac. Those agencies are private companies, but they have a limited right to borrow from the Treasury, and investors generally assume that the federal government will bail them out if they get into serious trouble.

The agencies’ share of the mortgage market rose to a record 75.6 percent in the first quarter of 2007. Add in the 1.3 percent share for Department of Veterans Affairs loans, and the 4.5 percent share for the Federal Housing Administration, and the share of truly private mortgage loans fell to a record low of 18.6 percent.

In the first quarter, the private share recovered to 24.2 percent, meaning that in a country that considers itself the bastion of private enterprise, three of four new home loans had some sort of government-related guarantee.

“There are more banks and other lenders increasing their portfolio lending,” said Guy D. Cecala, the publisher of Inside Mortgage Finance. “At year-end, banks were reluctant to do any portfolio lending.” Portfolio lending refers to an institution’s making a loan and holding on to it, rather than selling it either as a mortgage or as part of a securitization package.

Much of that private lending appears to be in jumbo mortgages, which are too large to be bought by the agencies. The limit had been $417,000, but Congress has raised it temporarily, with differing limits in various areas.

There is still a great reluctance to grant mortgages to subprime borrowers. Mr. Cecala estimated that $10 billion in subprime loans were made in the first quarter, a little less than in the final three months of 2007. In 2005 and 2006, about one in five dollars lent went to subprime borrowers, with a peak volume of $625 billion in 2005.

While there is a little more private lending activity, the private mortgage securitization market continues to shrink. Investors have not yet been reassured that new securitizations will be safer than the disastrous ones from 2006 and early 2007.

A look at the total volume of mortgage loans helps to explain how the mess was created. In 2003, with interest rates at very low levels, a record $3.9 trillion in mortgage loans were made, most of
them for refinancing. When interest rates edged up the next year, it seemed reasonable to expect a big fall off, but the decline was only 26 percent.

Mr. Cecala said that the mortgage industry, having greatly expanded to deal with the wave of refinancings, looked for ways to keep lending. The availability of alternative products, allowing larger loans relative to value, or giving borrowers the option to make very low payments for a limited time, grew. That easy credit helped to push home prices up, until they peaked in 2006.

Now, with mortgage defaults rising, Congress is expected to enact housing legislation to permit the F.H.A. to guarantee refinancing loans to homeowners in danger of losing their homes. A Senate committee approved a bill this week to allow such guarantees, but only if the loan amount was reduced to a figure lower than the current value of the home. Such a reduction would cause a loss for the original lender, but that loss might be smaller than it would be with the alternative: the house goes into foreclosure.

Read Floyd Norris’s blog at norris.blogs.nytimes.com.
Wall St. Journal—5/27/08
Home Sales Rise in Hard-Hit Areas
Buyers Snatch Up Foreclosed Properties
After Big Price Cuts
By JAMES R. HAGERTY
May 27, 2008; Page A3

Home sales are rising in some U.S. metropolitan areas where lenders have slashed prices on foreclosed properties.

Generally, home sales remain weak. The National Association of Realtors reported last week that sales of previously occupied homes in April were down about 18% from the already depressed year-earlier level.

But sales are up sharply in some of the areas hit hardest by foreclosures and falling prices. They include: Las Vegas; Sacramento, Calif.; Fort Myers, Fla.; and inner-city Detroit.

Though Americans remain wary of further drops in housing prices, the data from these areas show that some buyers are trolling for bargains. Sellers "have moved into the acceptance mode" and are pricing homes more realistically, says Thomas Lawler, a housing economist in Leesburg, Va. "I think it is the first stage of good news for the market."

Lenders' inventory of foreclosed homes has steadily increased in the past couple of years and is believed to total around half a million homes. Many lenders initially were slow to slash prices, partly because they hoped to avoid huge losses. But more lenders have been capitulating as it becomes clear that delays often merely result in lower proceeds and higher costs for taxes, insurance and upkeep.

That doesn't mean housing is poised for a quick recovery. In much of the U.S., there is still a huge glut of homes for sale, and foreclosures continue to dump more property on the market. Realtors reported that the number of single-family homes on the market in April was enough to last 10.7 months at the current sales rate, the highest since 1985. During the housing boom of the first half of this decade, the supply typically was four to five months.

For the first four months of this year, home sales in Detroit, excluding suburbs, totaled 3,360, up 48% from a year earlier, according to the Michigan Association of Realtors. The average price dropped 56% to just $20,514. That average is so low because many of the sales involve decrepit homes in neighborhoods with few jobs.
Most of the recent sales in Detroit involve investors buying foreclosed homes, says Carl Williams, president of the local association of Realtors. The homes are selling, he says, because “the prices are dirt cheap.”

Sales of “normal” homes, those that haven't been foreclosed, remain very slow, Mr. Williams says. Still, he sees it as a good sign that lenders are finding buyers for the foreclosed homes. To the extent that investors can renovate and find tenants for vacant houses, neighborhoods can start to heal.

In California’s Sacramento County, sales of single-family homes totaled 1,669 in April, up 41% from a year earlier, according to DataQuick Information Systems, a research firm. The median sales price was $226,250, down 34%.

Alan Wagner, president of the Sacramento Association of Realtors, says the rise reflects more aggressive pricing by lenders. “They’ve got to liquidate inventory. They’re taking that house and dropping $100,000 off the price, and all of a sudden they’ve got multiple offers,” he says. Some homes that sold for more than $400,000 a couple years ago now go for $225,000 to $260,000, Mr. Wagner says.

That means some renters previously priced out of the market finally can afford homes -- if they can qualify for mortgages. That has become much tougher because lenders have tightened standards, but Mr. Wagner says the growing availability of U.S.-insured loans insured by the Federal Housing Administration is helping.

In the Las Vegas area, sales of single-family homes in April were up 30% from a year earlier. The Greater Las Vegas Association of Realtors says properties being sold by lenders account for more than half of recent sales.

Write to James R. Hagerty at bob.hagerty@wsj.com
Wall St. Journal Outline—5/27/08
Case-Shiller: House Prices Fall 14%
New-Home Sales Post April Increase
by DONNA KARDOS
May 27, 2008 10:27 a.m.

The S&P/Case-Shiller home-price indexes, a closely watched gauge of U.S. home prices, saw prices fall further in the first quarter amid the continued deterioration of home prices as the subprime-loan meltdown weighs on the sector.

Meanwhile, new-home sales rose in April but failed to meet expectations because the government revised lower the level of demand for the previous month.

In the first quarter, the Case-Shiller indexes showed home prices across the country fell 14% from a year earlier, representing the largest drop in the 20-year history of the indexes. From the fourth quarter, prices fell 6.7%.

"The steep downturn in residential real estate continues," David M. Blitzer, chairman of S&P's index committee, said. He added, "There are very few silver linings that one can see in the data. Most of the nation appears to remain on a downward path."

According to the indexes, released by ratings firm Standard & Poor's, home prices in 10 major metropolitan areas fell 15% in March from a year earlier and 2.4% from February.

In 20 major metropolitan areas, home prices dropped 14% from a year earlier and 2.2% from February.

Charlotte and Dallas managed to avoid March-over-February drops in prices, with Charlotte eking out 0.2% growth and Dallas posting a 1.1% increase. Charlotte also reported a 0.8% rise year-over-year, as -- for the third month in a row -- it remained the only city to post annual growth.

Las Vegas was the weakest market, posting a 26% drop in March from the prior year, followed by 25% and 23% drops in Miami and Phoenix, respectively. Las Vegas and Miami had been the weakest markets in January and February.

Las Vegas and Miami also were the biggest decliners month-on-month, posting 4.0% and 4.3% drops, respectively.

According to a separate measure released last week by the Office of Federal Housing Enterprise Oversight, home prices fell an average of 1.7% nationwide in the first quarter from the final three months of 2007. The decline was the largest in the index's 17-year history. The index differs from the Case-Shiller index in several ways; notably, Ocabo data excludes homes with jumbo mortgages.

Earlier this month, the Commerce Department offered the latest sign that the struggling U.S. housing market may hold back economic growth for much of the year. While home construction unexpectedly jumped 2.5% in April, a month of bad weather that led to back many builders, permits declined 8.9% from March to an annual rate of 1.43 million, marking the largest percentage drop since a 24% tumble in February 1990. Permits are now down 41% from their
2005 peak. Housing permits, which are down 28% from a year ago, predict the market's direction better than housing starts.

Meanwhile, the National Association of Home Builders also said earlier this month that home builders' confidence has fallen substantially, to match the lowest point in the latest economic cycle. The meltdown in subprime loans is expected to continue weighing on the sector, and high inventories will need to be worked off.

**New Home Sales Increase**

Sales of single-family homes increased by 3.3% last month to a seasonally adjusted annual rate of 526,000, the Commerce Department said Tuesday. Year over year, new-home sales were 42% lower than the level in April 2007. March new-home sales fell 11.0% to an annual rate to 599,000; originally, the government said March sales dropped by 8.5% to 526,000. Economists had forecast an April sales rate of 533,000.

The median price of a new home increased by 1.3% to $246,100 in April from $242,500 in April 2007. The average price climbed by 3.0% to $221,000 from $211,700 a year earlier. In March, the median price was $225,500 and the average was $291,500. The increase in prices may be positive for future sales; declining prices have been stopping consumers from buying homes as they wait for still-lower prices.

Inventories fell to an estimated 456,000 homes for sale at the end of April, down from March's 467,000. The ratio of new houses for sale to houses sold fell in April to 10.6 from 11.1 in March. Originally, the government estimated the March ratio at 11.0.

Regionally last month, new-home sales increased 5.8% in the Midwest, 41.7% in the Northeast, and 8.3% in the West. Sales fell 2.4% in the South. An estimated 47,000 homes were actually sold in April, down from 49,000 in March, based on figures not seasonally adjusted.

* — Jeff Roter contributed to this article.

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BNA—5/27/08

Housing

Government’s Housing Price Index

Records Largest Decline in 17 Years

Home purchase data compiled by the Office of Federal Housing Enterprise Oversight (OFHEO) shows that home prices fell 3.1 percent between the first quarter of 2007 and first quarter of 2008—the largest annual decline in the 17-year history of the Housing Price Index (HPI).

The seasonally-adjusted, purchase-only index also revealed a 1.7 percent decline since the fourth quarter of 2007, exceeding the previous quarterly decline of 1.4 percent. OFHEO said prices fell in 43 states, with California and Nevada registering quarterly declines of more than 8 percent.

Florida had a quarterly decline of 6.3 percent, followed by Arizona, where home prices depreciated 4.1 percent in the first three months of 2008. Four other states experienced quarterly declines of more than 3 percent: Michigan, Connecticut, Hawaii, and Maryland.

"These substantial home price declines bring positive and negative news," OFHEO Director James Lockhart said in May 22 statement. "For homeowners and financial market observers, these declines spell further erosion in home equity levels and potentially more trouble for mortgage servicers. For prospective home buyers who have been shut out of home ownership because of affordability constraints, these declines may be welcome news, as are continued low mortgage rates."

The all-transactions HPI, which includes home appraisal data in refinancings, showed less weakness than the purchase-only index. The all-transactions index fell 0.2 percent in the first quarter of 2008 and remains flat over a four-quarter period, according to OFHEO.

Results 'Muted' Compared to Other Indexes

Both indexes are based on conforming loans up to $417,000 backed by the government-sponsored housing enterprises Fannie Mae and Freddie Mac. The results are "much more muted" than indexes that account for larger or riskier types of loans, OFHEO said.

"Homes financed with prime, conforming mortgages continue to hold up better than those financed with other types of mortgages, a phenomenon we've been observing for the last several quarters," Lockhart said.

The Standard & Poor's/Case-Shiller index, which tracks home prices in the 20 largest metropolitan areas, recently reported an average home price decline of more than 12 percent. Las Vegas fared poorest in the year-over-year measure, posting a 22.8 percent decline over the last 12 months, with Miami second worst among the 20 cities, declining 21.7 percent in that period (US NEWS, 4/30/08).

In contrast, the government index showed a 12 percent annual decline for Las Vegas and five percent decline for Miami. The metropolitan statistical areas (MSAs) with the sharpest annual depreciation in the HPI were Merced, Calif., which posted a 24.7 percent drop, followed by Stockton, Calif., at 21.5 percent, and Modesto, Calif., at 21 percent.

Although every region of the country experienced home price declines in the first quarter of 2008, the HPI did reveal significant increases in some states. Wyoming, Utah, Montana, Texas, and Alabama all recorded quarterly home price appreciation of more than four percent, according to the federal index.


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Recent borrowers hit problems earlier

By Nicola Gobbo, Economics Correspondent
Published: May 27 2008 03:30 | Last updated: May 27 2008 03:30

Homebuyers have been at the epicentre of the credit crunch since it hit last autumn. Mortgage approvals for new homes have slumped as lenders rushed to withdraw products, tighten terms and raise interest rates in silent recognition that cut-throat competition had previously prompted at least some banks and building societies to suspend their more sober risk assessment.

But although the market for mortgage-backed securities has nearly come to a standstill, there has been little evidence to justify a market panic.

Now, the release of data for loans supporting mortgage-backed securities rated by Standard & Poor’s for the first quarter of 2008 offers a fuller picture of how homebuyers with a chequered credit history are holding up.

So far, the data show, only a tiny fraction of prime borrowers have fallen behind in their mortgages and that the rate of delinquency - defined as arrears of more than 30 days - is no higher than that in 2006.

But credit market conditions are beginning to weigh on borrowers. Already, the data suggest a straitening market with rapidly deteriorating finances for home-buyers with a patchy credit history.

Prime borrowers able to refinance are doing so in droves, leaving those who owe more relative to the value of their property and their annual income to revert to higher interest rates.

Overall, more than a fifth of sub-prime borrowers have fallen behind on their mortgages, as have 2.41 per cent of prime borrowers.

Significantly, the S&P report notes, borrowers who first took out sub-prime mortgages in 2007 are paying off their loans far more slowly than those who borrowed in earlier years when refinancing was more available.

Sean Hennigan, a director and credit analyst at S&P, said the terms of sub-prime loans, including those with relatively low upfront rates, are typically so punitive that even if borrowers need to pay a penalty, it is worth their while to refinance as soon as possible.

But tighter credit standards mean that only 10 per cent of the borrowers who took out loans last year have managed to refinance within nine months of taking the mortgage compared with more than 20 per cent of borrowers whose loans originated in 2005. Overall, the rate at which recent borrowers are prepaying their sub-prime loans is well below the average prepayment rate, which was 24.07 per cent in the first quarter of 2007.
The slowing of prepayment rates may also suggest that sharp house price inflation, which improved the position of earlier borrowers with poor credit, is no longer helping recent borrowers.

In addition, the data suggest more recent borrowers are running into financing difficulties earlier in their mortgages. Sub-prime loans made in 2006 are showing delinquency rates of about 27 per cent less than two years after they were first made and those made in 2007 are already trending above that rate.

Among prime borrowers, delinquency and repossession rates remain very low. However, S&P drew attention to some striking differences in performance of loans depending on from which bank they originated. While loans originated by Halifax had a repossession rate of about 0.12 per cent as of March, those of Bank of Scotland had a repossession rate of 0.20 per cent while those originated by Northern Rock had a rate of 0.425 per cent.

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Financial Times—5/24/08

Commentary

Drastic action may be needed if housing slump worsens

By Thorold Barker
May 24, 2008
Financial Times

The US has already faced its black swan event. A roughly 15 per cent slump in house prices across the country since the boom ended is something that many senior risk managers and, clearly, rating agencies thought could never happen. It helped turn credit markets upside down during a dramatic repricing of risk, before they regained some semblance of normality. But what if the event turns out to be an even rarer shade, say pink - and home prices continue to slump even beyond the levels that bruised investors have priced in?

The head of a US bank outlined to me, calmly, the doomsday scenario. It goes something like this: the overhang of US houses on the market is already at an elevated 11 months’ worth of sales. To bring it down to a more normal level of about five months, transaction rates would have to rise significantly, or houses worth almost $600bn would need to disappear from the market. The problem is that buyers are unlikely to rush in if they think that their dream house will get even cheaper. Also, most people require mortgage financing. And banks, bruised by the credit dislocation and facing balance sheet constraints, are still wary about lending to all but the safest borrowers whose mortgages can be guaranteed by the likes of Fannie Mae and Freddie Mac. So there is the risk of a downward spiral. Inventories could remain stubbornly high, or even rise as buyers stay on the sidelines and lenders remain cautious. That could be exacerbated if rising oil prices sap consumer spending power further and inflation concerns push long-term Treasury yields, and hence mortgage rates, higher.

In that case, the economy could take a nasty hit as consumers feel more pain and the banks take bigger bad debt hits on their loan portfolios. Meanwhile, credit markets could be in for another dose of volatility as investors reset their house price expectations even lower. Think what might happen if mortgage giants Fannie and Freddie started taking even bigger losses. A further leg down in housing could also tip Bank of America into losing its nerve and looking to find a way to avoid buying troubled Countrywide, formerly the country’s biggest mortgage originator.

It is possible that the housing risks are not as dire as the national home price measures suggest. After all, while certain once-booming markets such as Florida and California are in freefall, other states have suffered less. But policymakers and bankers are right to remain nervous. We are already in uncharted territory when it comes to the scale of nominal house price declines. The RPX Index, which measures prices per square foot and has fallen almost 15 per cent from the peak, is signalling that prices will fall roughly a quarter before they bottom out. Consumers are also behaving very differently from previous cycles, not least in their willingness to simply walk away from loans that are underwater.

So far, the response of policymakers to support the housing market feels like the first efforts of the Fed when confronted by the credit crisis: helpful, but unlikely to end the problem. After numerous attempts to inject liquidity into the banking sector, the Fed only restored a semblance

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of stability when it was forced to bail out Bear Stearns and effectively guarantee that big US investment banks would be able to access funding when necessary.

The same could apply to housing. Schemes from Washington so far to ease the pain have included the Treasury’s “Hope Now” initiative in try reducing the impact of home loan resets and looser capital requirements for Fannie and Freddie to allow them to take on more mortgage business. The Senate tried this week to go a step further by agreeing a plan under which the Federal Housing Administration would insure certain mortgages, as long as banks were first willing to take a loss and reset the debt burden of the borrower concerned.

While potentially helpful, none really addresses the scale of the problem. Unless signs of housing stability appear, the government will have to consider more drastic steps to underpin home prices.

In fact, perhaps the expectation of such a response, if things get much worse, is one factor underpinning the fragile calm in today’s markets.
Fed Keeps Watch on Wall St. -- From the Inside

By Neil Irwin
Washington Post Staff Writer
Tuesday, May 27, 2008; D01

In the two months since the government rescue of Bear Stearns, the Federal Reserve has built on the fly a new system of monitoring investment banks, radically redefining the central bank's role overseeing Wall Street.

New York Fed employees are working inside major investment banks every day, alongside the Securities and Exchange Commission staff members who are the firms' main regulators. The Fed employees are trying to gather information the central bank can use to make sure the billions of dollars it is lending the investment firms, through a special emergency loan program enacted in March, are not being put at undue risk.

This new approach, which is still at a relatively small scale, offers a window into how the nation's system of regulating financial firms might evolve as policymakers sift through the financial wreckage of the past nine months.

The Bush administration has proposed that the Fed become an all-purpose guarantor of the financial system, with the power to poke its head into any company that poses risks -- not just the large commercial banks it now supervises. Congress is likely to consider legislation overhauling financial regulation next year.

"Bear Stearns has forced an issue that we should have been thinking about anyway," said Douglas Elmendorf, a senior fellow at the Brookings Institution. "The issue isn't just that the Fed did this thing in March. It's that the Fed did what it did in March because investment banks posed risks to the overall financial system and the economy."

But it also creates risks. With the Fed having made emergency funds available to investment banks, lenders and those who work with them might become complacent about risks, expecting a government bailout if everything goes wrong. That could destabilize the financial system further.

"Once the Fed starts investigating and looking at the risks that they're taking, the market could back off and say, 'Well, the Fed's in there, so there can't be much risk,'" said Peter J. Wallison, who studies financial regulation at the American Enterprise Institute.

The Fed currently lacks the legal authority to order investment banks to strengthen risk control systems or change their accounting for exposure to complicated derivatives. The SEC has those powers, though its historical mission has been to ensure that investors are protected, not to protect the integrity of the financial system as a whole.

On March 16, the Fed backed the emergency acquisition of Bear Stearns by putting $30 billion (since changed to $29 billion) in public funds at risk and opened an emergency lending window that last week lent $14.2 billion to investment firms.

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Both actions, meant to prevent panic from causing a cascade of failures that could have had a catastrophic impact on markets and the world economy, defied 90 years of precedent, intimating the central bank into the workings of Wall Street as never before.

Fed leaders concluded that they would have to step up their involvement in Wall Street, if only to make sure that those loans were likely to be paid back. So it insisted that banks, in exchange for the new lending, open up about the details of their operations -- a deal that the investment firms readily agreed to.

They have not, however, reached any firm conclusions about what form the ultimate regulation of the financial system ought to take and are not presuming that the improvised system established in the past two months will expand and become permanent once Congress acts.

In the meantime, a special unit has been created in the New York Fed, answering directly to President Timothy F. Geithner. Information about its operations is closely held by Geithner and other senior employees in New York, such that even Federal Reserve governors and presidents of other regional Fed banks know little about what the new unit is doing.

The unit is composed of individuals from the bank supervision staff, whose normal work is to regulate commercial banks; the markets group, which monitors the behavior of all sorts of financial markets watching out for threats to their functioning; and the legal department.

The Fed staffers accompany SEC regulators in frequent visits to the major investment banks Goldman Sachs, Morgan Stanley, Merrill Lynch and Lehman Brothers. They typically speak to risk managers, auditors, comptrollers and sometimes senior executives.

"What they're doing is not so much regulation, telling the banks what to do, as the Fed is saying, 'I'm lending you money, I'm doing my due diligence,' " said Ernest Patrikis, a partner at law firm Pillsbury Winthrop Shaw Pittman and a former senior official at the New York Fed.

In the past, collaboration between the Fed and the SEC has been more haphazard. Officials of the two organizations would frequently talk on the phone and meet every few weeks to discuss risks being taken by Wall Street firms, over lunch in the cafeteria at the vault-like headquarters of the New York Fed, for example, or on a balcony there overlooking the narrow streets of lower Manhattan.

As concerns grew about the risks taken by hedge funds in 2006, Fed officials and their SEC counterparts had a series of discussions in which each side explained to the other how the institutions they directly supervise -- commercial banks for the Fed and investment banks for the SEC -- measure and manage the risks they are taking by lending to hedge funds.

Now, the interaction is more constant. The SEC is crafting a formal memorandum of understanding that lays out their roles, but it is in an early stage. It will mainly seek to formalize the information-sharing and cooperation that is occurring already, SEC officials have said.

"The collaboration is wide open," said Robert I.D. Colby, deputy director of the SEC's market regulation division. "We're essentially operating as if we're all within one agency. We are telling them what we know and how we think, and they're reflecting back what they know and want to learn. You don't always ask the same questions, and sometimes you get information the other might not have picked up."
Financial Times—5/27/08

Greenspan warns of 'greater than 50% probability' of US recession

By Kathleen O’Toole in Washington
Published May 27 2008 09:00 | Last updated May 27 2008 09:03

The US is still more likely than not to have a recession in spite of the relative stabilisation in the economy in recent weeks, Alan Greenspan has told the Financial Times.

The former chairman of the Federal Reserve said: “I still believe there is a greater than 50 per cent probability of recession,” but, he said, “that probability has receded a little and I think the probability of a severe recession has come down markedly.”

His comments, in an interview with the FT, come as a counter to the increasing optimism in some quarters. In the past six weeks, most economists have scaled back their estimates of the likelihood of a US recession following a better-than-expected jobs report and stronger business activity surveys. Many now think the US will narrowly dodge outright economic contraction.

The former Fed chief also said it was “too soon to tell” whether the worst of the financial crisis was over, as this would depend on what happened to house prices.

Mr Greenspan estimates that house prices will fall by another 10 per cent from their February levels, for a total peak-to-trough decline of about 25 per cent.

If the economy is weak and the market overshoots, house prices could decline by another 5 per cent, he says.

“Such a house price decline implies a major contraction in the level of equity in owner-occupied homes, the ultimate collateral for mortgage-backed securities,” he said.

Mr Greenspan said it was still not clear whether big financial institutions had taken all the write-downs they would need to take on higher rated tranches of mortgage-backed credit products.

He admitted he was puzzled by recent economic data that suggest the economy stopped deteriorating around March. “A recession is characterised by significant discontinuities in the data,” he said. “It started off that way - there was a period of sharp discontinuity from December to March. But then it stopped.”

Mr Greenspan believes there is a “tug of war” taking place in the economy, with financial sector stress pulling one way and strong corporate liquidity pulling the other. Corporate liquidity is being eroded, but only gradually.

“No one knows how this tug of war will end - specifically, whether the financial crisis will end before it drags down the real economy.”

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Financial Times—5/27/08

Greenspan urges policymakers to focus on banks’ capitalisation

by Anna Coren in Washington
Published: May 27 2008 01:00 | Last Updated: May 27 2008 03:00

Central banks should be wary of trying to deal more aggressively with future asset price bubbles in case they suppress innovation and growth, Alan Greenspan has warned.

"If we want rapid growth in productivity, innovation, standards of living, we may have to accept that there will be periods of turmoil," the former chairman of the US Federal Reserve told the Financial Times.

Rather than try to suppress bubbles, he said, policymakers should ensure that financial institutions were well enough capitalised to withstand the hit from bursting bubbles as well as other shocks.

Mr Greenspan backed efforts to develop countercyclical capital rules that would force banks to hold more capital in good times than bad.

Such rules might make it less likely that asset price and credit booms would feed each other, as they did during the housing upturn.

But he said this would be difficult to implement in practice because "we are never certain where we are in the cycle".

His comments come as Ben Bernanke, his successor, and other Fed officials are rethinking the "Greenspan doctrine" that central banks cannot do much about bubbles and should focus on cleaning up the mess when they burst.

They are re-evaluating the evidence on asset prices and monetary policy. But they are most interested in using enhanced regulatory powers to tackle bubbles - particularly those associated with credit booms.

Mr Greenspan said he was not against revisiting the issues. But he cautioned against assuming that it would be possible to find a better way to operate in the future.

Mr Greenspan believes that bubbles are fundamentally rooted not in specific market failures but in the human psychology of greed and fear.

They are very difficult to diagnose in real time, he said. "Is there a bubble today in food, energy, gold, currencies?" he asked. "If so, what specifically should we do about it?"

The former Fed chief said he would be "fully supportive" of "leaning against the wind" with interest rates when asset prices are rising rapidly if someone could provide a credible framework for doing so. But he said: "I have just not seen any evidence that it is feasible."

On the regulatory side, "I have no doubt that we can very effectively quash a bubble," he said. It was a question of the costs involved. "What price do you pay in terms of suppressed economic activity?" he asked. "There were no bubbles in the Soviet Union."

Bubbles, Mr Greenspan argued, were often the by-products of innovation - such as the...
commercialisation of the Internet in the 1990s, or advances in housing finance in the 2000s.

To ask regulators to suppress bubbles would be to ask them either to prevent innovation or to second-guess the value the market puts on it.

"Micro-modelling undermines the basic function of a financial system - that is to direct the savings of society towards its most productive capital investments," he said.

Mr Greenspan was also sceptical about Treasury proposals to give the Fed overall responsibility for market stability along with "macro-prudential" authority to alter market behaviour it deems poses a risk to financial stability.

Financial crises "of necessity are unanticipated - if they are not, they are arbitraged away", he said. "We have many international financial stability forums and none of them anticipated the problems of August 9 2007."

Mr Greenspan said the most sensible thing to do was "to increase the capacity of our financial institutions to absorb shocks in general. That means more capital."

He added the market was already demanding higher capital on the part of financial institutions in the wake of the crisis. Regulators should allow this market-led process to run its course before deciding to what extent to raise regulatory capital.

But it would in principle make sense to vary the amount of regulatory capital that banks needed to hold at different stages of the economic cycle, he said.

"I have always been in favour of counter-cyclical capital requirements," Mr Greenspan said. "There are virtually no bad loans made at the bottom of the cycle. The bad loans are all made at the top."

In any event, Mr Greenspan said, "I think the probability of sparking another bubble in the next 10 years is very low."

Bubbles, he said, required low long-term interest rates, low inflation and macroeconomic stability. They were "a feature of the disinflationary period that followed the end of the cold war."

Mr Greenspan believes that period is over.
RN—5/27/08
Financial Institutions
European Commission Moves to Boost Banking, Securities, Insurance Supervision
BRUSSELS—The European Commission May 20 launched a process to bolster the supervision of the banking, securities, and insurance sectors in order to improve their capacity to monitor cross-border activities as a way to prevent the kind of credit crisis that has rocked financial markets over the past eight months.

The new initiative by the Commission, which is a follow-up to plans outlined by EU finance ministers in recent months, calls for enhanced responsibilities for the Committee of European Banking Supervisors, the Committee of European Securities Regulators, and the Committee of European Insurance and Occupational Pensions Supervisors.

These three committees were set up in 2001 as a way to help advise the Commission and EU member states and implement regulations for major legislative initiatives in their respective sectors.

"The financial turmoil has shown that we need to upgrade the current supervisory architecture by implementing a series of practical, incremental and result-oriented initiatives that will strengthen European supervisory and stability arrangements," said Internal Market Commissioner Charlie McCreevey. "Clarifying and reinforcing the role of the Committee of Supervisors by amending their constituting decisions is a necessary step in this direction. It will lead to a more cost-effective supervisory framework and to better financial stability monitoring."

"College of Supervisors."

In addition, the Commission announced it will propose in the coming months a "College of Supervisors" designed to deal with the complex issues that are involved in monitoring the 40 large financial service institutions in the EU that currently operate in more than one EU member state.

"Strengthening financial supervisory cooperation between the member states of Europe is key," McCreevey said at a speech delivered later in the day at a conference in Ireland. "It is absolutely essential if we are to successfully manage, for example, the inevitable fall out that would happen in the event of some future date of the threat of failure of a systemically important cross-border EU financial institution.

"If the recent credit market turmoil—and in particular the run on Northern Rock in Britain and on IKB in Germany alerted us to anything it alerted to us just how interconnected the world's capital markets are and to the importance of cross-border cooperation in this regulation, oversight and supervision of financial institutions," McCreevey continued.

McCreevey added that fortunately neither Northern Rock nor IKB had cross-border operations, but if they did the EU was severely unprepared to deal with the situation.

"Who would have decided on the need (or otherwise) for supervisory intervention?" McCreevey said. "Who would have telephoned whom? Which supervisor would have had access to which information on which to make sound decisions? Who would have led the intervention? Which authority would have guaranteed which deposits?"

"To these questions, I am afraid there were—and are—no clear answers," McCreevey added. "Anybody who thinks this could be done by member states acting alone is not living in the real world."

As part of its move to enhance financial market supervision the Commission will accept comments on a consultation document it has published as part of its new initiative announced May 20.

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CSOC.RICH.002668
The Commission consultation document can be found at the following web site address:
http://ec.europa.eu/internal_market/finances/docs/committees/consultation_en.pdf. Comments can be sent no
later than July 18 to the following email address: market-13@ec.europa.eu.

By Joe Kiwin
HNA—5/27/08

Mortgages
National City Agrees to $4.6 Million Settlement Over HUD Loans, DOJ Says

LANSBING, Mich.—National City Mortgage Inc. agreed to pay $4.6 million to settle allegations that it misrepresented the status of 58 loans when it submitted them for federal endorsement, the Justice Department said May 22.

According to the department, the loans were in default when National City submitted them to the Department of Housing and Urban Development for insurance endorsement.

National City has so-called "direct endorsement" authority, allowing it to make loans to low- and moderate-income borrowers who might not otherwise be able to meet loan requirements. HUD requires lenders with this authority to certify, when submitting loans for insurance coverage more than 60 days from closing, that the loans are not more than 30 days past due. The 58 loans covered by the settlement, the government said, were already in default prior to their submission.

"The FHA's [Federal Housing Administration] mortgage insurance program obviously cannot function when a lender misrepresents the status of 58 loans in order to put the government on the hook," said U.S. Attorney Stephen J. Murphy, who announced the settlement in Detroit.

A spokeswoman for Miamisburg, Ohio-based National City said the company has "reputed the government's allegations and denied any liability."

"National City mortgage has a long history as a responsible lender with the FHA for more than 50 years," said the spokeswoman, Kelly Wagner Armen. The loans covered by the settlement, she told BNA May 23, represent less than one-tenth of one percent of the FHA loans submitted during the audit period in question, May 2002 through April 2004.

The agreement "has absolutely no impact on our role as an FHA lender, and in fact, our relationship with the FHA has grown," Armen said.

The case was handled by the Justice Department and the U.S. Attorney's Office for the Eastern District of Michigan, with help from the Office of the Inspector General of the Department of Housing and Urban Development.


By Nura Macaluso
Vallejo, Calif. files for bankruptcy

The San Francisco Bay area suburb of about 120,000 residents votes for protection to deal with their budget deficit caused by soaring employee costs, declining tax revenue.

Last Updated: May 23, 2008 5:46 PM EDT

VALLEJO, Calif. (AP) -- The city of Vallejo filed for bankruptcy protection Friday to deal with a ballooning budget deficit caused by soaring employee costs and declining tax revenue.

The San Francisco Bay-area suburb of about 120,000 residents became the largest California city to seek bankruptcy protection.

Mayor Osby Davis said the city's attorneys filed papers seeking Chapter 9 bankruptcy protection in federal court in Sacramento.

"We've exhausted all avenues at this point, and this is all we had left," Davis said. "I had hoped to avoid it all the way up until yesterday. It's something we can't avoid ... We can't pay our bills."

Vallejo will ask the judge to set a June 9 deadline for creditors to challenge the filing, said Marc Levinson, the city's bankruptcy attorney. If there are no objections, the city automatically enters bankruptcy protection.

The seven-member City Council voted to authorize the city manager to file for bankruptcy protection on May 6 after months of failed negotiations with its police and firefighters unions.

After that vote, city officials and union representatives continued to meet in hopes of reaching a last-minute deal to stave off the bankruptcy filing, but the two sides couldn't come to an agreement.

Vallejo, a mostly working-class city about 30 miles northeast of San Francisco, faces a $16 million budget deficit in its fiscal year starting July 1.

The foreclosure crisis and economic downturn have caused a sharp decline in revenue from sales tax, property tax and development fees.

Many officials and residents blame Vallejo's chronic financial problems on labor contracts that they say provide overly generous pay and benefits to the city's police officers and firefighters.

Those city workers comprise about three-quarters of Vallejo's general fund.

The unions say compensation for Vallejo's public safety employees is in line with that of other Bay Area cities, and blame the fiscal crisis on government mismanagement and poor decisions by previous city councils.

Union representatives did not have an immediate comment on Friday's filing, but they previously said they would challenge it and argue that the city isn't insolvent. They say city officials rejected offers of salary cuts that would help solve the financial crisis.
In addition to being the largest California city to file for bankruptcy protection, Vallejo is the first to do so because its revenues cannot cover expenses, experts say.

Orange County filed for bankruptcy protection in 1994 after it lost money in a series of bad investments; the Southern California town of Desert Hot Springs filed in 2001 after losing a lawsuit.

Some officials worry that seeking bankruptcy protection could damage the city's reputation and ability to attract residents and businesses, but others say the city could eventually emerge stronger and more financially secure.

"The mismanagement of the city for so long has tarnished our reputation, not bankruptcy," said Councilwoman Stephanie Gomes. "Bankruptcy gives us the opportunity to fix that mismanagement and put a long-term plan in place to ensure true growth and recovery."
BNA—5/27/08
Accounting
FASB Issues Standard Clarifying Accounting
For Financial Guarantee Insurance Contracts

NORWALK, Conn.—The Financial Accounting Standards Board May 23 issued a new standard that changes current practice in accounting for financial guarantee insurance contracts, including how it relates to recognition and measurement of premium revenue and claim liabilities.

FASB issued Statement No. 163, Accounting for Financial Guarantee Insurance Contracts, which clarifies how FASB Statement No. 59, Accounting and Reporting by Insurance Enterprises, applies to financial guarantee insurance contracts issued by insurance enterprises.

Typically, financial guarantee insurance enhances the marketability of financial instruments such as asset-backed securities, since it covers losses from such financial transactions.

In addition, such insurance contracts guarantee that investors in debt instruments, such as municipal bonds, receive timely payment of principal and interest if there is a default.

FASB Project Manager Mark Trench said that recently there have been concerns about the financial health of financial guarantee insurers. Thus, the new standard is expected to increase comparability in financial reporting of financial guarantee insurance contracts and to improve transparency to such financial statements.

Trench said the standard is a major step toward ending inconsistencies in practice that made it difficult for investors to receive comparable information about an insurance enterprise’s claim liabilities.

Split Effective Date

FASB split the effective date of the standard requiring disclosures regarding an insurance enterprise’s risk-management activities to be effective the first period beginning after May 23, 2008.

An enterprise must disclose the risk-management activities it uses to evaluate credit deterioration in its insured financial obligations and the insurance enterprise’s surveillance or watch list, FASB said.

The remaining statement is effective for financial statements issued for fiscal years beginning after Dec. 15, 2008, and all interim periods within those fiscal years.

This includes a requirement to recognize a claim liability prior to an event of default (insured event) when there is evidence that credit deterioration has occurred in an insured financial obligation.

Goal of Reducing Diversity

Since 2005, FASB has been working on a project to reduce diversity in practice in the way financial guarantee insurance contracts are accounted for by insurance enterprises.

The board said that the diversity resulted in differences in the recognition and measurement of claim liabilities and could lead to different financial statement information for similar transactions.

On April 18, 2007, FASB issued an exposure draft with a 60-day comment period and wrapped up recalibrations earlier this year.

Changes Current Practice

Under Statement 163, the change to current practice in accounting for financial guarantee insurance contracts relate to recognition and measurement of premium revenue and claim liabilities, FASB said.
Similarly to the premium revenue recognition approach for a short-duration insurance contract in Statement 60, the premium revenue recognition approach links premium revenue recognition to the amount of insurance protection and the period in which it is provided, according to a summary of the standard.

This means that the amount of insurance protection provided is assumed to be a function of the insured principal amount outstanding, since the premium received requires the insurance enterprise to stand ready to protect holders of an insured financial obligation from loss due to default over the period of the insured financial obligation.

In addition, the recognition approach for a claim liability requires that an insurance enterprise recognize a claim liability when the insurance enterprise expects that a claim loss will exceed the unearned premium revenue.

This is based on the present value of expected net cash outflows to be paid under the insurance contract discounted using a risk-free rate.

Moreover, the standard requires an insurance enterprise to measure the claim liability equal to the present value of expected net cash outflows.

Expected net cash outflows are probability weighted cash flows that reflect the likelihood of all possible outcomes for payments by the insurance enterprise under the insurance contract.

Amends Existing Accounting

Statement 165 amends the following standards: FASB Statement No. 107, Disclosures about Fair Value of Financial Instruments (paragraph 8(c)), Statement 133 (paragraph 10(c)); FASB Interpretation No. 45, Guarantor’s Accounting and Disclosure Requirements for Guarantees, Including Indirect Guarantees of Indebtedness of Others (paragraph 6(d)).

Moreover, it nullifies EITF Issue No. 85-20, “Recognition of Fees for Guaranteeing a Loan.”

By Denise Lugo
Wall St. Journal—5/24/08

Muni-Bond Bidders
A Rarer Commodity

Thinner Market
May Hurt Pricing,
Reduce Liquidity
By STAN ROSENBERG
May 24, 2008; Page R1

As if investors in the municipal-bond market didn’t have enough to worry about, concerns are now rising that the secondary market, where institutional investors trade large blocks of bonds, is becoming concentrated in fewer hands.

That poses a threat to market liquidity and could skew prices on outstanding debt.

"If you have a $10 million block, there are less people to quote it," said Evan Rouke, a municipal portfolio manager at M.D. Sass & Co. in New York.

Fewer bidders means a loss of depth on the bid side, said Gary Pollack, head of fixed-income trading at Deutsche Bank Wealth Management, also in New York.

"On a good day, you may get 20 bidders. Now, that universe has shrunk by two," Mr. Pollack said, referring to the exit of Bear Stearns Cos. and UBS AG from the muni markets.

"So on a not-so-good day, you may not get enough bidders to justify selling," he said he hasn't seen that happen yet, but he termed it "a risk."

An inability to move large bond lots raises the possibility that evaluations received by mom-and-pop investors, the backbone of the $2.6 trillion muni market, may not be as accurate as they should be.

Thin market conditions raise the possibility prices and benchmark-price indicators "may be more subject to the influence, intentional or not, of single trades or investment programs," wrote Matt Fabian, senior analyst at Concord, Mass.-based Municipal Market Advisors, in a report.

With the number of major dealers shrinking – there are only 10 to 17 major market makers in the municipal market -- these factors take on greater significance in the absence of alternative bidders.

Hedge funds that used to play one end of the municipal yield curve against the other were badly burned and have become much less influential in the market. "They're neutral at best, net sellers at worst," Mr. Rouke said.

Insurers that have suffered losses elsewhere on their balance sheets, while still expected to be in the market, could see a diminished need for tax exemption. That would leave municipal-bond mutual funds, which have recently experienced large inflows, to operate at their own pace, according to Mr. Rouke.

At the same time, a number of the remaining dealer firms have tightened their positions as they continue to experience balance-sheet funding constraints.

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"The announced sale or closure of UBS's municipal department, sharp losses at insurer AIG, and potential cost-cutting at Citigroup all imply a reduced bid side and excess secondary supply over at least the next few quarters," Mr. Fabian wrote.

**Treasury Revive**

Treasury got a new lease on life Friday thanks to falling stocks, weak housing data and position-squaring leading into the long weekend.

Bond markets are closed Monday for Memorial Day.

The rally helped Treasuries recoup some losses after two days of selloffs. The benchmark 10-year note was up 23/32 point, or $7.1875 for every $1,000 invested. Its yield fell to 3.833% from 3.919%.

Write to Stan Rosenberg at stan.rosenberg@dowjones.com.
Wall St. Journal—5/24/08
FGIC Posts Loss on Exposure To Asset-Backed CDOs
By LAVONNE KUYKENDALL and DONNA KARDOS
May 24, 2008, Page B5

FGIC Corp. swung to a first-quarter loss on the impact from the bond insurer's exposure to collateralized-debt obligations of asset-backed securities, though they were largely offset by big gains on credit protection contracts.

The parent of Financial Guaranty Insurance Co. reported a net loss of $33.4 million, compared with year-earlier net income of $68.5 million.

The latest results include a $1.56 billion gain from new accounting rules that change the way companies place market values on assets that don’t have hard prices. FGIC’s gain was due to the market's perception of the company's nonperformance risk. The gain compared with $1.4 billion in mark-to-market losses on those derivatives.

Revenue more than doubled to $288.2 million from $126.8 million amid the gains.

Pretax loss and loss-adjustment expenses soared to $279.2 million from $1.2 million amid continued deterioration in the performance of certain residential-mortgage-and asset-backed CDOs written primarily the past three years. FGIC noted any claims relating to the transactions "will be made over a period of years" and the reserves don’t reflect any effects of loss-mitigation efforts.

Net premiums written plunged 64%, while net premiums earned slid 0.7%.

FGIC has been losing money on CDOs backed by subprime-mortgage-backed securities. Earlier this month, the firm said it received interest from a range of strategic partners regarding a plan to split its bond-insurance business into public and private units.

FGIC earlier this year filed a lawsuit against Deutsche Industriebank, or IKB, and Calyon Credit Agricole CIB, its counterparties in a CDO transaction that exposes FGIC to $1.875 billion in potential losses. Resolution of the suit could result in "material" adjustments to FGIC’s related loss reserves, the company said in its earning report.

Earlier this month, PMI Group Inc. wrote off its remaining value of its 42% stake in FGIC as it questioned the bond insurer’s future.

Write to Lavonne Kuykendall at lavonne.kuykendall@dowjones.com and Donna Kardos at donna.kardos@dowjones.com
Wall St. Journal — 5/27/08

Auction-Rate Securities Give Firms Grief
Companies Struggle to Come to Terms
With Writing Down Troubled Holdings
By LEAH RAFFAPORT
May 27, 2008; Page C1

The credit crisis is receding, but hundreds of U.S. companies still are struggling to clean up the problems caused by auction-rate securities.

A review of first-quarter earnings reports showed that more than 400 companies, including Google Inc., Bed Bath & Beyond Inc. and Starbucks Corp., held at least $30 billion in the securities, instruments they once thought were as dependable as cash.

Some companies have had to scramble for funds in the months since the market froze up in February. The securities also are creating an accounting problem for businesses not used to pricing complicated securities. While some companies have written down the value of their auction-rate holdings, many others haven't, even though market prices have fallen substantially.

CFOs Learn the Lesson
"There is not a CFO in the world that hasn't had a significant lesson on what auction-rate securities are this year," says Dario Sacomani, chief financial officer at Sunnyvale, Calif., semiconductor company Spansion Inc., which held $122 million in such illiquid securities that it hadn't marked down at the end of the quarter.

According to a study of earnings reports conducted by securities-volatility firm Paris Valuation Advisors LLC, 402 public companies disclosed that they held variations of auction-rate securities. Half had written down the value of their holdings. Of those that did, the average markdown was 12.2%, the study shows.

Individuals and companies bought auction-rate debt from municipalities, charitable organizations, student lenders and closed-end mutual funds.

The securities are long-term debt with short-term features. Their interest rates are meant to reset in weekly or monthly auctions conducted by Wall Street brokers. Buyers were attracted to their relatively high yields and a promise from Wall Street of an easy exit from the instruments.

But in February, auctions failed to attract sufficient bidders. Wall Street firms stopped supporting the market, causing it to freeze up.

Scomani cites the high quality of government-guaranteed student loans that are collateral for the securities it holds as one reason it hasn't taken a charge. Another reason, Mr. Sacomani says, is that the company doesn't need to access the cash immediately.

"This is triple-A," he says.

Still, Moody's Investors Service cut the company's credit rating in late March to the lower rungs of junk with a negative outlook, and to the lowest possible liquidity rating, which is a measure of a company's access to cash.

Hands Tied
"It hampers your financial flexibility," says Gregory Fraser, senior analyst at Moody's, a unit of Moody's Corp. He says the company would have to take a "substantial discount" to sell its securities.

About 25% of the $330 billion auction-rate market has been bought back by municipalities or refinanced with a different type of debt, says Alex Roever, fixed-income analyst at J.P. Morgan Chase & Co. Those left, he adds, probably aren't worth their face value.

Barron Silbert, who runs the Restricted Securities Trading Network, which has arranged 200 auction-rate bond sales, says sellers have taken discounts ranging from 2% for municipal debt to 30% for student-loan-backed bonds.

Salt Lake City self-storage company Extra Space Storage Inc. sold its securities at the end of February at a 10.6% discount to their face value.

Biotech pharmaceutical company ImClone Systems Inc. took an $85 million impairment charge in the first quarter, $69 million of which came from auction-rate securities it marked down by 43%.

Bed Bath & Beyond, the home-furnishing retailer, took a temporary 2.2% markdown on $327 million of the securities; Google a 4.2% markdown on $260 million of the securities; and Jet Blue Airways Corp. a 3.4% impairment on $324 million of the debt. Starbucks took no impairment on $70.5 million of such debt.

Write to Liz Rappaport at liz.rappaport@wsj.com
Commentary
Fair Game

Gauging the Big Bets of a Hot Hand

By GRETCHEN MORGENSON

COMB hell, high water, credit crisis or asbestos claims, Fairfax Financial Holdings is that rarity — an insurance company whose shares have stood tall through it all. Even as the Standard & Poor’s insurance composite index has fallen 17.6 percent this year, Fairfax’s stock is down just 2.1 percent.

Based in Toronto and led by V. Prem Watsa, founder and chief executive, Fairfax seems especially good at navigating the credit shoals. It is a big player in credit derivatives — instruments that have recently burned larger and more established rivals like A.I.G. and Warren E. Buffett’s Berkshire Hathaway. Indeed, while both of those companies have lately recorded huge losses on credit default swaps — insurance contracts that allow investors to bet for or against a corporation’s bonds — Fairfax has reported immense gains in this arena.

During 2007 and the first quarter this year, Fairfax said it realized $420 million in gains on credit default swaps, helping to prop earnings to records. Fairfax earned $1.1 billion on revenue of $7.5 billion in 2007, up from $227 million earned on $6.8 billion in revenue in 2006. The company has a market capitalization of $5.39 billion, and its stock, at $280.25 a share, trades at a 10 percent premium to its book value.

A tour through Fairfax’s financial statements, however, raises questions about both the company’s reliance on derivatives gains and its insurance operations. Of special note is Fairfax’s unit in Europe that consists of underwriting businesses that the firm is in the process of abandoning. (In the insurance world, operations like these are known as “runoff” units.)

Fairfax’s investment portfolio totaled $18.6 billion at the end of the first quarter. Since its inception in 1985, it has returned an average 9.5 percent a year on its investments, earning Mr. Watsa quite a nickname: the Warren Buffett of Canada.

The insurance business hasn’t been hot lately for Fairfax, so its investment returns have come in handy. Citing extreme competition in the industry, Fairfax reported consolidated net premiums of $4.5 billion in 2007, a decline of 6.1 percent from 2006. And in the first quarter of 2008, the company reported an underwriting loss of $7.7 million versus a profit of almost $50 million a year earlier.

Better to focus on its credit derivative book. Most of those bets have been made against financial companies and have benefited from huge losses incurred by banks, securities firms and bond guarantors like M.B.I.A.

GREG TAYLOR, Fairfax’s chief financial officer, says he expects the gains to continue. “We do not think the credit crisis is winding down,” he said in an e-mail exchange. “In fact, the recession may well magnify the stresses on the credit markets.”
Plenty of derivative bets remain on the company’s books, even after recent sales. Unrealized gains on the company’s credit default swaps stood at $960 million at the end of 2007, and in the first quarter, mark-to-market gains on its credit default swaps were $467 million.

That’s a lot of lettuce. Still, credit default swaps are notoriously volatile, and whether the company will be able to cash in these chips is an open question. Indeed, on May 1, Fairfax cautioned that swaps worth $991 million at the end of the first quarter had fallen to $685 million as of April 25.

Sean Egan, managing director of Egan-Jones Ratings, an independent ratings firm, said investors should be wary of counting on these gains because it is not clear who is on the other side of Fairfax’s swap trades.

“The visibility on counterparties has been and remains very poor,” Mr. Egan said. “You don’t know whether there are hedge funds on the other side with minimal capital levels or whether they are solid credible counterparties. These are massive positions, and Fairfax should provide additional information to give comfort to investors.”

Given the volatility in these instruments, he added, “investors would have to assume that investment gains realized by the company are unlikely to remain at the same level that have been reported to date.”

Absent Fairfax’s investment income, he noted, the company’s pretax earnings would have totaled $528 million in 2007, not the $2.16 billion it recorded — quite a swing, but not one that seems to worry the folks at Fairfax.

Mr. Taylor says he believes Fairfax has the right bet on. “We continue to believe that these positions will be valuable in protecting our companies against the continuing credit market conditions,” he said.

Maybe so. But even with the juicy derivatives gains, at the end of the first quarter Fairfax’s cash and cash equivalents had fallen to $3.1 billion, down 46 percent from the end of 2006.

And claims payments may well rise in the company’s European runoff operations, a unit that has enjoyed improved results. These operations involve Icap Re, an Ireland-based reinsurer, and include long-term claims associated with asbestos maladies.

European runoff turned in a pretax loss of $900,000 last year, well below the 2006 losses of $501 million and the $262 million lost in 2005. Fairfax cited “reduced claims in Europe” as one of the reasons for the improvement; losses on claims fell to $16.5 million last year, down from losses of $39.7 million in 2006 and $247 million in 2005.

But this reduction in losses may relate to a temporary claims-paying holiday at Sphere Drake Insurance, a Fairfax affiliate in Britain that has been in runoff since 1999. The holiday is a result of a “solvent scheme of arrangement,” a legal proceeding in which creditors and insurance companies consolidate certain claims and liquidate them at an agreed-upon price.

While the workout goes on, Sphere Drake doesn’t pay on the claims under consolidation. Once the process is complete, the company must pay on all claims approved by the court overseeing the deal.
SPHERE DRAKE has been involved in two such proceedings since 2005, both of which contributed to the improvement in results at the European runoff unit in 2006 and last year.

Under the first, Sphere Drake paid $35 million to settle claims, Mr. Taylor said.

A second solvent scheme of arrangement was approved by the court early last November; the filing date for claims, May 6, has passed. While the claims holiday is over, it still isn’t clear what payments will be required under the arrangement.

Fairfax is on the hook for whatever claims Sphere Drake has to pay, yet details relating to that particular possibility aren’t disclosed in Fairfax’s filings.

Mr. Taylor said that was because the proceedings have no impact on his company’s operations, adding that the claims will be immaterial. He said he expects the claims consolidated in the most recent solvent scheme of arrangement to be paid later this year or in early 2009.

Shareholders will have to hope the Mr. Taylor is right and that the claims don’t turn out to be whoppers. If they are, Fairfax’s finances might get squeezed.

Indeed, while some liken Mr. Watsa to Mr. Buffett, the Berkshire Hathaway model consists of a company generating profits through careful insurance underwriting and perspicacious investing. At Fairfax, the underwriting cushion would seem not so plump should Mr. Watsa’s hot investment hand go cold.

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Finding Potential for Debt in Distress

By NORM ALSTER

The credit crisis and economic slowdown have sunk billions of dollars of debt into distressed status—deep in the junk-bond pile. Money managers have traditionally profited in such markets by buying debt on the cheap.

Individual investors can get into the game indirectly, through a small number of mutual funds, including BlackRock High Yield, Mutual Recovery and Northeast Investors Trust, which hold some distressed debt.

"Right now, we think there is going to be tremendous opportunity over the next 12 to 18 months," said James Keenan, manager of BlackRock High Yield, which has returned 0.41 percent in 2008 and 7.15 percent, annualized, over the last three years, according to Morningstar. (All figures are through Thursday.)

Mr. Keenan forecasts raising the fund's current investment in distressed debt to 10 to 15 percent of assets, from the current 7 to 9 percent, as opportunities arise.

Distressed debt is often defined as the obligations of companies in default or perilously close to it. The term may also be used for debt paying a very high yield—10 percentage points more than 10-year Treasuries.

Investing in such debt is risky, but handsome profits can be made by converting it into equity ownership as restructured companies leave bankruptcy.

The sharp rise in interest rates on lower-rated debt issues in recent months probably presages a rising tide of defaults, said Kenneth Emery, director of default research at the Moody's Corporation.

"Historically, there's a tight correlation between high-yield spreads and default rates," Mr. Emery said. Already, the global pool of distressed bonds and bank loans is approaching $600 billion, he said.

Little cash has actually been drawn down to buy distressed debt thus far. "There have been a lot of funds raised," said Michael Embler, chief investment officer for the Mutual Series funds of Franklin Templeton. "Most of the money has not been deployed."

Oaktree Capital Management, based in Los Angeles, is a longtime investor in distressed debt. The firm has unspecified billions invested in such debt, said Howard S. Marks, its chairman, with $10 billion more ready to be deployed.

The question for Mr. Marks and others is when to start buying in earnest. Early buyers risk "catching a falling knife," in market parlance, if prices keep tumbling. But late buyers risk losing out on the best deals and the best returns. "We think we have to catch a falling knife," Mr. Marks said.
Other deep-pocketed buyers seem to be coming to the same conclusion. For example, the Blackstone Group, the big private equity group, has been finding good investments in distressed debt, Steven A. Schwarzman, the chairman and chief executive, said in a recent conference call.

At Mutual, Mr. Emmer is waiting for some of the debt that financed buyouts in the last year to tumble into distressed status.

"There was a tremendous amount of leverage in those buyouts," he said. "Some of them will hit the wall."

Just nine months ago, Mutual Recovery held virtually no distressed debt, but with recent purchases of leveraged-buyout-related bank loans, it now has "5 to 10 percent" of its portfolio in the lowest-rated obligations, he said. "We do think there will be more opportunities in the next 6 to 12 months," he added.

The fund is down 4.31 percent this year and has returned 6.33 percent, annualized, over the last three years.

ALSO prepared to buy, but not convinced that prices have bottomed, is Bruce H. Monrad, who manages the $1.5 billion Northeast Investors Trust fund with his father, Ernest E. Monrad. The fund is up 0.14 percent this year and has returned 5.59 percent, annualized, over the last three years.

"We're still in the very early innings," he said. "We're probably going to see 30 percent of the total junk bond market default over the next five years. And yet fewer than 30 percent of junk bond issues are selling at distressed prices. There may still be a lot of overpriced junk."

The Northeast fund holds debt from one issuer — the Trump casino empire — that produced a big payday in the past. After Trump Hotels and Casino Resorts filed for bankruptcy in 2004, Northeast received a package of stock and bonds in the restructured company, Trump Entertainment Resorts. Northeast sold the stock but still holds some bonds, whose current yield is roughly 14 percent.

In terms of the broader credit market, Mr. Marks of Oaktree Capital said he saw a possible silver lining in the current situation, at least for investors in distressed debt.

"This could be the biggest credit crisis of our lives," he said. "And if it is, that argues for higher returns."
Moody's fiasco: The cover-up?

The Moody's (MCO) mess keeps getting even more strange. Rival Standard & Poor's put Moody's debt ratings on watch late Thursday, after Moody's shares suffered two days of selling on the heels of a Financial Times report that the company issued the wrong ratings on some risky paper and then changed its rating criteria to avoid a downgrade.

"The CreditWatch listing reflects recent press reports regarding potential problems with analytical models and methodologies used in Moody's process for rating European constant-proportion debt obligations (CPDOs)," S&P wrote. "While the specific potential business and financial impact to Moody's is currently uncertain, this comes at a time when expected declines in revenue and cash flow at Moody's in 2008 are expected to meaningfully reduce flexibility in the company's leverage profile. These concerns are exacerbated by the potential impact of the previously mentioned press reports."

Of course, S&P is very much in the same kind as Moody's. While some observers were questioning the safety of CPDOs when they were first issued - Fitch, for instance, declined to rate them - S&P was the first firm to rate CPDOs, giving them the sought-after triple A designation. "We think focusing on programming errors diverts attention away from the core issue here," CreditSights analyst David Watts wrote Friday, Reuters reports. "Rating a CPDO requires predicting 11 different variables 10 years into the future with a high degree of accuracy. A skill we are not convinced that anyone possesses."

Moody's responded to the FT article by hiring lawyers at Sullivan & Cromwell to conduct an external investigation. But at Naked Shorts, Greg Newton writes that the firm is possibly conflicted by its representation of Moody's in class-action lawsuits, and sees the Moody's response as fitting into a greater pattern of financial firms washing their hands of their bubble-era misdeeds. "While the audial firm of Thain, Pandit, Blankfein & Fulld debate whether the credit crisis is in its seventh or eighth inning, NakedShorts would suggest an alternative analogy," he writes: "We've done the crime, here comes the cover-up."
UBS Foresees More Subprime-Related Losses

By BLOOMBERG News

UBS, the European bank hardest hit by the collapse of the subprime housing market in the United States, felt the most in more than two months in Swiss trading on Monday after it said it may face more losses from mortgage securities. UBS declined 5.8 percent to 28.20 francs in Zurich, and has dropped 43 percent this year, cutting its market value to 61.4 billion francs ($59.9 billion). UBS, in a prospectus for a 16 billion-franc rights offer to shareholders, said the bank’s losses on residential and commercial real-estate securities outside the United States “could increase in the future.” UBS is seeking to replenish capital after about $38 billion in write-downs related to the subprime crisis.
Lost Opportunities Haunt
Final Days of Bear Stearns

Executives Bickered
Over Raising Cash,
Cutting Mortgages
By KATE KELLY
May 27, 2008; Page A1

Twelve hours after agreeing to sell Bear Stearns Cos. for $2 a share, Alan Schwartz wearily made his way to the company gym for a much-needed workout.

It was 6:45 a.m., March 17, and Bear Stearns's chief executive had slept little since hammering out the ugly details of his fire-sale deal with J.P. Morgan Chase & Co.

When Mr. Schwartz, already dressed in his business suit, trudged into the locker room, Alan Mintz, still in his sweaty gym clothes, made a beeline for the boss.

"How could this happen to 14,000 employees?" demanded the 46-year-old senior trader, thrusting his face uncomfortably close to Mr. Schwartz. "Look in my eyes, and tell me how this happened!"

Two and a half months later, Mr. Schwartz still isn't quite sure. To Mr. Mintz and others, he has blamed a market tsunami he didn't see coming. He told a Senate committee last month: "I just simply have not been able to come up with anything, even with the benefit of hindsight, that would have made a difference."

But many who lived through the seven tense months before the deal saw Bear Stearns implode because it was at war with itself. Buffeted by the most treacherous market forces in a generation and hobbled by indecision, the firm's leaders missed opportunities that might have been able to save the 85-year-old brokerage.

Those missteps are expected to have a lasting impact beyond the people who once worked at Bear Stearns or owned its stock. Unlike Wall Street meltdowns in decades past -- from Drexel Burnham Lambert Inc. to Long-Term Capital Management -- the Bear Stearns collapse spurred direct intervention from the Federal Reserve. That step is likely to increase the central bank's role in solving future financial catastrophes and bring securities firms further regulation in the bargain.

As shareholders prepare to approve the deal on Thursday -- at a price that angry investors forced up to about $10 a share -- interviews with more than two dozen current and former Bear Stearns executives, directors, traders and others involved in the action paint the first detailed picture of the frantic last weeks before the Fed helped underwrite J.P. Morgan's purchase of the trading powerhouse.

Months before regulators pressured the firm to sell itself, nervous traders futilely begged Mr. Schwartz and his predecessor, James Cayne, to raise more cash and slash Bear Stearns's huge inventory of mortgages and the bonds that backed them.
At least six efforts to raise billions of dollars -- including selling a stake to leveraged buyout titan Kohlberg Kravis Roberts & Co. -- fizzled as either Bear Stearns or the sellers turned skittish. And repeated warnings from experienced traders, including 59-year Bear Stearns veteran Alan "Ace" Greenberg, to unload mortgages went unheeded.

Top executives resisted, in part, because they were concerned the moves would upset the delicate calculus of appearances and perceptions that is as important on Wall Street as dollars and cents. If Bear Stearns betrayed weakness, they worried, skittish customers would pull their money out of the firm, and other financial institutions would refuse to trade with it.

Instead of managing these fickle forces, though, a brokerage whose culture and fortune were rooted in the trading floor's steady manipulation of risk was swamped by them.

Early Warnings

An early harbinger of the debacle to come appeared the first Friday in August. Bear Stearns executives hosted a conference call that day meant to reassure investors. The brokerage's stock had fallen sharply after the late-July collapse of two internal hedge funds tied to subprime mortgages, home loans made to the riskiest borrowers.

Mr. Cayne and his top financial lieutenants touted the firm's strong cash holdings -- $11.4 billion, according to company officials -- and new longer-term borrowing agreements. They also pointed out that Bear Stearns itself actually had few subprime holdings. But executives' comments about the bleak state of the market for interest-bearing securities stoked investors' fears, helping spur a broad rout in stocks and driving Bear Stearns's own shares to a 12-month low of $106.55.

Later that day, word leaked out that Warren Spector, Bear Stearns's co-president and chief of the division that oversaw the two failed hedge funds, was being forced out by Mr. Cayne.

Amid the mounting bad news, a lifeline appeared: Mr. Schwartz, then Bear Stearns's co-president, and Henry Kravis, KKR's fearsome founder, had a conversation about the buyout firm possibly purchasing 20% of Bear Stearns.

By Sunday, Bear Stearns's sleek, black tower in midtown Manhattan bustled with activity.

About 8:30 a.m., a team from KKR assembled in the investment-banking department on the 43rd floor to begin dissecting the firm's books. Buying a piece of Bear Stearns was attractive to KKR as an entry into the lucrative brokerage business at a time when prices were cheap. For Bear Stearns, it was a chance to raise $2 billion or more in capital and gain a crucial seal of approval by putting an émigré finance man like Mr. Kravis on its board -- a move Mr. Schwartz hoped would silence Bear Stearns's critics.

Within two weeks, though, the talks would fall apart because each side had concerns. Among other things, Messrs. Schwartz and Cayne feared a deal might turn off Bear Stearns clients that competed with KKR.

While Bear Stearns's mortgage team fielded questions from KKR that Sunday, the firm's risk officers were meeting in the sixth-floor executive offices with staffers from the Securities and Exchange Commission. The regulators had traveled from Washington to make sure Bear Stearns had access to the day-to-day loans it needed to fund its trading operation. After scrutinizing the
firm's $490 billion balance sheet well into the afternoon, the regulators agreed to reconvene with Bear Stearns managers for daily briefings until the market crisis passed.

Elsewhere in the building that afternoon, Bear Stearns's board was deliberating over Mr. Spector's resignation. Not everyone was convinced it was the right move — including Mr. Schwartz, who had expressed his objections privately to Mr. Cayne. But Mr. Cayne was adamant.

The collapse of the hedge funds had exposed the then-73-year-old CEO to criticism inside and outside of the company for being disengaged and for brushing off warning signs. Early on, he seemed unconcerned. Mr. Cayne said the funds weren't Bear Stearns's money: It belonged to big institutions, wealthy individuals and lenders who all knew the risks going in. Soon, though, the lenders forced Bear Stearns to extend one of the portfolios $1.6 billion of its own money to keep it afloat.

A gruff and gruff former scrap-iron salesman from Chicago with a penchant for cigars, golf and cards, Mr. Cayne had often taken off Thursday afternoons and Fridays that summer to play golf near his New Jersey vacation home. In mid-July, when the funds were melting down, both he and Mr. Spector had spent more than a week in Nashville, Tenn., competing in a bridge tournament. Mr. Cayne, who declined to be interviewed for this article, was said by people close to him to be particularly angry that Mr. Spector, who with his partners won the event, had been away from the office at such a sensitive time.

Bear Stearns's board -- 12 men largely handpicked by Mr. Cayne -- approved Mr. Spector's departure. Mr. Schwartz, a longtime investment banker more accustomed to rubbing shoulders with clients like Walt Disney Co.'s Robert Iger than to monitoring trades or capital levels, was named sole president.

Messrs. Spector and Schwartz had been promoted to co-presidents and co-chief operating officers in 2001. Mr. Cayne, the CEO, had leaned on them to keep their divisions running smoothly.

Now, Mr. Schwartz, a former star pitcher at Duke University, had to carry a heavier burden. At age 57, he had little experience in the bond and mortgage businesses that made up an outsized share of Bear Stearns's revenue. But he decided to manage the firm's capital-markets division himself rather than hiring a replacement for Mr. Spector.

Mr. Schwartz moved to tighten oversight of the company's trading. He also began keeping daily tabs on the bond markets. Several times a week, he sat down with traders who had bet a lot of the firm's money, questioning them about strategy and results.

In the weeks after rejecting KKR's approach, Bear Stearns received other offers of capital. J. Christopher Flowers, a former Goldman Sachs Group Inc. partner, had met with some of Bear Stearns's senior managers about the possibility of taking a 20% stake. But the meeting left Bear Stearns's representatives concerned that Mr. Flowers simply was trying to gauge their desperation. The next day, they told the Flowers team they weren't interested.

Instead, Bear Stearns executives began working on what Messrs. Schwartz and Cayne saw as a more compelling option: a joint venture with Citic Securities Co. They reasoned a deal with the
Chinese investment bank would bring in money and help increase Bear Stearns's miniscule presence in Asia. Sensing from criticism of his hands-off style, Mr. Cayne spent the Labor Day weekend on a whirlwind trip to Beijing to discuss terms with Citic executives.

Into early autumn, the mortgage market continued to slump. Housing prices had plunged, and most major financial firms were slashing the value they placed on holdings backed by home loans.

Bear Stearns -- with its immense stockpile of mortgages and related securities -- was particularly vulnerable. Despite months of price declines, those holdings were valued at about $56 billion -- a large portfolio for a firm its size. Still, SEC staff -- who now were phoning in for weekly Wednesday-evening conference calls with the firm -- appeared comfortable. By Thanksgiving, some senior regulators were calling in less frequently.

"We've Got to Cut!"

Inside Bear Stearns, though, skirmishes about its mortgage holdings at times grew heated. Some veteran traders insisted that Tom Marano, the head of mortgages, needed to trim his portfolio. Among them were Wendy de Monchaux, who as head of proprietary trading invested Bear Stearns's own money, and Steve Meyer, co-head of stock sales and trading.

"Cut the positions, and we'll live to fight another day," Ms. de Monchaux said often, invoking one of the firm's venerable maxims. But Mr. Schwartz, still basking up on the details of the mortgage markets, urged caution.

For some of the assets, the market was frozen, Mr. Schwartz reasoned, so selling was out of the question. On others, he had mixed feelings. He didn't want to unload tens of billions of dollars worth of valuable mortgages and related bonds at distressed prices, creating steeper losses.

Mr. Schwartz believed the portfolio at least should be better protected from further price declines. Spearheaded by Mr. Marano, a boarded 46-year-old trader with a Grateful Dead tattoo on his right shoulder, the mortgage team unfurled a hedging strategy known as "the chaos trade."

The trade was a deeply pessimistic bet -- essentially a method for making money if the mortgage and financial markets crumbled. The traders bet that the ABX, a family of indexes made up of securities backed by subprime mortgages, would fall. They made similar moves on indexes tracking securities backed by commercial mortgages. Finally, they placed a series of bets that the stocks of major financial companies with exposure to mortgages, including Wells Fargo & Co., Countrywide Financial Corp. and Washington Mutual Inc., would decrease in value as well.

Late in September, with Bear Stearns and other financial stocks rallying, members of the firm's executive and risk committee gathered in Mr. Cayne's smoky, dark and secluded sixth-floor offices to discuss the hedges. Negotiations for Allianz SE's Pacific Investment Management Co. to take a nonequity stake of as much as 10% in Bear Stearns had recently fallen apart. That cost the brokerage a chance for capital and a coveted endorsement of Bear Stearns's creditworthiness.

Mr. Cayne had just returned from the hospital where he'd been treated for an infection, and he looked thin and drawn. Mr. Greenberg, the firm's storied trader and former CEO, took center stage. As head of the risk committee, he had been reviewing the Wells Fargo and other negative

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stock bets. He wasn't happy. The financial-stock hedges were too risky, he warned, and should be closed out immediately. Moreover, he wanted the mortgage inventory slashed.

"We've got to cut!" Mr. Greenberg demanded. Ms. de Monchaux and Mr. Meyer concurred.

Oklahoma-bred and Missouri-educated, Mr. Greenberg was the embodiment of the "PSDs" -- poor, smart employees with a deep desire to get rich, upon whom the firm had been built. Mr. Greenberg, who ran the firm for 15 years before Mr. Cayne nudged him aside, was known on Wall Street for his voluminous memos, in the voice of a fictional character, urging traders on issues large ("it doesn't pay to get too arrogant") and small (save paper clips to cut costs).

But it was Mr. Greenberg's trading style that had most defined Bear Stearns: Sell losing trading positions -- quickly. Mr. Greenberg still recalled what his father, an Oklahoma City clothier, told him: "If something isn't moving, sell it today because tomorrow it will be worth less."

The hedges had made close to half a billion dollars and stood to make more as the stocks continued to fall. But since they had first employed the chaos trade, Mr. Marano and his team had been hectored almost daily by complaining phone calls from colleagues. Some of Bear Stearns's more superstitious traders even objected to the strategy's name: They were tempting fate by invoking chaos.

Faced with the fierce divide among his top executives, Mr. Schwartz, who was generally supportive of the chaos trade, decided to abandon it. He wanted specific pessimistic plays that would offset specific optimistic bets, rather than the broader hedges Mr. Marano had employed. Frustrated, Mr. Marano ordered the trades undone.

As October dawned, Messrs. Cayne and Schwartz had high hopes that a deal with Citic would bolster Bear Stearns's fortunes. On Oct. 22, Bear Stearns announced a joint venture in Asia that included a $1 billion cross-investment between the two companies. If regulators approved, Bear Stearns could count on getting $1 billion in the first half of 2008. But it would spend the same amount over a longer period for a complementary stake in Citic.

Investors weren't impressed. Bear Stearns shares rose meagerly but backtracked days later.

Over the next few weeks, Bear Stearns's competitors disclosed losses from bad mortgage-related bets. Merrill Lynch & Co. announced a loss amid write downs of $8 billion; Morgan Stanley revealed losses of nearly $4 billion.

To outsiders, it was beginning to look as if Bear Stearns had navigated the crisis relatively deftly. Inside the firm, that view wasn't so prevalent. Its mortgage holdings were still hefty, and its bond business was reeling.

The firm continued to explore ways to raise money, hiring investment banker Gary Parr of Lazard Ltd. to try to bolster the firm's prime brokerage business, which handled trading and lending to hedge funds and other big clients. Mr. Schwartz had also discussed a merger with hedge fund Fortress Investment Group.

Neither effort would bear fruit.

Time to Move On
In late November and early December, tension mounted as Bear Stearns executives contemplated a bonus pool down significantly from a year earlier. Executives in the stock division blamed their counterparts in bonds.

"Why should we pay those guys anything?" Mr. Meycr, the stock sales and trading executive, at one point demanded in a compensation meeting.

Things only got tenser when Bear Stearns announced abysmal fourth-quarter results on Dec. 20. Dragged down by a drop in the value of its mortgage inventory, the company reported its first quarterly deficit since it opened for business in 1923. The bond division, always the firm's cash cow, had a loss of $1.5 billion for the quarter.

At lunchtime the next day, as employees prepared for the holidays, Bear Stearns received bleak news. An email from Pimco, the influential bond fund, said it had become uneasy about the financial sector in general. And the fund wanted to immediately unwind several billion dollars of trades it had agreed to with Bear Stearns.

"This doesn't make any sense," Jim Egan, Bear Stearns' co-head of global sales, said in a hastily arranged conference call with William De Leon, a Pimco risk manager, and William Powers, a Bear Stearns executive and Pimco managing director. "How could a snap decision throw cold water on such a longstanding relationship with such little warning? If Pimco planned to take such drastic action, Mr. Egan and his colleagues added, the decision should be made "corner office to corner office."

Messrs. De Leon and Powers ultimately agreed to hold off on dramatic moves until January, when they'd have a chance to sit down with senior Bear Stearns executives. But before hanging up, Mr. Powers issued a stern, if familiar, warning: "You need to raise equity," he said.

Many Bear Stearns veterans began pushing hard for Mr. Cayne's ouster, arguing the firm needed a more engaged leader. The dissatisfaction had been building since the summer. It grew after a Nov. 1 story in The Wall Street Journal documenting Mr. Cayne's frequent absences from the office for golf and bridge during the worst of the summer's hedge-fund crisis. The article also mentioned that Mr. Cayne had used marijuana in the past. He told employees in an email the same day that he hadn't "engaged in inappropriate conduct."

Mr. Schwartz was reluctant to push Mr. Cayne out. He had led the company through some grim years, Mr. Schwartz believed, and could be trusted to step down on his own.

"Stand calm," he told the protesters. "We've got it under control."

Several top managers began joking that they should hold a sit-in in Mr. Schwartz's 42nd-floor office until he agreed to unseat Mr. Cayne as CEO.

Investors were growing impatient, too. Bear Stearns' fourth-largest shareholder -- Bruce Sherman, chief executive of money manager Private Capital Management Inc. -- was agitating for a change at the top.

Shortly after the New Year, Mr. Schwartz stopped by Mr. Cayne's office. The pressure inside and outside of the firm for his departure had become too great, he told his boss. It was time to move on.

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This is the first in a three-part series. Part Two: Run on the Bank. Executives believed they were about to turn a corner, but rumors and fear sent clients, trading partners and lenders fleeing. Part Three: Deal or No Deal? The Fed prodded Bear Stearns to sell itself, but a misstep in the hastily drawn agreement nearly scuttled the deal.

Write to Kate Kelly at kate.kelly@wsj.com²
Wall St. Journal—5/24/08

How J.P. Morgan Does 'Merger in Reverse'

Fast Work to Absorb
Bear Stearns Comes
After Hurried Deal
By ROBIN SOREL
May 24, 2008; Page B1

NEW YORK — A few days after J.P. Morgan Chase & Co. agreed to buy Bear Stearns Cos. in a frantic deal that saved the 85-year-old investment bank from bankruptcy, J.P. Morgan executives began scrambling to figure out exactly what they were getting.

One of the first items on the to-do list: Spurred into action by a phone call from Frank Bisignano, J.P. Morgan's chief administrative officer, workers ran fiber-optic cables under the streets of Manhattan, connecting the computer systems at Bear's headquarters on Madison Avenue with J.P. Morgan's on Park Avenue a few blocks away.

That gave J.P. Morgan access to everything from Bear's employee directory to its massive mortgage portfolio.

It took just two days in mid-March for the second-largest U.S. bank in stock-market value (behind Bank of America Corp.) to hammer out a takeover agreement for Bear Stearns. Now J.P. Morgan is moving with similar speed to complete the deal and absorb Bear.

The gargantuan effort involves hundreds of J.P. Morgan executives and bankers but is tricky because Bear's sudden collapse left almost no time for J.P. Morgan to perform due diligence, which takes weeks or months under normal circumstances.

"It's hard to do a merger in reverse," said Bill Winters, co-head of J.P. Morgan's investment bank, into which Bear is being integrated.

Because of Bear's shaky financial condition, J.P. Morgan can dive more deeply into the investment bank's operations than regulators usually allow before an acquisition is completed. With the fiber-optic cables installed, J.P. Morgan executives got unfettered access to Bear's profit-and-loss statements at the end of each day, although Bear employees can't peer into J.P. Morgan's books.

J.P. Morgan isn't allowed yet to make trading decisions for Bear because the two firms remain separate legal entities. But Bear's sales force already is distributing research from J.P. Morgan's stock analysts to Bear clients.

The bank also is being permitted to unload some of the risk taken on by Bear's trading businesses. Bank officials are aggressively unwinding some of those positions and expect to reduce the amount of Bear's risk-weighted assets to $150 billion by the end of June from $225 billion in March. Much of that is from Bear's mortgage-trading business, where risk-weighted assets will be slashed from $73 billion to $20 billion.

"We would not have done [the deal] if we didn't think it made sense, but we are bearing an awful lot of risk," J.P. Morgan Chairman and Chief Executive Officer Jamie Dimon said this month. J.P. Morgan essentially assumed responsibility for Bear's operations when the acquisition

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agreement was struck, with the Federal Reserve backing the deal by funding a maximum of $29 billion in potential Bear losses on various types of securities.

The initial integration push is likely to be done within the next week, when the $1.5 billion takeover is due to close. But the meetings, paperwork and long nights will drag on for months as J.P. Morgan tries to make the most out of the businesses and employees at Bear that it wants to keep.

So far, J.P. Morgan estimates it will cost $9 billion to cover items such as severance, litigation, restructuring and losses sustained by Bear since mid-March.

J.P. Morgan has come a long way from the culture clash and paralyzed decision-making that plagued Chase Manhattan Corp.'s purchase of J.P. Morgan & Co. in 2000. The bank now is known for its laser-like focus on making its acquisitions pay off. Mr. Dimon and a team of longtime lieutenants have relentlessly slashed costs and combined disparate technology systems since the 2004 takeover of Bank One Corp. for $58 billion. That deal brought Mr. Dimon to J.P. Morgan.

While the purchase price this time is small, with Bear costing the equivalent of roughly one month of 2007 earnings at J.P. Morgan, there is little margin for error. Integration stumbles may trigger more defections by Bear customers, worsen the morale of Bear employees still reeling from the firm's abrupt demise and hurt Mr. Dimon's reputation as the savior of Wall Street.

Much of the integration is being led by Mr. Winters and Steve Black, the other investment bank co-head at J.P. Morgan. By the time the process is done, about half of Bear's nearly 14,000 employees may be laid off, people familiar with the situation say. So far, J.P. Morgan has offered jobs to 6,500 Bear employees.

J.P. Morgan executives refer to about 3,500 of these employees as "drag and drop," meaning they are part of Bear's prime brokerage and clearing businesses that J.P. Morgan intends to absorb in full. J.P. Morgan is eager to incorporate these businesses because it doesn't have them on its own.

The fate of another several hundred Bear workers, most in technology and operations, hasn't been decided yet. About 2,000 of the 180,000 employees at J.P. Morgan are likely to lose their jobs as part of the Bear purchase, because of overlap.

Among the few members of Bear's upper echelon expected to join J.P. Morgan is Alan "Ace" Greenberg, the firm's 80-year-old former chairman and still an active broker. Alan Schwartz, one of Wall Street's top media bankers and now Bear's CEO, may also wind up joining J.P. Morgan as a top rainmaker, or deal generator, people familiar with the situation say.

On a recent Wednesday at 5 p.m., about three dozen people streamed into a J.P. Morgan conference room for a weekly firmwide update on the integration. Thick packets detailed the status of every business, from interest-rate trading to emerging markets to investment banking. Color-coded boxes on each page indicated the progress so far: red for critical issues, amber for caution or green for smooth sailing. Most of the boxes were green.

"Our challenge is the spaghetti of systems. There is a lot of stuff still to be done for Day 1," said Carlos Hernandez, J.P. Morgan's head of global equities. Another executive noted that his unit

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wouldn't be hiring many Bear employees but had helped some of them get jobs with J.P. Morgan clients. The group also got an update on a bent pipe that was causing flooding at Bear's headquarters.

Write to Robin Sidel at robin.sidel@wsj.com
Freddie Mac's Triad Split May Snag Start-Up Insurer

American Banker | Friday, May 23, 2008
By Harry Terris

Freddie Mac's decision to stop buying loans insured by Triad Guaranty Inc., pending an appeal, shows there is a limit to how much forbearance the government-sponsored enterprises are willing to give sitting mortgage insurers.

The move might also complicate Triad's negotiations with Lightyear Capital LLC, a private-equity firm, to create a new company that would assume much of Triad's staff and operations, leaving the insurer's portfolio to run off.

Triad, a Winston-Salem, N.C., company, said last week that it plans to appeal Freddie's decision to suspend its status "as an approved mortgage insurer" and that the appeal is due Thursday. It said the GSE is continuing to buy mortgages insured by Triad for now and that the decision "should not have any immediate adverse impact on Triad's ability to write new mortgage insurance."

James Breder, an analyst at Standard & Poor's Corp., said the potential loss of Freddie's business could make it harder for the proposed start-up to get off the ground quickly.

"There are a number of parties that are looking at starting mortgage insurers, and ... one of Lightyear's advantages was that they were partnering with someone that allowed them to enter the market quicker," Mr. Breder said. "That advantage is now partially deteriorated," he said.

Mark Tornesen, Triad's chief executive, said in an interview Friday, "The two issues — that is, the approval of the new company and the situation with Triad — are separate. Yet they're integrated. We will make sure that Freddie, Fannie, our regulators understand the separation of the two initiatives as well as the way in which they're integrated. We think that the integration of the two is supportive of both, both in Triad's ability to help the new company be successful and the new company's ability to help Triad be successful."

"What's critical right now is that we have no cessation of business," he said, "that we continue to be approved mortgage insurers for both Fannie and Freddie."

Freddie would not elaborate on Triad's disclosure. Lightyear would not discuss the matter Friday. In an interview in early May after the negotiations with Triad were disclosed, David Glzen, a Lightyear partner, said, "We still have a very big interest in how that old book performs because our customers have an interest in that old book."

In February, Freddie said it was relaxing its requirements for mortgage insurers eligible to cover the loans it buys. The move came about two months before S&P downgraded three large mortgage insurers below AA-minus, historically viewed as the minimum rating level needed to operate freely.
In a conference call this month, Mr. Tonnesen explained the rationale for cutting the insurer slack. "Our customers are astute enough to understand that continuing to do business and write profitable business onto the Triad Guaranty books today is in their best interest because those profits will accumulate to pay future claims."

But the GSEs have kept open a range of options. Fannie Mae has said it is evaluating on a "case-by-case basis" whether to keep doing business with insurers that have been downgraded below AA and that it would consider canceling policies and replacing a downgraded insurer with another provider.

Mr. Breeder said the company that the investor group led by Lightyear is contemplating starting up could rapidly capture new business volume by reinsuring Triad policies. But if Triad is unable to write business, "it will take time for the [new company] to get licensed in all the states, for the [new company] to go through the process with the ratings agencies, with Freddie Mac."

Triad's volume of new insurance policies has already fallen sharply. According to the newsletter Inside Mortgage Finance, its market share dropped 7.7 percentage points from a year earlier, to 2.7%, in the first quarter.

Mr. Breeder said, "There's probably about five or six points of" loan-to-loan "market share up for grabs now that Triad's in runoff. Whether that's absorbed completely by the other players or a new company will be "tough to say."
Ranieri Begins Fund to Buy Home Loans

Bloomberg News | Tuesday, May 27, 2008

Lewis Ranieri, the mortgage bond pioneer, is seeking $1 billion to buy residential mortgages.

His Selene Residential Mortgage Opportunity Fund LP raised $151 million from investors in New York, Ohio, and Pennsylvania as of April 15, according to a regulatory filing. Mr. Ranieri, 61, is among the fund’s managing partners.

"Our plan is to raise $1 billion and buy delinquent mortgages that we will recast and refinance and try to keep the borrower in the house without a foreclosure," said David Creamer, a Selene managing partner and the former chairman of GMAC Commercial Mortgage Corp. (now Capmark Financial Group Inc.).

Mr. Ranieri helped turn Salomon Brothers Inc. (now a part of Citigroup Inc.) into Wall Street's most profitable firm in the 1980s by packaging mortgages into securities. He moved into the chief executive slot last week at Franklin Bank Corp. in Houston, succeeding Anthony Nocella, after an internal probe found accounting errors related to real-estate loans.

Contractors Are Kept Busy Maintaining Abandoned Homes

By YIKAS BAJAJ

JACKSONVILLE, Fla. — The house on East 24th Street was the worst of the six that David Law and Trey McCallister worked on the other day here. The front door had been kicked in so many times that the dead bolt was exposed and bent. Trash littered the front and back yards. A copper pipe was gone.

"Somebody has been trying to destroy this place," said Mr. McCallister, eyeing the door.

But the two men have seen far worse as they go from one deserted house to another in northern Florida, where the foreclosure crisis has struck particularly hard.

Mortgage companies hire contractors like these men to inspect and maintain houses that once-proud owners can no longer afford and no one else wants. These days, business is brisk.

These contractors and thousands like them see first hand the detritus of the subprime era: pooling paint, gutted interiors, family dogs left behind to starve, overgrown lawns infested with snakes.

In Florida, the crisis can seem overwhelming at times.

It can take months, even years, for some homes to wind through foreclosure in the backlogged local courts.

The longer a home sits vacant, the more vulnerable it becomes.

After a few months, the Florida weather starts to takes a toll. Mold and mildew creep. Algae choisnes forsaken swimming pools. Sometimes vandals strike. And sometimes wiring or plumbing just give out.

The home on East 24th Street has been vacant for several years, said Gloria Roberts, a next-door neighbor.

Another home that Mr. McCallister and Mr. Law visited in the affluent Sawgrass golf community in the oceanside city of Ponte Vedra Beach was last occupied in December 2006, according to a neighbor there.

Local and state governments have become concerned about the upkeep of foreclosed homes, which can drag down real estate values in neighborhoods and provide havens for drug users and gangs. Over the last year, localities have stepped up code enforcement by levying fines on mortgage companies for the degradation of homes they are repossessing.

The problem of vacant homes is all the more striking when considered against predictions by economists that a couple of million more homes will enter foreclosure in the next two years, said Cheryl Lang, president of Integrated Mortgage Solutions, a company based in Houston that contracts with Mr. McCallister and Mr. Law on behalf of mortgage companies.

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"We still have two million more people that need to go through this process," she said. "That's like the entire town of Tampa going through foreclosure."

Nearly 3 percent of homes that were once occupied by their owners in the country were vacant in March. That is up from less than 2 percent three years ago and is the highest since the Census Bureau began publishing the number in 1956.

For people like Mr. McCallister and Mr. Law, the surge in foreclosure has been good for business. Tim Doehner, executive director of the National Association of Mortgage Field Services, a trade association based in Ohio, estimates that most of his members have doubled their revenue in the last year. Individual contractors can bill as much as $5,000 every two weeks, said Jimmy Lyons, one of the partners in the firm, Landwise Inspection Services of Lake City, Fl., that Mr. McCallister and Mr. Law work for.

But the rising price of diesel fuel, wood and other supplies cuts sharply into their earnings. Mr. Law said he often spent $140 a day filling his pickup truck, which tows a large trailer that carries a riding lawn mower and other supplies. The contractors cannot easily pass rising costs to lenders because they work under contracts or, in the case of some loans, at rates set by federal agencies.

Still, business is growing and drawing in newcomers.

Mr. Lyons, a former deputy sheriff, entered the home insulation business years ago but branched out into field service work for mortgage companies two years ago when a friend suggested the housing boom would soon give way to a housing bust.

Back then, "I just couldn't see it," Mr. Lyons, 36, said. "It felt exactly like he said it would."

After a quarter century in law enforcement, he still looks and plays the part of the easygoing rural county sheriff and is a reserve officer in Columbia County west of Jacksonville. At one home this month, he scrambled through an open window when the door was bolted while his younger colleagues looked on in amazement.

Mr. Law left a field sales job with the Kellogg Company, the cereal maker, to join Landwise, because he said he was tired of the corporate world. He said taking care of vacant houses could be gratifying but also rewarding and allowed him to work by himself, which he said he enjoyed. He often works seven days a week because his employer is often flooded with orders.

"It occupies a lot of my time," he said and added with a laugh, "I don't have much of a life outside of this."

When he arrives at houses, Mr. Law reaches for his digital camera and starts snapping pictures to document his presence and problems that need attention. Mortgage companies require before and after photos to be sent to them electronically before paying for work done to the home.

If it is their first visit to a vacant home, the contractors change the locks on at least one door so the mortgage company can have access. They use locksmith's tools to gain entry to the house, though on some occasions they use open windows, as Mr. Lyons recently did. The contractors board up broken windows, cut the grass and record significant damage. Depending on the extent of the destruction, mortgage companies will commission the contractors to repair the home.
At the home on 24th Street, Mr. McCallister, 39, who had worked in the timber business until last year, wedged open the back door with pliers and Mr. Law installed a new lock. The interior of the house was mostly empty and musty. The outside was another story. A large tree branch shared the back yard with an empty propane tank, Styrofoam containers and food wrappers.

After surveying the trash and photographing it, Mr. Law and Mr. McCallister concluded they could not cut the grass without cleaning up the yard. They would have to ask the mortgage company whether it wanted them to remove the trash and how much it would pay for the work.

Contractors say the damage at vacant homes can be significant, though it is not always clear who the culprit is. It could be an angry homeowner upset about losing a home, but it also could be vandals and thieves scouring homes for copper plumbing, which they can sell. To limit losses, a few mortgage companies are making offers called "cash for keys" to delinquent borrowers if they leave their homes quickly and in good shape.

Two of the six homes the contractors visited in the Jacksonville area appeared to be pristine. The two also had for-sale signs from real estate agents, suggesting the borrowers were trying to sell but could not find a buyer before they had to leave.

For the contractors, foreclosures can strike close to home. Mr. Law recently inspected a home across the street from his residence and Mr. McCallister was sent to a home formerly occupied by a family whose daughter was friends with one of his three daughters.

"I was fortunate that everyone was gone," Mr. McCallister said, so he did not have to see his daughter's friend.

In most cases, the contractors do not interact with the homeowners, but sometimes the contractors are present during evictions that are conducted by county sheriffs. Mr. McCallister recalled the eviction of a 60-year-old man who had misread his eviction notice and thought he had one more week to leave.

"He fell down on the floor and started crying," Mr. McCallister said. "We gave him 24 hours and he had his stuff moved out and he found another place to live."

In their work, the contractors come across the everyday debris of human life, from old microwave ovens to couches and a child's cherry-red tricycle. Sometimes they discover abandoned pets. Mr. Law recently found three kittens that he took to a friend who is an animal lover.

Though homes were found for all three of the kittens, many other pets meet a worse fate. Ms. Lang of Integrated Mortgage Solutions has started a nonprofit group, No Paws Left Behind, to find homes for abandoned pets and to offer help with pets to homeowners in foreclosure. She said contractors working for her company had found abandoned animals from birds to horses.

While business may be good for firms like hers, Ms. Lang said it was difficult not to be disenchanted when the housing bust is seen from the street level, as many of her contractors do. Just a few years ago, policy makers and the mortgage industry were celebrating record home ownership rates in the country — a sign that the American dream was within reach for a large majority of the population.
Sparking on the phone two days after Mr. Law and Mr. McCallister's visit to the home on 24th Street, she said the home's condition stuck with her.

"Somewhere along the line someone wrote that property off," she said. "There were birthdays celebrated there and anniversaries and there were lives that were lived there. And now the door is bolted shut."

Auto Industry Feels the Pain of Tight Credit

By ERIC DASH

The auto industry is getting sideswiped by the housing crisis.

Auto lenders and banks, closing their wallets, have prevented hundreds of thousands of consumers from obtaining the financing for a car. Home equity loans, which had been used in at least one of every nine deals, when lenders were more generous, are no longer a source of easy money for many prospective buyers. And used-car prices have fallen nearly 6 percent as repossessed cars and gas-guzzling trucks and S.U.V.'s flood auction lots.

These forces, on top of the softening economy, are putting enormous pressure on the American auto industry as it faces what may be its worst year in more than a decade. About 15 million vehicles are expected to be sold in 2008, down from 16.2 million last year, as sales reach the lowest levels since 1995, according to the marketing firm J. D. Power & Associates.

The impact on the broader American economy could be profound. Not only is the car a consumer's biggest purchase after the home, but the auto industry remains one of nation's most important economic engines. With less money available to bolster the industry's growth, the businesses that support it are also facing the prospect of a sharp slowdown.

"It is a bleak picture, and it all hinges on the availability of financing," said William Ryan, a financial analyst at Portales Partners who has followed the auto business for years. "The whole universe related to the auto industry is touched in some way — parts suppliers, manufacturers, salespeople, trucking people, the paint and metals industries. Even semiconductors."

Within the auto sector, problems stemming from the continuing tightening of credit have already started to spread. Auto lenders like Chase, Capital One and GMAC are finding it harder and more expensive to obtain money for loans. Profits also look dimmer as the lenders absorb losses from defaults and pull back from making new loans.

Car dealers and manufacturers will probably face months of weaker profits as they offer more incentives to sell new vehicles. Luxury car sales, which provide outsized profits for auto companies, are off 13 percent from last year, according to the Autodata research firm. And consumers, facing potentially higher mortgage payments and $4-a-gallon gas, are delaying purchases of midmarket cars.

"The housing crisis, defined with the credit crisis, has really knocked consumers back on their heels," said Michael J. Jackson, the chairman of AutoNation, the largest automobile retailer.

But the auto industry may not suffer the same severe downturn as the housing sector. One reason is that auto lenders have long issued loans expecting that vehicles, as collateral for the loans, start to lose value as soon as they are driven off the lot. In contrast, mortgage lenders during the housing boom believed that home prices would keep rising.

Still, the parallels are striking. Easy money and lax underwriting helped extend a boom for automakers from 2005 to early 2007. With Detroit pumping out new cars, consumers were encouraged to buy even though they might not have needed a new vehicle.
Now, just as in the housing sector, the auto industry is suffering, too.

Borrowers are falling behind on their car payments at a rate faster than in other recent downturns. And losses are considerably worse. Auto lenders sustained losses on about 3.4 percent of their loans in the first quarter, a rate about 30 percent higher than in 2002, according to data from Moody’s Economy.com. Even some of the most creditworthy borrowers are stressed.

Recently there have been a few small signs of improvement. But auto lenders have struggled to find investors willing to buy packages of new loans. Just as in the mortgage markets, a sterling credit rating — the bond insurer’s seal of approval — is no longer trusted.

“It’s a challenge, but it’s not a crisis,” said William F. Muir, president of GMAC, the financing arm of General Motors that is now operated as a joint venture.

As the pool of money available to auto lenders has dried up, they have cut back on making new loans. Since late last year, nearly every auto finance company has tightened its lending standards. They are forcing borrowers to put more money down. They are also demanding higher monthly payments and requiring stronger credit records and more stringent documentation.

Subprime auto lenders have been forced to pull back the most. AmeriCredit, a big subprime finance company, said it would issue about $3 billion in new auto loans this year, compared with $9.2 billion in 2007. That translates into around 340,000 fewer vehicles being financed this year.

But lenders catering to less risky borrowers are also retrenching.

“Capital One is pulling back, Citi is pulling back, HSBC and Wells Fargo are pulling back,” said Mr. Ryan, the analyst. So are the finance entities that serve the major automakers, like GMAC, Chrysler Financial and Ford Motor Credit. “What you are seeing at AmeriCredit is probably happening everywhere else, but probably to a lesser degree.”

Many dealers say that buyers who would have been shoe-ins for a loan a year ago are now being turned away. Ken Somerville, business manager at Pedigo Chevrolet in Indianapolis, said the tougher standards were having a “significant impact” on his ability to help customers get financing and close a sale.

“Chances are, if we can’t help them, they’ve already been somewhere else that couldn’t either,” he said.

Some of the biggest drops in car sales have been in areas where home prices have fallen most sharply. The housing boom created thousands of jobs, robust consumer confidence and strong demand for pickup trucks. Today, that has all vanished.

As home values have declined, millions of consumers have maxed out on home equity debt. In hot markets like California, nearly 30 percent of all consumers tapped into the value of their homes to help finance their new cars, according to CNW Marketing Research. In Florida, about 20 percent used home equity loans. New car sales in both states are down about 7 percent.

Those areas are also seeing surges in repossessed vehicles. Bill Glover, a veteran repo man in Fort Myers, Fla., says he has recovered more than 100 cars a week since October, doubling his usual business. “I’m picking up 2008s already,” he said.
In the past, Mr. Glover mostly took back cars from borrowers with sketchy credit who habitually fell behind on their car payments. But that circle has widened. "I lately what we're picking up is crew-cab pickup trucks," Mr. Glover said, "and anything having to do with construction."

The rise in recovered vehicles, along with tighter loan terms and weak demand from buyers, has put pressure on the used-car market too. In April, sale prices dropped 5.9 percent from a year earlier, with S.U.V.'s and pickup trucks plummeting even more, according to the Manheim Used Vehicle Value index, a widely followed measure that was not adjusted for seasonal differences. Prices had been rising for more than four years until last fall.

Analysts say there are few signs that this downward spiral will end soon. At the Midwest Auto Auction lot in the Detroit suburbs, there were plenty of deals one recent Friday morning.

Drivers shuttled more than 180 vehicles across the auction lot in two lines as the auctioneer, Ed Dunn, wearing an ivory cowboy hat from his perch above the floor, bellowed their make, model and year.

The first car up for sale was a 2007 Lincoln MKZ luxury sedan with leather seats, which had been repossessed by a local credit union. But there were no bids. So Mr. Dunn lowered the starting price again and again.

At long last, somebody bid $13,200 for the car. Sold? Sure. But at roughly $10,000 below its Kelley Blue Book value.

Nick Bunkley contributed reporting.
BNA—5/27/08
Financial Institutions
Education Department Commits to Buy Student Loans From Worried Lenders

The Bush administration has offered to come to the rescue of student lenders on the verge of exiting the market by committing to purchase loans from the lenders for the 2008-2009 academic year.

The offer, announced in a letter May 21 by Secretary of Education Margaret Spellings, also includes a facility for providing short-term liquidity to lenders lacking access to affordable capital due to disruptions in the credit markets.

"Currently, some lenders do not have access to funds at a cost that justifies originating new loans," the Education Department said in its announcement. "Our plan is designed to provide viability in the marketplace for those lenders who step up and make loans in this difficult environment."

The department said in addition, that it was committed to continue working with lenders "to explore ways to reengage capital markets: a strengthened lender-of-last-resort program to help insure students against shifting market forces; and increased Direct Loan capacity should it be needed to serve as an extra cushion for students."

Spellings, in her letter, said, "Over the past several months, I have worked closely with Secretary [Heini] Paulson and others in the Administration to closely monitor events in the federal student loan market and actively engage the student loan community on our mutual goal of ensuring continued access to federal student loans for students and families."

"At the same time, while offering these short-term solutions, we can also consider this a teachable moment that speaks to broader, long-term flaws in our complex and outdated financial system. This system has been crying out for reform for years, and especially in light of the ever-increasing cost higher education, students and families are counting on us to provide it," Spellings wrote.

Terms to Be Set

Final terms and conditions for the loan purchase program will be published in the Federal Register, the department said, along with the methodology for determining cost neutrality. "The Department will offer to purchase new loans from lenders participating in the Federal Family Education Loan Program at a price designed to ensure that lenders will be able to recoup their investments," the department said.

The department said it would also purchase participation interests in pools of loans made by lenders for the 2008-09 academic year. The department will hold those participation interests up to Sept. 30, 2009. These participation interests will be priced to yield the department a commercial paper rate plus 50 basis points.

If necessary, the department said it would provide federal advances to guaranty agencies so that they can make lender-of-last-resort loans to students who are otherwise unable to obtain conventional loans.

"Although our goal is to keep the use of the lender-of-last-resort program at an absolute minimum, the Department has taken the prudent steps necessary to ensure that the program can accommodate a larger volume of loans if needed," the department said.
Washington Post—5/25/08

Loan Programs Will Leave Some Students Behind

By Jane Bryant Quinn
Sunday, May 25, 2008, P01

How bad is the student loan market, really? That depends on who you are.

Traditional, dependent students, with creditworthy families, should find enough money for school year 2008-09 without much trouble, although they will probably pay higher fees than they did last year.

Independent students with modest credit histories and no co-signer will have a harder time, especially if they are starting their freshman year.

Students attending for-profit career schools and some community colleges may have to scramble.

Parents with minor delinquencies will be allowed to borrow through the federal program, but those caught in the foreclosure trap will be shut out.

About 70 private and nonprofit lenders — including one-third of the top 100 — have quit offering government-insured loans through the Federal Family Education Loan Program, or FFEL. FFEL includes Stafford loans (for students) and PLUS loans (for parents). The lenders can't raise all the money they need to keep their programs going at a profit because of the turmoil in credit markets. A new federal program is stepping into the breach, but it won't help everyone.

About 1,990 lenders remain in the market, a few big but most of them small. College financial aid officers will expand the list of banks and other sources they work with. The aid office should be your first call when you are rounding up money. Schools need to find you a loan so that you can pay the tuition.

Still, some families who typically borrow through FFEL — especially parent loans — are going to be squeezed out, says Mark Kantrowitz of FinAid.org, a leading site for information on scholarships and loans.

The government also runs a Direct Loan Program. It lets parents and students borrow directly from the Education Department, bypassing the banks. About 1,100 schools already participate in Direct Loan. Because of the failures in the private market, about 350 have newly applied to join. If your school offers this option, all students can borrow the maximum allowed.

It's borrowers in the private, FFEL market who might face rejection. Here's who is at risk:

• Students with low credit scores — lower than 650 or even 700 (out of a maximum 850). They probably have too much credit card debt or several missed payments. Last year, they could get a loan. Not this year.

• New borrowers. They stand last in line. Lenders with limited funds will first use the money to get current borrowers through school. If they graduate, they're more likely to repay their loans.

• Students at schools with high default rates — typically, two-year for-profit colleges, online schools or community colleges serving lower-income people. The students may be smart and
ambitious but they will be tainted by the place where they have chosen to study. Two-year loans are also less profitable for the banks.

- Parents with "adverse credit histories." Federal low-interest plus loans require a credit check, even in the Direct Loan Program. They're allowed a few late payments but a foreclosure or bankruptcy will keep them out of the program for the next five years. That endangers the future education of children as young as 13.

Formerly, money was plentiful for student loans. Lenders bundled them into AAA-rated securities and sold them to investors. But the market has turned a cold shoulder to FFEL loans originated since Oct. 1, Kantrowitz says. The cost of funds is now running too high to make them profitable.

A new law lets the government buy FFEL student loans from the lenders that originated them. That will inject money into the market, to be used for creating additional loans.

The government said last week what it would pay FFEL lenders who want to participate. The program has to operate at no cost to taxpayers, which means that the offer is pretty low.

It might induce lenders with no other source of funds to keep making student loans while waiting for the financial markets to recover, says Harrison Wadsworth, special counsel to the Consumer Bankers Association. At the bigger banks, they're still running the numbers to see if the aid is enough to make their programs profitable.

The banks have yet another gripe. Effective last October, Congress raised the fees paid by private lenders to participate in FFEL and reduced government subsidies. The banks are using the credit squeeze to argue that they should get their subsidies back. On this point, Congress shouldn't backslide. Big lenders didn't start leaving the program until the markets went bad. When they recover, the current level of subsidies will be enough.

What will students pay this year?

If their schools switched to direct loans, they will owe higher fees than FFEL lenders charged last year -- typically 2 percent. The upside is that interest rates on subsidized Stafford loans, for needy students, will drop to 6 percent on July 1, compared with 6.8 percent previously. FFEL lenders that previously charged no upfront fees may be raising them to 2 percent.

Students who need to borrow more than FFEL turn to banks for "alternative" loans, where rates run up to 15 percent, depending on credit scores. There, the government won't help. You are on your own.

Jane Bryant Quinn, author of "Smart and Simple Financial Strategies for Busy People," is a Bloomberg News columnist. Alexis Leontidis in New York contributed to this column.
Washington People

American Banker | Tuesday, May 27, 2008
By Joe Adler and Stacy Kaper

This Hits Home

Foreclosure is a complicated business. Just ask Rep. Laura Richardson, a first-term Democrat from Long Beach, Calif.

It's unclear just what happened but the local press reported that Washington Mutual Inc. was pursuing Rep. Richardson for as much as $578,384 in unpaid debt on a home in Sacramento, and that the house was sold by auction May 7 for $388,001.

The next day the House voted on housing-rescue legislation, but Rep. Richardson did not vote. The local press said she recused herself due to her personal housing problems.

But in a statement Wednesday, Rep. Richardson denied the recusal, and said she missed the vote to attend her father's funeral. She also denied Wamu had foreclosed on her.

"The residential property in Sacramento, Calif., is not in foreclosure and has not been seized by the bank," she said in a statement. "I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement — with no special provisions. I fully intend to fulfill all financial obligations of this property."

Surprise Question

Federal Reserve Board Gov. Kevin Warsh thought he would end on an easy note in the Q&A after a speech Wednesday. He was wrong.

Mr. Warsh called on Karen Thomas, the director of government relations at the Independent Community Bankers of America. Since she had sat at his table during the Exchequer Club luncheon, Mr. Warsh apparently thought their pleasantries had earned him a softball.

But Ms. Thomas dug him by asking what the Fed is doing to prevent its examiners from going overboard and forcing community banks to cut back on lending.

Mr. Warsh quipped: "Karen and I had a really nice discussion over lunch about all sorts of things. ... For the final question I figured I would call on someone who might save me."

"That apparently didn't work as well as I would have liked," he said to laughter.

Mr. Warsh did answer the question, and arguably to Ms. Thomas' liking.

"We've been very focused on trying to make sure that credit is available," he said, noting that most community banks steered clear of the exotic products that examiners are targeting for extra scrutiny.
Supervisors' Slate

The Conference of State Bank Supervisors announced its 2008-2009 board and officers and installed them Wednesday. North Dakota Commissioner of Financial Institutions Timothy J. Karsky is the new chairman, taking over from Jeffrey C. Vogel, the Wyoming state banking commissioner.

North Carolina Commissioner of Banks Joseph A. Smith Jr. is chairman-elect, meaning he is in line to lead the group next year.

Thomas B. Gronstal, the Iowa superintendent of banking, was elected vice chairman and Louisiana Commissioner of Financial Institutions John P. Ducrest was installed as the board's secretary.

Massachusetts Commissioner of Banks Steven L. Antonakes retained his role as treasurer.

Other appointments included Cordell G. Lawrence, executive director of the Kentucky Office of Financial Institutions, as co-chair of CSBS' Bankers Advisory Board. The banker co-chairman is Donald A. Pape, the chairman of Republic Bank and Trust in Norman, Okla. Maryland Office of Financial Regulation Commissioner Sarah Bloom Raskin was elected chairman of the CSBS Legislative Committee.
From: Thorn, Ann
To: Gaugl, Sara C.
Cc: Battaglia, Paul J.; Cook, Don; Owen, Jan L.

Subject: RE: Richardson / Long Beach Press-Telegram

Date: Mon Jun 09 2008 20:34:54 EDT

Attachments:

Oh my........how is she still in office?

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From: Gaugl, Sara C.
Sent: Mon 06/09/2008 07:00 PM
To: Battaglia, Paul J.; Thorn, Ann; Cook, Don; Owen, Jan L.

Subject: Richardson / Long Beach Press-Telegram

FYI, below. The latest Richardson update.....

37th District Rep. Laura Richardson left car bill unpaid - Long Beach Press-Telegram

By Paul Ekins, Staff Writer

LONG BEACH - Car trouble takes on a new meaning when it comes to financially distressed Congresswoman Laura Richardson.

In 2005, when she was still on the Long Beach City Council, she left one mechanic in a lurch with an unpaid bill, then later had her badly damaged BMW towed to an auto body shop but didn’t pay for any work and abandoned the car there, owners of the businesses said this week.

The next day, Richardson began using a city-owned vehicle – putting almost 31,000 miles on it in about a year - and continued driving the car five days after she had left the council to serve in the state Assembly, city records show.

Richardson, 46, didn’t return phone calls seeking comment this week.

These are just the newest revelations of Richardson’s ongoing financial problems and instances of her unpaid debts.

Last month, it was reported that Richardson’s Sacramento home, where she had lived during her brief Assembly stint before moving on to Congress, had fallen into foreclosure and been sold at auction. Further investigation revealed she had defaulted on that house and two others in Long Beach and San Pedro a total of eight times since 2004.

Meanwhile, Richardson was lending money to her campaigns as she embarked on an unprecedented
rise to power from council to Assembly to Congress in one year. On Tuesday, she won the Democratic nomination to serve her first full, two-year term in Congress, and she is unchallenged in the November general election.

Unpaid and abandoned

Richardson’s car problems all started with a shimmy.

In October 2005, her 1999 four door 740i BMW had an odd vibration in the front, so she took it to Signal Hill Foreign Auto Service, according to Leo Labreche, the shop owner.

Mechanics there fixed the car and replaced some worn parts, but when Richardson picked up her vehicle, she said she didn’t have the money to pay the $736 bill, Labreche said. Because Richardson was a council member, Labreche let her take the car, assuming that she was good for the money, he said.

“She had picked the car up and was going to come back and pay the bill, and she never did,” Labreche said.

Labreche said he spent months leaving messages on Richardson’s cell phone voice mail, then he got a collection agency involved, but still the bill went unpaid.

“I couldn’t get through to her, and then when the collection agency couldn’t do anything, I thought, “There’s nothing I’m going to be able to do,” Labreche said.

But on Tuesday, after the Press-Telegram requested an interview with Richardson to discuss the 2 1/2-year-old unpaid bill, she went to the auto shop and paid Labreche, he said.

Similarly, Richardson last week paid off a $150 printing bill owed to a local company following published reports about the debt.

Richardson also settled a bill Tuesday with another mechanic, Alvin’s Auto Body in Signal Hill, only this time she came out ahead, in a sense.

About one month after Richardson had taken her BMW to Labreche for work, she got into a car accident that tore up the front left corner of her car, leaving it undriveable.

She initially had it towed back to Labreche for repairs, even though she still owed him money. But Labreche doesn’t do auto body work.

So the car was sent to Alvin’s Auto Body, which received the BMW on Nov. 17, 2005, according to owner Bob Lillegard.

But Lillegard never heard from Richardson or her insurance company, he said.

“Td call her office, and they’d say she was too busy,” Lillegard said. “I couldn’t get through to her.”

The BMW’s extensive damage would have cost about $9,000 to repair, Lillegard said, which he suggested might have been more than the car was worth. The “Kelleys Blue Book” Web site says a 1999 740i BMW with standard options and 100,000 miles has a retail value of about $15,000 today.

In December 2005, Lillegard filed for a mechanic’s lien on Richardson’s car to pay the towing, storage and administrative costs, he said. Lillegard said the lien was finalized in February 2006 and he sold the car to a junkyard, though a few days later - too late - Richardson sent him money to put toward the bill.

The junkyard bought the BMW for $3,500, so Lillegard took the $2,100 he said was owed him, and
when Richardson went to the body shop on Tuesday, he paid her the difference, he said.

A city ride

After the accident that led to Richardson abandoning her car, she apparently was without transportation.

So, on Nov. 16, one day after her BMW was towed to Lillegard’s shop, she checked out a city-owned Toyota Prius to use for her council business, according to city Fleet Services Bureau records cited by city spokeswoman Meredith Reynolds.

Reynolds said that the Prius was issued to Richardson that day, and that it was returned more than a year later, a few days after Richardson had ended her council tenure.

In a letter acquired by the Press-Telegram from then-City Manager Jerry Miller to Richardson dated Dec. 5, 2006, Miller asks Richardson to return her city vehicle, identified as a Prius.

According to the letter, Richardson’s last day as a council member was Dec. 3, 2006. She was sworn into the Assembly the following day.

City Fleet Services records show that Richardson turned in the car on Dec. 8, 2006, Reynolds said.

During the one year and almost three weeks that Richardson had the Prius, she drove it 30,920 miles, Reynolds said. That amounts to an average of more than 80 miles per day, or about 2,400 miles per month, for Richardson’s part-time council job in a 50-square-mile city.

By comparison, the only other two council members who used city vehicles during part or all of the same time period averaged 900 miles per month in one case and less than 400 miles per month in the other, according to figures provided by Reynolds.

Council members can either use their own vehicles for council business and receive a monthly car allowance, or they may use city vehicles. However, city policy doesn’t allow city vehicles to be used for personal use.

Richardson has never been shy about using city cars.

In 2001 and 2002, she had the highest vehicle expenses of any council member, in part by putting nearly 7,000 personal miles on her car in 2002. At the time, she and other council members told the Press-Telegram that they hadn’t been aware of the no-personal-use rule.

In 2003, Richardson had been using a gas-guzzling Ford Expedition owned by the city, but switched to a Toyota Solara to save money. She told the Press-Telegram then that she soon would stop using a city vehicle altogether and would switch to a monthly car allowance.

She scrapped that effort in 2005 when she left her BMW at the auto body shop and again got behind the wheel of a city car.

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JPMC-001977
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Page 75 of 219

CSOC.RICH.002714
sara.gaugl@wamu.net

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From: Thom, Ann
To: Gaugi, Sara C.
Cc: Elias, Alan
Bcc: Cook, Don; Battaglia, Paul J.; Thom, Ann; Owen, Jan L.

Subject: RE: Congresswoman's Financial Report: This Won't Be Pretty.
Date: Thu Jun 12 2008 17:11:51 EDT
Attachments:

I was on a project for Steve all day and just picked up my messages.

Congresswoman left me a message that she has not been home for two weeks and she is going home this weekend and will be turning in her financials to me some time early next week.

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
004-898 6644

For Internal Use Only

From: Gaugi, Sara C.
Sent: Thursday, June 12, 2008 11:30 AM
To: Cook, Don; Battaglia, Paul J.; Thom, Ann; Owen, Jan L.
Cc: Elias, Alan
Subject: Congresswoman's Financial Report: This Won't Be Pretty.

FYI, below. It appears that the House members' annual financial reports are scheduled to be released on Monday, which may include specific information about Ms. Richardson's home loan issues.

Just so you are aware, I communicated to Mary Ann that I couldn't discuss Ms. Richardson's loan situation (not foreclosure sale).

I'll let you know if I receive any media calls today.
Congresswoman's Financial Report: This Won't Be Pretty.

Mary Ann Akers And Paul Kane

12 June 2008

The Washington Post

We may learn more about Rep. Laura Richardson's (D-Calif.) home foreclosure problems Monday, when House members' annual financial reports are scheduled to be released.

Richardson filed her report on time rather than seeking an extension, her spokesman, William Marshall, tells The Hill. But Marshall says he can "neither confirm nor deny" whether the disclosure report will reflect the full extent of the beleaguered congresswoman's financial woes, which include foreclosure on one home and loan defaults on two others.

Marshall declined to answer questions about how Richardson, who won a special election last August, wound up in such dire straits. She lost her Sacramento home to foreclosure after failing to make payments, at the same time that she reportedly owed Sacramento County some $2,000 in property taxes and defaulted on loans six times on two other California homes.

In the meantime, however, Richardson rose in one year from Long Beach councilwoman to state assemblywoman to a member of the U.S. Congress.

According to the Long Beach Press Telegram, Richardson also failed to pay hundreds of dollars worth of car repairs to one mechanic, then ultimately abandoned the car at another auto body shop.

Yesterday, the story took a new twist. The Los Angeles Times reported that the home Richardson lost in foreclosure could be returned to her, because the lender, Washington Mutual, filed a letter of rescission of the foreclosure sale and asked the new owner for the keys back.

"They took the property back, and they didn't even send back the money," the new owner, real estate investor James York, told the Times. "It's clear what's happening is Ms. Richardson is abusing her political power and using it for her own political needs," he said. "You don't have to be smart to understand what's happening."

Richardson isn't saying anything. Referring to the congresswoman's lender, her spokesman told us, "This is about Washington Mutual." The lender's statement was that it had "resolved the outstanding issues with the borrower." We called Washington Mutual to verify and were told they couldn't comment on the foreclosure sale because Congresswoman Richardson "has not provided us with authorization to publicly discuss her loan."

The left-leaning watchdog group Citizens for Responsibility and Ethics in Washington calls Richardson a "deadbeat congresswoman."

Sara Gaugi
Home Loans Public Relations

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1301 Second Avenue I WMCQI Seattle WA 98101
206.560.2822 direct I 206.224. - cell
sara.gaugi@wamu.net

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attachments without copying or disclosing the contents. Thank you.
Sara, need you to call the Congresswoman

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-866-5644

For Internal Use Only

---

From: Richardson, Laura
Sent: Thursday, May 22, 2008 4:20 PM
To: Thom, Ann
Cc: Woodcock, Wendy A.
Subject: Communications regarding Richardson Loan
Importance: High

Ann/Wendy,

Could you please forward ASAP your communications context? Channel 9 and 2 (CBS) has shown up to film at the district office and we have received numerous calls from other affiliates; therefore a response is required.

Sincerely,

Laura Richardson

Proprietary and Confidential - Do Not Copy
FYI, below. It appears that the House members’ annual financial reports are scheduled to be released on Monday, which may include specific information about Ms. Richardson’s home loan issues.

Just so you are aware, I communicated to Mary Ann that I couldn’t discuss Ms. Richardson’s loan situation (not foreclosure sale).

I’ll let you know if I receive any media calls today.

Congresswoman’s Financial Report: This Won’t Be Pretty.

Mary Ann Akers And Paul Kane

12 June 2008

The Washington Post

We may learn more about Rep. Laura Richardson’s (D Calif.) home foreclosure problems Monday, when House members’ annual financial reports are scheduled to be released.

Richardson filed her report on time rather than seeking an extension, her spokesman, William Marshall, tells On the Hill. But Marshall says he can “neither confirm nor deny” whether the disclosure report will reflect the full extent of the beleaguered congresswoman’s financial woes, which include foreclosure on one home and loan defaults on two others.

Marshall declined to answer questions about how Richardson, who won a special election last August, wound up in such dire straits. She lost her Sacramento home to foreclosure after failing to make payments, at the same time that she reportedly owed Sacramento County some $20,000 in property taxes and defaulted on loans six times on two other California homes.

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According to the Long Beach Press-Telegram, Richardson also failed to pay hundreds of dollars worth of car repairs to one mechanic, then ultimately abandoned the car at another auto body shop.

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"They took the property back, and they didn't even send back the money," the new owner, real estate investor James York, told the Times. "It's clear what's happening to Ms. Richardson is abusing her political power and using it for her own political needs," he said. "You don't have to be smart to understand what's happening."

Richardson isn't saying anything. Referring to the congresswoman's lender, her spokesman told us, "This is about Washington Mutual <javascript:void(0);>" He urged us to call Washington Mutual <javascript:void(0);> for comment. But a Washington Mutual <javascript:void(0);> spokesman told us she couldn't comment on the foreclosure sale because Congresswoman Richardson has not provided us with authorization to publicly discuss her loan."

The left-leaning watchdog group Citizens for Responsibility and Ethics in Washington calls Richardson a "deadbeat congresswoman."

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From: Cook, Dan
	<o=wamuou=sea/on=recipients/on=sl570990>
To: Battaglia, Paul J.
	<o=wamuou=sea/on=recipients/on=209440>
Cc: 
Bcc: 
Subject: FW: Richardson/CNN
Date: Wed May 28 2008 21:44:40 EDT
Attachments:

Paul, for your information.

From: Gaugi, Sara C.
Sent: Wednesday, May 28, 2008 6:42 PM
To: Schneider, David C.; Berens, John; Chapman, Steven D.;
Cc: Cook, Dan; Adams, Carolyn; Owen, Jan L.; Elias, Alan
Subject: Richardson/CNN

All:
So you are aware, I just received a call from a producer with CNN re: Congresswoman Richardson's "debacle." Apparently, CNN's Campbell Brown plans to discuss the Congresswoman's situation during tomorrow's 8:30 p.m. Eastern broadcast.

The producer said she's been tasked with cross-checking the accuracy of Ms. Richardson's statements with WaMu, at which point I informed her that we have not received consent from Ms. Richardson that would allow us to discuss her loan situation.

At that point, she informed me that CNN has talked with a forensic accountant. Based on his/her analysis of Ms. Richardson's financial situation, the accountant has "determined" that the Congresswoman probably shouldn't have qualified for the (WaMu) loan in the first place.

I'll keep you informed as I learn more. I expect to receive an update from CNN tomorrow.

Best,
Sara

Sara Gaugi
Home Loans Public Relations

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Please see below. J

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
916-553-4661
916-323-4717 fax
Jan.owen@wamu.net

-----Original Message-----
From: Kallner, Brad
Sent: Wednesday, May 21, 2008 2:16 PM
To: Gaugl, Sara C.
Cc: Champney, Steven D.; Berens, John; Owen, Jan L.; Elias, Alan; Siedzik, Tasha A.; Smith, Kimberly
Subject: RE: Research Needed: Congresswoman Richardson/Foreclosure

I have checked with Kim, we tried to work a modification, unfortunately she had a deficit monthly of over $2,100. We placed the original foreclosure sale data on hold for 30 days in April. The loan went to sale on 5/7/08, third party outbid.

Sara, please feel free to give Kim or I a call if you need to discuss.

Brad

-----Original Message-----
From: Gaugl, Sara C.
Sent: Wednesday, May 21, 2008 1:24 PM
To: Kallner, Brad
Cc: Champney, Steven D.; Berens, John; Owen, Jan L.; Elias, Alan
Subject: Research Needed: Congresswoman Richardson/Foreclosure

Importance: High

Brad -
Please see the article embedded below for more detail, but long story short, Congresswoman Laura Richardson appears to have defaulted on her WaMu loan (second home) and on March 19, a notice was filed with the county that her property would be sold at auction.

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Congresswoman Richardson initially declined to comment, however, Jan Owen has learned from the Congresswoman that she plans to communicate to The Washington Post that she has established a repayment plan with WaMu.

Would you please look into Congresswoman Richardson's situation as soon as possible so that we understand the facts? Her loan number is ___

Many thanks,

Sara

Sara Gaugi
Home Loans Public Relations

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-----Original Message-----
From: Owen, Jan L.
Sent: Wednesday, May 21, 2008 8:36 AM
To: Riley, Olivia; Gaugi, Sara C.; Gaspard, Scott; Watson, Alson
Subject: FW: Capitol Weekly — "Foreclosure tale shows that nobody is immune from crisis"

Here we go. I am in meeting and will call in a minute.

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----- Original Message -------
From: Kevin Gould
To: PRIR Meeting Group
Sent: Wed May 21 08:01:35 2008
Subject: Capitol Weekly — "Foreclosure tale shows that nobody is immune from crisis"

Foreclosure tale shows that nobody is immune from crisis

By Anthony York (published Tuesday, May 20, 2008)

As the real estate market softened in 2007, the new owner of a three-bedroom, 1,600-square-foot house in Sacramento's Curtis Park neighborhood ran into trouble. The house that was purchased for $535,000 in January 2007 had full foot equity. The owner fell behind in her payments, and eventually, the bank seized the home.

What makes this story different from the thousands like it is that the owner of this house was a member of Congress.

The story of the foreclosure of Long Beach Democrat Laura Richardson's Sacramento home is a tale of a real estate market gone sour. It is also an illustration of how far many candidates will go to seek elected office, even if it means quite literally mortgaging their own financial future.

While being elevated to Congress in a 2007 special election, Richardson apparently stopped making payments on her new Sacramento home, and eventually walked away from it, leaving nearly $600,000
in unpaid loans and fees.

Richardson's decision to let the house slip into foreclosure was set in motion by an unlikely chain of events, only some of which had to do with Sacramento's crumbling real estate market. Richardson was elected to the Assembly in November 2006, and purchased her new capital home two months later. But in April 2007, Rep. Juanita Hüttenreuther-McDonald succumbed to cancer, creating a Congressional vacancy in Richardson's district.

Richardson declared her candidacy for the seat, and soon found herself locked in a hotly contested, and very expensive race for Congress against state Sen. Jenny Oropeza, D-Long Beach.

While her campaign heated up, Richardson's house slipped into default. Richardson fell behind on her mortgage payments as she loaned her Congressional campaign $60,000 - money that has begun to be paid back to Richardson personally from her campaign account, according to records from the Center for Responsive Politics.

Richardson's opponent, Oropeza, loaned herself $115,000 for her run against Richardson. Oropeza's Congressional committee still shows nearly $200,000 in debt.

Richardson declined to comment for this story.

But tax records at the Sacramento County assessor's office show that in January 2007, Richardson took out a mortgage for the entire sale price of the house - $535,000. The mortgage amount was equal to the sale price of the home, meaning she was able to buy the house without a down payment, even though the housing market was beginning to turn.

A March 19, 2008 notice of trustee's sale indicates that the unpaid balance of Richardson's loan, which is held by Washington Mutual, is more than $579,000-$60,000 more than the original mortgage.

The Curtis Park house is not Richardson's primary residence. She also owns a four-bedroom house in Long Beach, in her Congressional district. Real estate records show she purchased that house in 1999 for $135,000. An estimate from Zillow.com puts the current value of that house at $474,000.

Like many homes that have gone through foreclosure, Richardson's new residence quickly became an eyesore. With Richardson gone, upkeep on the home lapsed, and neighbors began to get angry.

"The neighbors are extremely unhappy with her," said Sharon Helmar, who sold the home to Richardson. "She didn't mow the lawn or take out the garbage while she was there. We lived there for a long time, 30 years, and we had to hide our heads whenever we came back to the neighborhood."

Helmar and her husband, Mark, sold the Curtis Park home to Richardson because Sharon's arthritis required the couple to move into a one-story house. With the area's real estate market slowing down, the house remained on the market for months, and the Helmars, who lived in the house for more than 30 years, were getting desperate to sell.

Helmar said that she has never met Richardson personally, but dealt with Richardson through her realtor. The Helmars wound up giving Richardson $15,000 toward closing costs, she said.

And she is still angry over what happened to a home that clearly she never really wanted to leave. "It's kind of silly. You would think people who are making decisions for others would be able to make good decisions for themselves," she said. "She should have known what she could afford and not afford. In this neighborhood, you just don't do that."

While Richardson walked away from her loan, she bested Oropeza in a June special election, and moved on to Congress. As a member of Congress, Richardson has been asked to vote on legislation pertaining to the spikes in foreclosures around the country.
On the biggest pieces of legislation having to do with government bailouts for people whose homes have entered foreclosure, Richardson has recused herself. She did not vote on legislation by Rep. Barney Frank, D-Mass, which would direct $2.7 billion in government funds to help an estimated 600,000 homeowners who are at risk of foreclosure.

Richardson also did not vote on a measure by Rep. Maxine Waters, D-Los Angeles, that would give local governments $15 billion to purchase, rehab and resell foreclosed properties.

While Richardson walked away from her bank loan, she has begun to pay herself back for the money she personally invested in her initial race. Records show that Richardson spent $587,000 out of her Congressional campaign committee since declaring her Congressional candidacy through March of this year. Of those expenditures, Richardson has spent $18,000 of that money to begin repaying herself for the money Richardson loaned to her campaign.

According to documents at the Sacramento County Clerk’s office, Richardson first received a default notice in late 2007. By December 2007, less than a year after Richardson purchased the house, she was behind in her payments by more than $19,000.

Three months later, on March 19, a notice was filed with the county that Richardson’s property would be sold at auction. According to the documents, the unpaid balance and other charges Richardson owed the bank was $597,054.
Jan -
As discussed on this morning's call, embedded below are links to articles that include comments made by both Mathews and Davis.

http://latimesblogs.latimes.com/island/2008/06/richardsons-oth.html

http://latimesblogs.latimes.com/island/2008/05/richardson-nppn.html

http://www.presseledegram.com/news/cl_9442787


Additionally, here are a few statements Congresswoman Richardson issued on Saturday rather than interviewing for the LA Times article:
* "As I noted in my statements earlier this week, due to multiple job changes, divorce, illness/death, and nine campaigns over the last ten years, these major life-changing moments have come at great personal expense and at challenging financial strain," Richardson said in a statement Saturday.
* "Instead of politicizing a personal housing crisis (two personal properties that are current and the third that is being challenged by my lender questioning the validity of its sale), I have been transparent with this matter and share with my constituents the anguish that the housing industry is in a severe crisis," Richardson said.

* (Other commentary) Richardson has acknowledged using her money to finance her campaigns and falling behind in mortgage payments. She claimed her Sacramento house was sold into foreclosure without her knowledge, contending she had renegotiated her loan to pay it off.

Sara Gaugl
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San Jose Mercury News and AP stories (AP story picked up by some online syndication outlets).

<http://www.mercurynews.com/breakingnews/d_92793909?nclik_check=1>

Buyer sues Calif. congresswoman over foreclosure

By JULIET WILLIAMS Associated Press Writer
Article Launched: 06/13/2008 05:40:18 PM PDT

SACRAMENTO-A Sacramento investor who bought the foreclosed home of Rep. Laura Richardson has filed a lawsuit against the congresswoman and her bank for rescinding the sale.

James York claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to back out of the sale.

York, who operates Red Rock Mortgage Inc., bought the foreclosed home in an upper-middle class Sacramento neighborhood at auction in May for $388,000 after Richardson failed to make her mortgage payments.

In the lawsuit filed in Sacramento County Superior Court, York is seeking to have the house returned to him, as well as punitive damages and costs. He also claims the bank acted with malice after the legitimate sale of the house.

The Associated Press obtained a copy of his lawsuit on Friday, the day the defendants were served.

Richardson, a Democrat from Long Beach, previously told the AP that the house was sold without her knowledge and after the bank agreed to hold off on any action until at least June.

She bought the house in January 2007 for $355,000, a few months after she was elected to the state Assembly. She took out an adjustable-rate mortgage with an interest rate that could vary between 6.8 percent and 14 percent, according to documents filed with York's lawsuit.

Richardson's spokesman, William Marshall, said the congresswoman had not been notified of the lawsuit. He declined further comment.
In an interview Friday with the AP, York said he believes Washington Mutual’s trustee rescinded the sale solely because Richardson is a member of Congress. He said the savings and loan would not have done that for an average person.

York said he tried to negotiate a settlement but was rebuffed.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," he said. "It’s not a difficult case. It’s a valid sale."

A spokeswoman for Washington Mutual, Sara Gaugl, said the company would have no comment because Richardson had not authorized it to speak about her case.

Richardson, 46, was a member of the Long Beach City Council when she won the Assembly seat in November 2006, months before she bought the three-bedroom, 1 1/2-bath Sacramento home. She won the congressional seat the next year in a special election to replace the late Juanita Millender-McDonald.

Richardson has acknowledged turmoil in her life during the short time she went from the city council to the state Assembly to Congress. She said she used her own money to finance her campaigns and fell behind in mortgage and property tax payments.

A default notice sent in March put her unpaid balance on the 1,600-square-foot home at $57,984.

Richardson’s financial troubles appear to run deeper, however. The Long Beach Press-Telegram has reported that Richardson has two other homes in San Pedro and Long Beach that have fallen into default six times. Five of the defaults, totaling nearly $71,000, occurred in the last 13 months.

The newspaper also reported that Richardson has a history of not paying other bills, including failure to pay for car repairs and campaign files.

The congresswoman told the AP she believed she had worked out a deal with Washington Mutual to renegotiate her loan on the Sacramento home and pay it off. She also said she intended to pay the nearly $9,000 in delinquent property taxes.

In the notice of rescission filed as an exhibit in York’s lawsuit, the trustee company acknowledges it “had previously agreed to postpone the foreclosure sale until June 4, 2008.”

Meanwhile, York said in the lawsuit that he has already started making repairs to the house, including painting, restoring the floors, landscaping and general clean-up that have “significantly increased its value.”

He argues it would be unfair to give the house back to Richardson in better condition than she lost it. The amount of money he has spent on the repairs was not specified.

Richardson makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

The home, built in 1926, is in Sacramento’s Curtis Park, a desirable, upper middle-class neighborhood near downtown that sits under a canopy of decades-old trees.

Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosure. She has said she would like to testify before Congress as someone victimized by the nation’s mortgage crisis.
York notes in his lawsuit that the house now has a cloud over it making it more difficult to sell if it is eventually returned to him.

"If I had known it was this congresswoman's house, I probably never would have bought it," York said in the telephone interview.

Associated Press Writer Erica Werner in Washington, D.C., contributed to this report.

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http://ap.google.com/article/ALeqM5gl2vKwHu_mgDQ86mx0hN6oU2gQD919J2O6G0

Buyer sues Calif. congresswoman over foreclosure

By JULIET WILLIAMS - 18 hours ago

SACRAMENTO, Calif. (AP) - An investor who bought a congresswoman's foreclosed home filed a lawsuit against the legislator and her bank for rescinding the sale.

James York had purchased the home at auction in May for $388,000 after Rep. Laura Richardson failed to make her mortgage payments. He claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to foreclose out of the sale.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," York said. "It's not a difficult case. It's a valid case."

His lawsuit in Sacramento County Superior Court seeks to have the house returned to him, as well as punitive damages and costs.

Richardson, a Democrat from Long Beach, bought the house in January 2007 for $535,000. She previously told The Associated Press that it was sold without her knowledge and after the bank agreed to delay action.

The lawsuit was served to the defendants Friday.

Richardson's spokesman, William Marshall, said the congresswoman had not seen it and declined to comment. A spokeswoman for Washington Mutual, Sara Gaugl, said the company would have no comment because Richardson had not authorized it to speak about her case.

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From: Baptista, Geri Ann S.
Sent: Fri 09/13/2008 10:13 AM
To: Gaugl, Sara C.; Strom, Erik E.; Owen, Jan L.; Battaglio, Paul J.; Ellis, Alan; Cook, Don; Thorn, Ann
Subject: Richardson liability report and comment to senior Democrat


Richardson mum in the face of mounting pressure

Proprietary and Confidential - Do Not Copy
By Jared Allen
Posted: 09/13/08 11:50 AM [ET]

Embattled Rep. Loretta Brown (D-Calif.) remained mum on Friday following more news about her personal housing crisis and a warning from House Speaker Nancy Pelosi (D-Calif.) to put her fiscal house back in order.

Richardson, who has dodged repeated calls for information regarding her multiple defaults on three home mortgages and her financial disclosure reports, failed to report a heavily indebted mortgage on her initial 2007 financial statement.

Official financial reports for House members will be released on Monday, and it remains to be seen if Richardson’s official report will have been amended from the one she previously filed.

However, Pelosi issued a warning to Richardson on Thursday that she risks whatever repercussions may come from failing to disclose her assets and liabilities to the letter of the law.

“Every member of Congress is responsible for living up to the highest ethical standard, to having the fullest disclosure of his or her assets, as is required by law,” Pelosi said at her weekly news conference.

“And many people in our country are caught in a foreclosure crisis. Members of Congress may be as well.”

After falling too far behind on mortgage payments on a home she purchased in Sacramento in January 2007, Richardson was forced to watch the home sold at auction last month.

In the aftermath, it was revealed that Richardson has defaulted on mortgages for three California homes since 1999.

According to records pulled from Los Angeles and Sacramento County records, Richardson has defaulted five separate times on her primary residence in Long Beach, a home she purchased in 1999 and refinanced in the summer of 2008 for a new $446,250 mortgage.

The prior summer, Richardson took out a loan from Wells Fargo, in the amount of $359,000, to purchase a second home in San Pedro.

After defaulting twice in September 2007 and again in January - and owing $367,436 on an original loan of $365,000, Richardson received notice from her lender in April that her San Pedro home was going to be sold at auction. According to reports, that auction is scheduled for July 14.

But it is Richardson’s Sacramento home that has garnered the most attention, and places her in the most immediate risk as a member of Congress who is bound by federal law to disclose certain assets and liabilities.

According to Richardson’s 2007 financial disclosure statement - which she filed in February - she failed to report her Sacramento home mortgage as a liability even though she owed $40,000 more than she paid for the home, which was purchased in January of that year.

By the end of 2007 - which marks the end of the 2007 financial disclosure reporting period - Richardson had accumulated $575,000 in total debt after failing to make payments on her original $535,000 mortgage, according to Sacramento County records.

Financial disclosure laws require members of Congress to report home mortgages as liabilities if indebtedness exceeds the purchase prices of the item, and congressional ethics and finance experts have said that, on a plain reading of the law, Richardson was required to disclose such an indebted mortgage as a liability.
Under the section of the report for liabilities, Richardson simply lists, "N/A."

A senior House Democrat close to leadership on Thursday afternoon said he had spoken to Richardson about the matter and she had assured him that, with regard to her Sacramento home, the "bank screwed up."

On Wednesday the Los Angeles Times reported that James York, the real estate investor who bought Richardson's Sacramento home at a May 7 auction for $388,000, is now claiming that Richardson's lender, Washington Mutual, reclaimed the property on behalf of Richardson. York had recorded the deed on May 19 and had begun renovations, the Times reported.

"They took the property back, and they didn't even send back the money," York was quoted in the Times. "It's clear what's happening is Ms. Richardson is abusing her political power and using it for her own political needs."

Geri Ann G. Baptista - VP, WaMu Corporate Communications
206.500.2875 direct | 206.612.4127 cell | 206.377.2023 fax | geriann.baptista@wamu.net

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From: Gaugi, Sara C.
Sent: Thursday, June 12, 2008 2:15 PM
To: Baptista, Geri Ann S.; Strom, Eric E.; Owen, Jan L.; Battaglia, Paul J.; Elies, Alan; Cook, Don; Thorn, Ann
Subject: RE: Pelosi comments on Laura Richardson defaults
Sensitivity: Confidential

Thanks for forwarding, Geri Ann.

Team, FYI below.

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From: Baptista, Geri Ann S.
Sent: Thursday, June 12, 2008 1:20 PM
To: Gaudio, Sara C.; Storm, Erik E.
Subject: Pelosi comments on Laura Richardson defaults
Sensitivity: Confidential

Pelosi comments on Laura Richardson defaults

By Erica Werner The Associated Press

<http://www.dailybreeze.com/cl_9564107>

WASHINGTON - House Speaker Nancy Pelosi, asked Thursday about follow California Democratic Rep. Laura Richardson's multiple home defaults, said that "every member of Congress is responsible for living up to the highest ethical standards."

Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a special election last year to replace the late Rep. Juanita Millender-McDonald in the 37th Congressional District in Long Beach.

But every lawmaker must make "the fullest disclosure of his or her assets as is required by law," Pelosi said.

"Many people in our country are caught in the foreclosure crisis. Members of Congress maybe are as well," she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in Southern California that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also left car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she'd worked out a deal with her lender to buy it back. However, the purchase of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she's a congresswoman and that he planned to sue over the issue.

Richardson's spokesman, William Marshall, had no immediate comment Thursday.

California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington. Bass and other Assembly leaders had endorsed Richardson's congressional bid but Bass told reporters she'd had no idea about Richardson's financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2006 and to Congress the next year.

"Given the rapid pace of all that I can understand the financial difficulties, but now more is coming out," Bass said. She said she'd hoped while in Washington to talk to Richardson about the situation but hadn't had the opportunity.

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Richardson's loan was subprime - Press Telegram (Long Beach)

By Gene Maddaus, Staff Writer

Rep. Laura Richardson took out a subprime loan to buy her Sacramento house, suggesting she probably was a poor credit risk even before her recent firing of loan consultants.

Richardson, D-Long Beach, has defaulted on all three of her homes, and lost the one in Sacramento in a foreclosure auction. She is now engaged in a legal battle with the new owner of the home, after her lender, Washington Mutual Bank, tried to rescind the sale.

James York, owner of Red Rock Mortgage Inc., filed a lawsuit on Thursday against Richardson and Washington Mutual, contesting the foreclosure resolution.

Included in the suit was Richardson's deed of trust, which contains the terms of her home loan. The no-money-down loan was issued for $535,000 in January 2007. It was adjustable after two years, with an introductory rate of 8.8 percent.

"That's a subprime loan," said Jon Nastro, a real estate broker in nearby Elk Grove. "Those are the ones we're taking back now."
Richardson previously declined to disclose her loan terms.

The average prime mortgage rate at the time was 8.22 percent, according to Freddie Mac.

Without further information, it is difficult to tell whether Richardson’s subprime loan terms were the result of a poor credit history, lack of income documentation, or both.

Richardson was an assemblywoman at the time the loan was issued, with an annual salary of $115,000. She also collected $28,965 in per diem for living expenses in Sacramento during the nine months she served in the Legislature. She now earns $109,300 as a member of Congress and rents an apartment in Washington, D.C.

Before her election in 2006, Richardson earned $80,000 as a legislative director for LL Gov. Cruz Bustamante and $26,000 as a Long Beach city councilwoman, according to a congressional financial disclosure form.

Richardson also owns two homes in San Pedro and Long Beach. In 2006, she took out an equity loan against the Long Beach home to finance her run for the Legislature.

Richardson has defaulted at least eight times on the three properties since 2004 - six times in the last 14 months. She had also failed to pay smaller debts to a mechanic and a printing shop until reporters began inquiring about them.

Richardson’s staffers were unavailable for comment on Friday.

From: Bartista, Carl Ann S. 
Sent: Sat 06/14/2008 2:22 PM 
To: Gaugi, Sara C.; Strom, Erik E.; Owen, Jan L.; Baggaglia, Paul J.; Elitas, Alan; Cook, Don; Thorn, Ann; Potashnick, Barbara A. 
Subject: Coverage on Richardson Lawsuit

San Jose Mercury News and AP stories (AP story picked up by some online syndication outlets). 

<http://www.mercerynews.com/breakingnews/ci_9679869?nolick_check=1> 

Buyer sues Calif. congresswoman over foreclosure
By JULIET WILLIAMS Associated Press Writer  
Article: SACRAMENTO—A Sacramento investor who bought the foreclosed home of Rep. Laura Richardson has filed a lawsuit against the congresswoman and her bank for rescinding the sale.

James York claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to back out of the sale.

York, who operates Red Rock Mortgage Inc., bought the foreclosed home in an upper-middle class Sacramento neighborhood at auction in May for $385,000 after Richardson failed to make her mortgage payments.

In the lawsuit filed in Sacramento County Superior Court, York is seeking to have the house returned to him, as well as punitive damages and costs. He also claims the bank acted with malice after the legitimate sale of the house.

The Associated Press obtained a copy of his lawsuit on Friday, the day the defendants were served.

Richardson, a Democrat from Long Beach, previously told the AP that the house was sold without her knowledge and after the bank agreed to hold off on any action until at least June.

She bought the house in January 2007 for $553,000, a few months after she was elected to the state Assembly. She took out an adjustable rate mortgage with an interest rate that could vary between 8.8 percent and 14 percent, according to documents filed with York's lawsuit.

Richardson's spokesman, William Marshall, said the congresswoman had not been notified of the lawsuit. He declined further comment.

In an interview Friday with the AP, York said he believes Washington Mutual's trustee rescinded the sale solely because Richardson is a member of Congress. He said the savings and loan would not have done that for an average person.

York said he tried to negotiate a settlement but was rebuffed.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," he said. "It's not a difficult case. It's a void sale."

A spokeswoman for Washington Mutual, Sara Gaugl, said the company would have no comment because Richardson had not authorized it to speak about her case.

Richardson, 46, was a member of the Long Beach City Council when she won the Assembly seat in November 2006, months before she bought the three-bedroom, 1 1/2-bath Sacramento home. She won the congressional seat the next year in a special election to replace the late, liberal Democrat, Millard McAdams.

Richardson has acknowledged turmoil in her life during the short time she was from the city council to the state Assembly to Congress. She said she used her own money to finance her campaigns and fell behind in mortgage and property tax payments.

A default notice sent in March put her unpaid balance on the 1,000-square-foot home at $578,384.

Richardson's financial troubles appear to run deeper, however. The Los Angeles Times has reported that Richardson has two other homes in San Pedro and Long Beach that have fallen into default six times. Five of the defaults, totaling nearly $71,000, occurred in the last 13 months.
The newspaper also reported that Richardson has a history of not paying other bills, including failure to pay for car repairs and campaign files.

The congressman told the AP she believed she had worked out a deal with Washington Mutual to renegotiate her loan on the Sacramento home and pay it off. She also said she intended to pay the nearly $9,000 in delinquent property taxes.

In the notice of rescission filed as an exhibit in York's lawsuit, the trustee company acknowledges it "had previously agreed to postpone the foreclosure sale until June 4, 2008."

Meanwhile, York said in the lawsuit that he has already started making repairs to the house, including painting, restoring the floors, landscaping and general clean-up that have "significantly increased its value."

He argues it would be unfair to give the house back to Richardson in better condition than she lost it. The amount of money he has spent on the repairs was not specified.

Richardson makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly before her election to Congress. She also received a per diem total of $22,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

The home, built in 1928, is in Sacramento's Curtis Park, a desirable, upper-middle class neighborhood near downtown that sits under a canopy of decades-old trees.

Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosure. She has said she would like to testify before Congress as someone victimized by the nation's mortgage crisis.

York notes in his lawsuit that the house now has a cloud over it—making it more difficult to sell if it is eventually returned to him.

"If I had known it was this congressman's house, I probably never would have bought it," York said in the telephone interview.

Associated Press Writer Erica Werner in Washington, D.C., contributed to this report.

<http://ap.google.com/article/Alxq/M5/gj2vKwu_hmgDQ96mfxohhh8cU2gQD919J2OGO>

http://ap.google.com/article/Alxq/M5/gj2vKwu_hmgLQ86mtxhrht8cU2gQD919J2OG0

Buyer sues Calif. congressman over foreclosure

By JULIET WILLIAMS - 16 hours ago

SACRAMENTO, Calif. (AP) - An investor who bought a congressman's foreclosed home filed a lawsuit against the legislator and her bank for rescinding the sale.

James York had purchased the home at auction in May for $388,000 after Rep. Laura Richardson failed to make her mortgage payments. He claims Richardson used her influence as a congresswoman to force Washington Mutual Inc., a subsidiary to later back out of the sale.
"They rescinded the notice of trustee sale and put it back in her name before even telling me," York said. "It's not a difficult case. It's a valid sale."

His lawsuit in Sacramento County Superior Court seeks to have the house returned to him, as well as punitive damages and costs.

Richardson, a Democrat from Long Beach, bought the house in January 2007 for $335,000. She previously told the Associated Press that it was sold without her knowledge and after the bank agreed to delay action.

The lawsuit was served to the defendants Friday.

Richardson's spokesman, William Marshall, said the congresswoman had not seen it and declined to comment. A spokeswoman for Washington Mutual, Sara Gauel, said the company would have no comment because Richardson had not authorized it to speak about her case.

From: Baptista, Geri Ann S.
Sent: Fri 08/13/2008 10:13 AM
To: Gougl, Sara G.; Strom, Erik E.; Owen, Jan L.; Bensing, Paul J.; Briere, Alan; Cook, Don; Thorn, Ann
Subject: Richardson liability report and comment to senior Democrat


Richardson mum in the face of mounting pressure

By Jared Allen
Posted: 08/13/08 11:50 AM [ET]

Embedded Rep. Laura Richardson (D-Calif.) remained mum on Friday following more news about her personal housing crisis and a warning from House Speaker Nancy Pelosi (D-Calif.) to put her fiscal house back in order.

Richardson, who has dodged repeated calls for information regarding her multiple defaults on three home mortgages and her financial disclosure reports, failed to report a heavily indebted mortgage on her initial 2007 financial statement.

Official financial reports for House members will be released on Monday, and it remains to be seen if Richardson's official report will have been amended from the one she previously filed.

However, Pelosi issued a warning to Richardson on Thursday that she risks whatever repercussions may come from failing to disclose her assets and liabilities to the letter of the law.

"Every member of Congress is responsible for living up to the highest ethical standard, to having the fullest disclosure of his or her assets, as is required by law," Pelosi said at her weekly news conference. "And many people in our country are caught in a foreclosure crisis. Members of Congress may be as well."

After falling too far behind on mortgage payments on a home she purchased in Sacramento in January 2007, Richardson was forced to watch the home sold at auction last month.
In the aftermath, it was revealed that Richardson has defaulted on mortgages for three California homes since 1996.

According to records pulled from Los Angeles and Sacramento counties, Richardson has defaulted five separate times on her primary residence in Long Beach, a home she purchased in 1993 and refinanced in the summer of 2006 for a new $446,250 mortgage.

This prior summer, Richardson took out a loan from Wells Fargo, in the amount of $356,000, to purchase a second home in San Pedro.

After defaulting twice - in September 2007 and again in January - and owing $367,436 on an original loan of $369,000, Richardson received notice from her lender in April that her San Pedro home was going to be sold at auction. According to reports, that auction is scheduled for July 14.

But it is Richardson's Sacramento home that has garnered the most attention, and places her in the most immediate risk as a member of Congress who is bound by federal law to disclose certain assets and liabilities.

According to Richardson's 2007 financial disclosure statement - which she filed in February - she failed to report her Sacramento home mortgage as a liability even though she owed $40,000 more than she paid for the home, which was purchased in January of that year.

By the end of 2007 - which marks the end of the 2007 financial disclosure reporting period - Richardson had accumulated $575,000 in total debt after failing to make payments on her original $335,000 mortgage, according to Sacramento County records.

Financial disclosure laws require members of Congress to report home mortgages as liabilities if indebtedness exceeds the purchase prices of the home, and congressional ethics and financial experts have said that, on a plain reading of the law, Richardson was required to disclose such an indebted mortgage as a liability.

Under the section of the report for liabilities, Richardson simply lists, "N/A."

A senior House Democrat close to leadership on Thursday afternoon said he had spoken to Richardson about the matter and she had assured him that, with regard to her Sacramento home, the "bank screwed up."

On Wednesday the Los Angeles Times reported that James York, the real estate investor who bought Richardson's Sacramento home at a May 7 auction for $398,000, is now claiming that Richardson's lender, Washington Mutual, reclaimed the property on behalf of Richardson.

York had recorded the deed in May 19 and had begun renovations, the Times reported.

"They took the property back, and they didn't even send back the money," York was quoted in the Times. "It's clear what's happening is Ms. Richardson is abusing her political power and using it for her own political needs."

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From: Gaugi, Sara C.
Sent: Thursday, June 12, 2006 2:16 PM
To: Baptista, Geri Ann S.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Dan; Thorn, Ann
Subject: RE: Pelosi comments on Laura Richardson defaults

Thanks for forwarding, Geri Ann.

Team, FYI below.

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From: Baptista, Geri Ann S.
Sent: Thursday, June 12, 2006 1:20 PM
To: Gaugi, Sara C.; Strom, Erik E.
Subject: Pelosi comments on Laura Richardson defaults

Pelosi comments on Laura Richardson defaults

By Erica Werner The Associated Press

<http://www.dailybreeze.com/dl_9564107>

WASHINGTON - House Speaker Nancy Pelosi, asked Thursday about fellow California Democratic Rep. Laura Richardson's multiple home defaults, said that "every member of Congress is responsible for living up to the highest ethical standards."

Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a special election last year to replace the late Rep. Juanita Millender-McDonald in the 37th Congressional District in Long Beach.

But every lawmaker must make "the fullest disclosure of his or her assets as is required by law," Pelosi said.

"Many people in our country are caught in the foreclosure crisis. Members of Congress maybe are as well," she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in
Southern Californias that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also left car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she’d worked out a deal with her lender to buy it back. However, the purchaser of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she’s a congresswoman and that he planned to sue over the issue.

Richardson’s spokesman, William Marshall, had no immediate comment Thursday.

California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington. Bass and other Assembly leaders had endorsed Richardson’s congressional bid but Bass told reporters she’d had no idea about Richardson’s financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2006 and to Congress the next year.

“Given the rapid pace of all of that, I can understand the financial difficulties, but now more is coming out,” Bass said. She said she’d hoped while in Washington to talk to Richardson about the situation but hadn’t had the opportunity.

Carl Ann S. Baptista, VP
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From: System Administrator <>
To: carey.brennan@wamu.net
      <carey.brennan@wamu.net>
Cc:
Bcc:
Subject: Undeliverable: Re: Coverage on Richardson Lawsuit
Date: Sat Jun 14 2008 18:40:12 EDT
Attachments: EAS

Attachments:
Re: Coverage on Richardson Lawsuit (9774 Bytes)
From: Gaugl, Sara C.
To: Thom, Ann
Woodcock, Wendy A.
Cook, Don
Owens, Jon L.
Battaglia, Paul J.
Cc:
Subject: Richardson Coverage: Wells Fargo
Date: Thu Jun 05 2008 19:26:13 EDT
Attachments:

FYI, below re: Wells Fargo loan.

Richardson, D-Long Beach, was able to bring her payments up to date on the Long Beach home relatively quickly, but the San Pedro property lingered in the foreclosure process for almost eight months, and still has a pending auction date.

County records indicate that the San Pedro house went into default in September 2007, at which point Richardson was behind on her payments by $12,410.71, and had made no payments since June. A notice of trustee sale was issued on April 17, and an auction was scheduled for May 14 on the courthouse steps in Norwalk. The outstanding loan balance was $367,436, on an original 2005 loan of $350,000.

However, the auction was put on hold.

Richardson produced records from Wells Fargo Bank, which holds the note on her San Pedro home.

That document, dated March 21, indicated that Richardson had qualified for a loan modification that would prevent the foreclosure from going forward.

Cal Western Reconveyance Corp., which was responsible for collecting the debt, confirmed that a hold had been placed on the auction, and the auction date had been postponed to July 14, pending a workout of the loan.

In September of that year, Richardson also let her San Pedro home slip into default when she fell $12,410 behind on her payments.

In January 2008 Richardson defaulted on the San Pedro home a second time, and in April - with Richardson owing $367,436 on an original loan of $359,000 - Wells Fargo Bank issued a notice of trustee sale of the home. Records indicate that the home is still scheduled to be sold at a July 14 auction.

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JPMC-001110
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Page 121 of 181

CSOC.RICH.002747
This should be interesting....


Ask the congresswoman: Your questions for U.S. Rep. Laura Richardson

I'm overdue for a session of "Ask the blogger," so here goes. Today, something completely different: Instead of your questions for me, I'd like to hear your questions for U.S. Rep. Laura Richardson, the triple-duty Democrat from Long Beach.

I sent her office a list of questions in late May (you can see my questions by clicking at the bottom of this post) and haven't heard back, so I'm giving up and turning to you: submit your best (serious) questions for U.S. Rep. Laura Richardson, I'll sort through them and send them along to her congressional office. Fire away.

(Sent by e-mail on June 16 to Kimberly Parker, chief of staff to U.S. Rep. Laura Richardson)

Kimberly: I'm still interested in answers to the questions below, which I first submitted to the congresswoman's office on May 22:

Questions from Peter Viles at the Los Angeles Times:

What kind of mortgage did the congresswoman take on the Sacramento home? (Adjustable Rate Mortgage, Option ARM, 30-year-fixed, etc.)

What was the amount of the loan and the interest rate?

Who was the original lender?

Did she take out one loan or more than one loan?

Did she make a down payment? If so, how much?

A published report quotes the seller of the house saying that Ms. Richardson received $15,000 from the seller for closing costs. Is this correct?

What were her monthly payments on the mortgage?

How many payments did she make on the mortgage?

When did she begin making payments on the mortgage, and why?

When and how did she contact the lender to discuss a loan modification?

Did she contact the lender herself, or did a member of her staff contact the lender?

Documents indicate the amount she owed on the loan was eventually greater than the initial value of the loan itself. Can you explain why the amount she owed increased?

When did she and the lender agree to a loan modification? And what is the exact nature of the loan modification? What is the new interest rate, the new principal amount, and the new monthly payment?

Thanks,

Peter Viles

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CSOC.RICH.002749
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So, do we think having our calls again are in order? I can set them up if we need to know. Thanks, Jan

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From: Baptista, Gert Ann S.
Sent: Monday, June 16, 2008 1:56 PM
To: Strom, Erik E.; Owen, Jan L.
Cc: Gaugt, Sara C.
Subject: Richardson Disclosure
Sensitivity: Confidential

June 16, 2008, 3:34 pm

Disclosure Offers No Insight on Lawmaker's Home Woes

Sarah Lueck reports on Congress.

Trackback URL: <http://blogs.wsj.com/washwire/2008/06/16/disclosure-offers-no-insight-on-lawmakers-home-woes/trackback/>

House members' annual financial-disclosure forms were released Monday, but the one submitted by California Democratic Rep. Laura Richardson provided no information about her recent mortgage woes.
Multiple accounts have been reported recently on Richardson’s financial troubles, which includes a foreclosure on one of her California homes and defaults on two others.

On the section labeled “Liabilities,” Richardson’s form says only “IVA.” There’s no mention of the balance of $278,381 that Richardson reportedly owes on a Sacramento home she purchased in January 2007. It recently was sold at auction to a mortgage lender for $388,000, according to the Associated Press.

Members of Congress are not required to report mortgages on their residences, unless the property is the source of rental or investment income. They are, however, required to disclose a mortgage debt of other type of loan when it exceeds the purchase price of the item.

Richardson’s form is dated May 19 and covers calendar year 2007. She is among dozens of lawmakers who requested extra time to file information on their assets, debts, travel and income—possibly a sign that more details are on the way. Her new deadline is Monday, June 16. A spokesman didn’t immediately return calls for comment.

Richardson told the AP in a May interview that her financial troubles was partly the result of using her own money for her recent run for her House seat. She said she renegotiated her loan and will pay it off, along with nearly $9,000 in delinquent property taxes. “I’m a single woman who has four employment changes in less than four months,” Richardson told the AP. “I had to figure out just like every other American how I could restructure the obligations that I had with the income I had.”

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From: Gauigl, Sara C.
Sent: Saturday, June 14, 2008 4:30 PM
To: Baptista, Geri Ann S.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cock, Don; Thorn, Ann; Potashnick, Barbara A.
Subject: Coverage on Richardson Loan Terms

Senitivity: Confidential

FYI.

Richardson’s loan was subprime - Press Telegram (Long Beach)

By Gene Meddous, Staff Writer

Proprietary and Confidential - Do Not Copy
Rep. Laura Richardson took out a subprime loan to buy her Sacramento house, suggesting she probably was a poor credit risk even before her recent string of loan defaults.

Richardson, D-Long Beach, has defaulted on all three of her homes, and lost the one in Sacramento in a foreclosure auction. She is now engaged in a legal battle with the new owner of the home, after her lender, Washington Mutual Bank, filed to rescind the sale.

James York, owner of Red Rock Mortgage Inc., filed a lawsuit on Thursday against Richardson and Washington Mutual, contesting the foreclosure rescission.

Included in the suit was Richardson’s deed of trust, which contains the terms of her home loan. The no-money-down loan was issued for $535,000 in January 2007. It was adjustable after two years, with an introductory rate of 6.8 percent.

"That's a subprime loan," said Jon Nastro, a real estate broker in nearby Elk Grove. "Those are the ones we're taking back now."

Richardson previously declined to disclose her loan terms.

The average prime mortgage rate at the time was 6.22 percent, according to Freddie Mac.

Without further information, it is difficult to tell whether Richardson’s subprime loan terms were the result of a poor credit history, lack of income documentation, or both.

Richardson was an assemblywoman at the time the loan was issued, with an annual salary of $113,000. She also collected $28,365 in per diem for living expenses in Sacramento during the nine months she served in the Legislature. She now earns $169,300 as a member of Congress and rents an apartment in Washington, D.C.

Before her election in 2006, Richardson earned $80,000 as a legislative director for Lt. Gov. Cruz Bustamante and $28,000 as a Long Beach city councilwoman, according to a congressional financial disclosure form.

Richardson also owns two homes in San Pedro and Long Beach. In 2006, she took out an equity loan.
Richardson has defaulted at least eight times on the three properties since 2004 - six times in the last 14 months. She had also failed to pay smaller debts to a mechanic and a printing shop until reporters began inquiring about them.

Richardson's staffers were unavailable for comment on Friday.

From: Baptista, Corf Ann S.
To: Ouel, Sara C.; Shrom, Erik E.; Owen, Jan L.; Bellagile, Paul J.; Elise, Alan; Cook, Dow; Thom, Ann; Polishnick, Barbara A.
Subject: Coverage on Richardson Lawsuit

San Jose Mercury News and AP stories (AP story picked up by some online syndication outlets).

Buyer sues Calif. congresswoman over foreclosure
By JULIET WILLIAMS Associated Press Writer

Sacramento-A Sacramento investor who bought the foreclosed home of Rep. Laura Richardson has filed a lawsuit against the congresswoman and her bank for rescinding the sale.

James York claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to back out of the sale.

York, who operates Red Rock Mortgage Inc., bought the foreclosed home in an upper-middle class Sacramento neighborhood at auction in May for $300,000 after Richardson failed to make her mortgage payments.

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The Associated Press obtained a copy of his lawsuit on Friday, the day the defendants were served.

Richardson, a Democrat from Long Beach, previously told the AP that the house was sold without her knowledge and after the bank agreed to hold off on any action until at least June.

She bought the house in January 2007 for $535,000, a few months after she was elected to the state Assembly. She took out an adjustable-rate mortgage with an interest rate that could vary between 6.6 percent and 14 percent, according to documents filed with York's lawsuit.
Richardson's spokesman, William Marshall, said the congresswoman had not been notified of the lawsuit. He declined further comment.

In an interview Friday with the AP, York said he believes Washington Mutual's trustee rescinded the sale solely because Richardson is a member of Congress. He said the savings and loan would not have done that for an average person.

York said he tried to negotiate a settlement but was rebuffed.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," he said. "It's not a difficult case. It's a valid sale."

A spokeswoman for Washington Mutual, Sara Gaugi, said the company would have no comment because Richardson had not authorized it to speak about her case.

Richardson, 46, was a member of the Long Beach City Council when she won the Assembly seat in November 2006, months before she bought the three-bedroom, 1 1/2-bath Sacramento home. She won the congressional seat the next year in a special election to replace the late Juanita Millender-McDonald.

Richardson has acknowledged turmoil in her life during the short time she went from the city council to the state Assembly to Congress. She said she used her own money to finance her campaigns and fell behind in mortgage and property tax payments.

A default notice sent in March put her unpaid balance on the 1,600-square-foot home at $778,384.

Richardson's financial troubles appear to run deeper, however. The Long Beach Press-Telegram has reported that Richardson has two other homes in San Pedro and Long Beach that have fallen into default six times. Five of the defaults, totaling nearly $71,000, occurred in the last 13 months.

The newspaper also reported that Richardson has a history of not paying other bills, including failure to pay for car repairs and campaign filing fees.

The congresswoman told the AP she believed she had worked out a deal with Washington Mutual to renegotiate her loan on the Sacramento home and pay it off. She also said she intended to pay the nearly $9,000 in delinquent property taxes.

In the notice of reconvenio filed as an exhibit in York's lawsuit, the trustee company acknowledges it "had previously agreed to postpone the foreclosure sale until June 4, 2008."

Meanwhile, York said in the lawsuit that he has already started making repairs to the house, including painting, restaining the floors, landscaping and general clean-up that "significantly increased its value."

He argues it would be unfair to give the house back to Richardson in better condition than she lost it. The amount of money he has spent on the repairs was not specified.

Richardson makes nearly $170,000 as a member of Congress and was paid $13,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $30,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

The home, built in 1928, is in Sacramento's Curtis Park, a desirable, upper middle-class neighborhood near downtown that sits under a canopy of decades-old trees.
Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosure. She has said she would like to testify before Congress as someone victimized by the nation’s mortgage crisis.

York notes in his lawsuit that the house now has a cloud over it making it more difficult to sell if it is eventually returned to him.

"If I had known it was this congresswoman's house, I probably never would have bought it," York said in the telephone interview.

Associated Press Writer Erica Werner in Washington, D.C., contributed to this report.

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Buyer sues Calif. congresswoman over foreclosure

By JULIET WILLIAMS - 18 hours ago

SACRAMENTO, Calif. (AP) - An investor who bought a congresswoman's foreclosed home filed a lawsuit against the legislator and her bank for rescinding the sale.

James York had purchased the home at auction in May for $388,000 after Rep. Laura Richardson failed to make her mortgage payments. He claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to back out of the deal.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," York said. "It's not a difficult case. It's a valid case."

His lawsuit in Sacramento County Superior Court seeks to have the house returned to him, as well as punitive damages and costs.

Richardson, a Democrat from Long Beach, bought the house in January 2007 for $535,000. She previously told The Associated Press that it was sold without her knowledge and after the bank agreed to delay action.

The lawsuit was served to the defendants Friday.

Richardson's spokesman, William Marshall, said the congresswoman had not seen it and declined to comment. A spokeswoman for Washington Mutual, Sara Gaugl, said the company would have no comment because Richardson had not authorized it to speak about her case.

---

From: Bealista, Geri Ann S.
Sent: Fri 06/13/2008 10:13 AM
To: Gaugl, Sara C.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Don; Thorn, Ann
Subject: Richardson: liability report and comment to senior Democrat

Richardson mum in the face of mounting pressure

By Jared Allen
Posted: 06/13/08 11:50 AM [ET]
Embattled Rep. Laura Richardson (D-Calif.) remained mum on Friday following more news about her personal housing crisis and a warning from House Speaker Nancy Pelosi (D-Calif.) to put her fiscal house back in order.

Richardson, who has dodged repeated calls for information regarding her multiple defaults on three home mortgages and her financial disclosure reports, failed to report a heavily indebted mortgage on her initial 2007 financial statement.

Official financial reports for House members will be released on Monday, and it remains to be seen if Richardson's official report will have been amended from the one she previously filed.

However, Pelosi issued a warning to Richardson on Thursday that she risks whatever repercussions may come from failing to disclose her assets and liabilities to the letter of the law.

"Every member of Congress is responsible for living up to the highest ethical standard, to having the fullest disclosure of his or her assets, as is required by law," Pelosi said at her weekly news conference.

"And many people in our country are caught in a foreclosure crisis. Members of Congress maybe are as well."

After falling ten for behind on mortgage payments on a home she purchased in Sacramento in January 2007, Richardson was forced to watch the home sold at auction last month.

In the aftermath, it was revealed that Richardson had defaulted on mortgages for three California homes since 1999.

According to records pulled from Los Angeles and Sacramento counties, Richardson has defaulted five separate times on her primary residence in Long Beach, a home she purchased in 1999 and refinanced in the summer of 2006 for a new $440,250 mortgage.

The prior summer, Richardson took out a loan from Wells Fargo, in the amount of $359,000, to purchase a second home in San Pedro.

After defaulting twice - in September 2007 and again in January - and owing $357,436 on an original loan of $359,000, Richardson received notice from her lender in April that her San Pedro home was going to be sold at auction. According to reports, that auction is scheduled for July 14.

But it is Richardson's Sacramento home that has garnered the most attention, and places her in the most immediate risk as a member of Congress who is bound by federal law to disclose certain assets and liabilities.

According to Richardson's 2007 financial disclosure statement - which she filed in February - she failed to report her Sacramento home mortgage as a liability even though she owed $40,000 more than she paid for the home, which was purchased in January of that year.

By the end of 2007 - which marks the end of the 2007 financial disclosure reporting period - Richardson had accumulated $576,000 in total debt after failing to make payments on her original $535,000 mortgage, according to Sacramento County records.

Financial disclosure laws require members of Congress to report home mortgages as liabilities if indebtedness exceeds the purchase prices of the item, and congressional ethics and finance experts
1981

have said that, on a plain reading of the law, Richardson was required to disclose such an indebted mortgage as a liability.

Under the section of the report for liabilities, Richardson simply lists, "N/A."

A senior House Democrat close to leadership on Thursday afternoon said he had spoken to Richardson about the matter and she had assured him that, with regard to her Sacramento home, the "bank screwed up."

On Wednesday the Los Angeles Times reported that James York, the real estate investor who bought Richardson's Sacramento home at a May 7 auction for $358,000, is now claiming that Richardson's lender, Washington Mutual, reclaimed the property on behalf of Richardson.

York had recorded the deed on May 19 and had begun renovations, the Times reported.

"They took the property back, and they didn't even send back the money," York was quoted in the Times. "It's clear what's happening is Ms. Richardson is abusing her political power and using it for her own political needs."

Geri Ann S. Baptista - VP, WAMU Corporate Communications
206.500.2875 direct | 206.633.4623 cell | 206.377.2023 fax | geriann.baptista@wamu.net

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From: Gaugl, Sara C.
Sent: Thursday, June 12, 2008 2:16 PM
To: Baptista, Geri Ann S.; Stron, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Etish, Alan; Cook, Don; Thom, Ann
Subject: RE: Pelosi comments on Laura Richardson defaults
Sensitivity: Confidential

Thanks for forwarding, Geri Ann.

Team, FYI below.

Sara Gaugl
Home Loans Public Relations
WAMU
1301 Second Avenue I WMC 46 I Seattle WA 98101
206.500.2822 direct I 206.228.1215 cell
sara.gaugl@wamu.net

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From: Baptista, Geri Ann S.
Sent: Thursday, June 12, 2008 1:20 PM
To: Cagle, Sara C.; Strom, Erik E.
Subject: Pelosi comments on Laura Richardson defaults

Sensitivity: Confidential

Pelosi comments on Laura Richardson defaults

By Erica Werner The Associated Press

<http://www.dailybreeze.com/rl_9564107>

WASHINGTON - House Speaker Nancy Pelosi, asked Thursday about fellow California Democratic Rep. Laura Richardson's multiple home defaults, said that "every member of Congress is responsible for living up to the highest ethical standards."

Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a special election last year to replace the late Rep. Juanita Millender-McDonald in the 37th Congressional District in Long Beach.

But every lawmaker must make "the fullest disclosure of his or her assets as is required by law," Pelosi said.

"Many people in our country are caught in the foreclosure crisis. Members of Congress may be as well," she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in Southern California that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also left car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she'd worked out a deal with her lender to buy it back. However, the purchaser of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she's a congresswoman and that he planned to sue over the issue.

Richardson's spokesman, William Marshall, had no immediate comment Thursday.

California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington. Bass and other Assembly leaders had endorsed Richardson's congressional bid but Bass told reporters she'd had no idea about Richardson's financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2006 and to Congress the next year.

"Given the rapid pace of all that I can understand the financial difficulties, but now more is coming out," Bass said. She said she'd hoped while in Washington to talk to Richardson about the situation but hadn't had the opportunity.

Gail Ann S. Baptista, VP
Corporate Communications
Washington Mutual
1301 Second Avenue, WM/C2103
Seattle, WA 99101
206.500.2876 direct, 206.377.2023 fax
geriann.baptista@wmu.net

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From: Thom, Ann
<ommauou=sea/cn=recipients/cn=6049800>

To: Battaglia, Paul J
<ommauou=sea/cn=recipients/cn=2094400; Cook, Don
<ommauou=sea/cn=recipients/cn=5785890; Gagni, Sam C.
<ommauou=sea/cn=recipients/cn=1631700; Owon, Jan L.
<ommauou=sea/cn=recipients/cn=1462760>

Cc:

Bcc: 

Subject: RE: Richardson

Date: Wed Jun 18 2008 10:49:19 EDT

Attachments: 

agree

Ann Thom, PVP
Washington Mutual
National Asset Recovery Manager
904-886-5544

For Internal Use Only

From: Battaglia, Paul J.
Sent: Wednesday, June 18, 2008 10:33 AM
To: Thom, Ann; Cook, Don; Gagni, Sam C.; Owon, Jan L.
Subject: Richardson

Thanks Ann. As she has indicated she will get her information in by Friday, I see no reason to respond to Ms. Richardson's additional emails.

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-620-4261
Fax: 206-377-2784

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JPMC-001124
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CSOC.RICH.002761
From: Thom, Ann
Sent: Wednesday, June 18, 2008 7:30 AM
To: Battaglia, Paul J.; Cook, Don; Gaugl, Sara C.; Owen, Jan L.
Subject: FW: Loss Mit

Ann Thom, EVP
Washington Mutual
National Asset Recovery Manager
904-886-5644

For Internal Use Only

FYI--

My notice of delay AND NO REFERENCE TO TIME DEADLINES.

Laure Richardson

--- Original Message ---
From: "Manna, Julie A." <julie.manna@wamu.net>
To: Laura Richardson <laurarichardson55assembly@yahoo.com>
Sent: Thursday, June 12, 2008 1:05:34 PM
Subject: RE: Loss Mit

Thans, I will let them both know.

Julie

Julie Mathis, VP
Department Manager
Homeownership Preservation
Washington Mutual
904 886-1305
904 886-1325 fax

From: Laura Richardson
Sent: Thursday, June 12, 2008 10:20 AM
To: Mathis, Julie A.
Subject: Re: Loss Mit

Please advise Ann Thorne that I will work on this during the weekend. I apologize for the delay I did not recognize your email / name. I was looking for something from Ann or Ms. Woodcock, so I missed it.

I will be in touch.
Laura

----- Original Message ----- 
From: "Mathis, Julie A." <julie.mathis@wamu.net>
To: laurarichardson@wamu.net
Cc: "Thorne, Ann" <afin.thorne@wamu.net>, "Woodcock, Wendy A." <wendy.woodcock@wamu.net>
Sent: Friday, June 6, 2008 12:10:05 PM
Subject: Loss Mit

"<Borrower Assistance Form 5.08.pdf>

Thank you,
Julie

Julie Mathis, VP
Department Manager
Homeownership Preservation
Washington Mutual
904 886-1305
904 886-1325 fax
Good morning,

Embedded below is the article we were expecting from Gene Maddaus. York claims that we've given Mr. Richardson preferential treatment and as reported in the article, plans to file a lawsuit against Richardson and WaMu by the end of the week.

Broker alleges loan favoritism - Press-Telegram (Long Beach)

By Gene Maddaus Staff Writer

June 9, 2008

The real estate broker who bought Rep. Laura Richardson's house at a foreclosure sale last month is accusing her of receiving preferential treatment because her lender has issued a notice to rescind the sale.

James York, owner of Red Rock Mortgage, said he would file a lawsuit against Richardson and her lender, Washington Mutual, by the end of the week, and has every intention of keeping the house.

"I'm just amazed they've done this," York said. "They never would have done this for anybody else."

York bought the Sacramento home at a foreclosure auction on May 7 for $388,000.

Richardson had not been making payments on the property for nearly a year, and had also gone into default on her two other houses in Long Beach and San Pedro.
Richardson, D-Long Beach, has said that the auction should never have been held, because she had
worked out a loan modification agreement with her lender beforehand and had begun making
payments.

Richardson fell nearly $9,000 in unpaid property taxes on the home, which she bought in January 2007
for $535,000, shortly after being elected to the Assembly.

Washington Mutual has declined to comment on the specifics of Richardson's case, because she has
not waived her privacy rights.

In a statement, spokeswoman Sara Gough said the company is "committed to treating all of our
customers with the same level of consideration and fairness."

Washington Mutual filed a notice of rescission of the foreclosure sale on June 2.

That puts the bank squarely at odds with York, who has already put money into cleaning up the house
and preparing it for resale.

"They owe me the property," York said. "The sale was a good deal."

York said an ordinary person would be unlikely to get the kind of consideration that Richardson has
received from her bank.

"They wouldn't even get a phone call back," he said. "They would laugh at somebody who would call
and say, 'We had some kind of agreement. They wouldn't give you 10 cents worth of time.'"

Leo Nordine, a Hermosa Beach real estate broker who specializes in foreclosed homes, agreed that the
rescission was out of the ordinary.

"It's extremely unusual," he said.

"Unless (the borrower) filed bankruptcy beforehand, they'd never do it."
Richardson's staff did not return a call on Monday.

Dustin Hobbs, a spokesman for the California Mortgage Bankers Association, said that while foreclosure resolutions are rarely publicized, they are becoming more common as the rate of foreclosures increases.

"Generally it is going to result in a legal battle," he said.

"Basically you're saying, "We're willing to fight for our borrower.""

Hobbs said a lender would be unlikely to go to bat for a borrower who has shown no ability to make future payments.

But if the foreclosure was the result of a temporary hardship or a paperwork mix-up, the lender has every incentive to restore the loan.

"Lenders are concerned about keeping borrowers in homes no matter who they are," he said.

Sara Gaugi
Home Loans Public Relations
WaMu
1501 Second Avenue 1 WMCH1 1 Seattle WA 98101
206.500.2822 direct 1 206.228.9221 cell
sara.gaugi@wmu.net

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The tax line was updated to the higher amount after the modification was completed. Neither Escrow Analysis nor Loan Mgt had anyway of knowing this increase was going to take place. The modification and the subsequent analysis was based on the amounts the Tax Dept. had loaded on the line at the time of the modification.

Dena Adame-McElveen
LS Section Manager II
Escrow Analysis & FHA Insurance
Wamu, now backed by the strength of JPMorgan Chase
843-673-4057 Business
643-673-3142 Fax

---Original Message---
From: Thom, Ann
Sent: Friday, February 06, 2009 5:25 PM
To: Adame-McElveen, Dena M.; Mathis, Julie A.
Cc: Lovliner, Cheryl H.
Subject: Re: URGENT - Richardson

I am still not getting why this was not recognized during the mod process.... We are still telling her she has a $500 increase

Sent from my Blackberry Wireless Handheld

---Original Message---
From: Adame-McElveen, Dena M.
To: Mathis, Julie A.
Cc: Thom, Ann; Levliner, Cheryl H.
Sent: Fri Feb 06 13:54:27 2009
Subject: RE: URGENT - Richardson

The escrow account is correct. When the modification occurred, the amount on the tax lines were
$508.41. The account was analyzed with this information on 9/22/08 effective 10/08. (All appeared correct. Escrow funding had the over/short at $0.00; which is expected on modifications.) The monthly escrow payment was $34.74. The total payment was $4352.32.

When the taxes were paid in 11/08, the line was updated to the billed amount of $2930.67. (I believe this is an automated process within the Tax Dept.) This disbursement created a large escrow shortage; which triggered an off cycle analysis. The analysis was performed on 11/20/08 effective 1/09. The monthly escrow payment increased from $34.74 to $406.43; in addition, there was an escrow shortage of $4840.81 being collected at $370.07 per month. The total payment increased from $4352.32 to $5126.10.

On 2/3/09, I was contacted by ECC and asked to make an exception for the homeowner and accept the old payment amount ($4352.32) for 1/06-2/09 and to run a new analysis with a 36 month escrow shortage spread effective for 3/09. I adjusted the payment on FCH1 to the old amount for 1/09-2/09.

On 2/3/09, I ran the new analysis with the effective date of 3/09 and a 36 month escrow shortage spread. The new payment amount is now $4885.19 beginning 3/09.

Please let me know if you need any additional information.

Thank you,

Dana Adams-McElveen
LS Section Manager II
EscrowAnalysis & FHA Insurance
WeMu, now backed by the strength of JPMorgan Chase

843-673-4057 Business
843-670-3142 Fax

-----Original Message-----
From: Mathis, Julie A.
Sent: Friday, February 06, 2009 4:15 PM
To: Adams-McElvean, Dana M.
Cc: Thorn, Ann
Subject: URGENT - Richardson

Dana,

Can you please help us with the issue below on this loan? We just modified the loan and it appears we did not collect enough escrow funding nor is the monthly escrow payment correct.

Thanks,

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

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CSOC.RICH.002768
WeMu, now backed by the strength of JPMorgan Chase
7266 Baymeadows Way, JAXA2000
Jacksonville, FL 32256
904.886.1305 direct, 904.886.1325 fax
julie.mathis@wmu.net

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-----Original Message-----
From: Waide, Sean D.
Sent: Friday, February 06, 2009 4:06 PM
To: Mathis, Julie A.
Cc: Thom, Ann
Subject: RE: Richardson 0729942433

Why yes I do....Dena Adams-McElwee.

Sean D. Waide
Default ERT Section Manager II
CARE Team Default Executive Response

WeMu, now backed by the strength of JPMorgan Chase
7266 Baymeadows Way, JAXA3000
Jacksonville, FL 32256
Tel: 904-462-1821 Fax: 866-271-7346

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-----Original Message-----
From: Mathis, Julie A.
Sent: Friday, February 06, 2009 4:04 PM
To: Waide, Sean D.
Cc: Thom, Ann
Subject: FW: Richardson
Importance: High

Sean, this the loan I discussed with you last nite, do you have a contact in escrow?

Thanks!

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation

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CSOC.RICH.002769
Home Loans

WaMu, now backed by the strength of JPMorgan Chase
7256 Baymeadows Way, JACKSONVILLE, FL 32256
904.886.1305 direct, 904. 886.1325 fax
julie.mathie@wamu.net

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----Original Message----
From: Thomas, Michelle M.
Sent: Friday, February 06, 2009 3:57 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Mathieu, Julie A.; Young, Roger A.
Subject: RE: Richardson [ ] [ ] [ ] [ ]

I can’t determine if we are collecting the correct amount of escrow. This has to be done in the escrow department. I can confirm that the tax amounts on the lines are correct. Unfortunately, I don’t have a contact in the escrow department for you.

Michelle M. Thomas
Real Estate Tax Associate, Sr.
WaMu, now backed by the strength of JP Morgan Chase 1-800-353-3860 ext. 4726 michelle.m.
thomas@wamu.net

From: Thom, Ann
Sent: Friday, February 06, 2009 3:38 PM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathieu, Julie A.
Subject: RE: Richardson [ ] [ ] [ ] [ ]

Did we get resolution? This is a Congresswoman that we need to get some information to so she can make her payment for Jan. and Feb.

Please advise

Thanks

Ann Thorn, EVP
National Asset Recovery Manager
WaMu, now part of JP Morgan Chase
office: 904-442-2150
cell: 414-418-8174

For Internal Use Only

----Original Message----
From: Rogers, Savannah L.
Sent: Friday, February 06, 2009 9:17 AM
To: Thomas, Michelle M.

Proprietary and Confidential - Do Not Copy
Hi Michelle,

You helped with researching this escrowed property tax bill in July 2005 and since then we have a portion of the tax bill (which I have attached from NFTFonline.com). I noticed on TAX2 we last paid $2,930.67 and the second portion is $2,930.67 which is due 3/06. This appears on ANA1 making the new escrow payment effective 3/03 $4,861.45 and total payment will be $4,885.19 (P/C/H/M/P).

Would you mind researching to make sure we have escrowed the right amount to cover this mortgagor’s taxes? The mortgagor has received notification that her escrow is too low to cover her taxes.

Thank you,

Savannah Rogers
Negotiator-Prime
Loss Mitigation
Home Loans

Wamu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way
Jacksonville, FL 32256
866.926.8937 x17577, 469.549.5978 fax
savannah.rogers@wamu.net

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---Original Message---
From: Mathis, Julio A.
Sent: Thursday, February 05, 2009 5:38 PM
To: Rogers, Savannah L.
Cc: Thom, Ann
Subject: FW: Emailing: Richardson[ ]Workbook v10 04 07 08.xls
Importance: High

Savannah,

Please review - the mortgagor’s escrow payment is much too low to pay her taxes and she has already received notice of such. Please review and let Ann and I know what the escrow payment should be.

Thanks,

Julio
Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

WaMu, now backed by the strength of J.P. Morgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, FL 32256

904.886.1305 direct, 904.886.1325 fax
julie.mathis@wamu.net

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---Original Message---
From: Rogers, Savannah L.
Sent: Thursday, February 05, 2000 5:26 PM
To: Mathis, Julie A.
Subject: Emailing: Richardson 0729942433 Workbook v10 04 07 08.xls

The message is ready to be sent with the following file or link attachments:

Richardson 0729942433 Workbook v10 04 07 08.xls

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.
From: Adams-McElveen, Dena M.  
To: Mathis, Julie A.  
CC: Thorn, Ann  
ECC:  
Subject: RE: URGENT - Richardson  
Date: Fri Feb 06 2009 16:54:27 EST  
Attachments:  

The escrow account is correct. When the modification occurred, the amount on the tax lines were $508.41. The account was analyzed with this information on 9/22/08 effective 10/08. (All appeared correct. Escrow funding had the over/short at 3.00; which is expected on modifications.) The monthly escrow payment was $454.74. The total payment was $4352.32.

When the taxes were paid in 11/08, the line was updated to the billed amount of $2930.67. (I believe this is an automated process within the Tax Dept.) This disbursement created a large escrow shortage; which triggered an off cycle analysis. The analysis was performed on 11/20/08 effective 1/09. The monthly escrow payment increased from $44.74 to $488.45; in addition, there was an escrow shortage of $4440.81 being collected at $370.07 per month. The total payment increased from $4352.32 to $6126.10.

On 2/2/09, I was contacted by ECC and asked to make an exception for the homeowner and accept the old payment amount ($4352.32) for 1/09-2/09 and to run a new analysis with a 36 month escrow shortage spread effective for 3/09. I adjusted the payment on PCH1 to the old amount for 1/09-2/09.

On 2/29/09, I ran the new analysis with the effective date of 3/09 and a 36 month escrow shortage spread. The new payment amount is now $4885.19 beginning 3/09.

Please let me know if you need any additional information.

Thank you,

Dena Adams-McElveen  
LS Escrow Manager II  
Escrow Analysis & FHA Insurance  
WaMu, now backed by the strength of JPMorgan Chase  
843-673-4057 Business  
843-673-3142 Fax

---Original Message---
From: Mathis, Julie A.  
Sent: Friday, February 06, 2009 4:15 PM  
To: Adams-McElveen, Dena M.  
Cc: Thorn, Ann
Subject: URGENT - Richardson
Importance: High

Dena,

Can you please help us with the issue below on this loan? We just modified the loan and it appears we did not collect enough escrow funding nor is the monthly escrow payment correct.

Thanks,

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

WaMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, FL 32256

904.886.1305 direct, 904. 886.1325 fax
julie.mathis@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

----Original Message----
From: Waelde, Sean D.
Sent: Friday, February 06, 2009 4:06 PM
To: Mathis, Julie A.
Cc: Thoms, Ann
Subject: RE: Richardson

Why yes I do... Dena Adams-McElveen.

Sean D. Waelde
Default ERT Section Manager II
CARF Team Pastor/Facility Response

WaMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, FL 32256
Tel: 904-482-1821 Fax: 904-271-7945

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----Original Message----

Proprietary and Confidential - Do Not Copy
From: Mathis, Julie A.
Sent: Friday, February 06, 2009 4:04 PM
To: Wentle, Sean D.
Cc: Thorn, Ann
Subject: FW: Richardson
Importance: High

Been, this the loan I discussed with you last nite, do you have a contact in escrow?

Thanks!

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

Wamu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA3000
Jacksonville, FL 32256
904.686.1305 direct, 904. 686.1325 fax
julie.mathis@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete this message and any attachments without copying or disclosing the contents. Thank you.

-----Original Message-----
From: Thomas, Michelle M.
Sent: Friday, February 06, 2009 3:57 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Mathis, Julie A.; Pound, Robert A.
Subject: RE: Richardson

I can't determine if we are collecting the correct amount of escrow. This has to be done in the escrow department. I can confirm that the tax amounts on the lines are correct. Unfortunately, I don't have a contract in the escrow department for you.

Michelle M. Thomas
Real Estate Tax Associate, Sr.
Wamu, now backed by the strength of JPMorgan Chase 1-800-350-3000 ext. 4720 michelle.m.
thomas@wamu.net  ---- Original Message ----
From: Thorn, Ann
Sent: Friday, February 06, 2009 3:36 PM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathis, Julie A.
Subject: RE: Richardson

Did we get resolution? This is a Congresswoman that we need to get some Information to so she can make her payment for Jan. and Feb.

Please advise

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JP/EC-001135
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Page 10 of 131

CSOC.RICH.002775
Thanks

Ann Thorn, FVP
National Asset Recovery Manager
WaMu, now part of JP Morgan Chase
office: 504-482-2150
cell: [number]

For Internal Use Only

-----Original Message-----
From: Rogers, Savannah L.
Sent: Friday, February 06, 2009 9:17 AM
To: Thomas, Michelle M.
Cc: Mathis, Julie A.; Thorn, Ann
Subject: Richardson
Importance: High

Hi Michelle,

You helped with researching this escrowed property tax bill in July 2008 and since then we have a portion of the tax bill (which I have attached from NETRonline.com). I noticed on TAX2 we last paid $2,930.67 and the second portion is $2,930.67 which is due 3/09. This appears on ANA1 making the new escrow payment effective 3/09 $488.45 and total payment will be $4,886.10 (PCH2/10pp).

Would you mind researching to make sure we have escrowed the right amount to cover this mortgagor's taxes? The mortgagor has received notification that her escrow is too low to cover her taxes.

Thank you,

Savannah Rogers
Negotiator-Prime
Loss Mitigation
Home Loans

WaMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way
Jacksonville, FL 32256

866.926.8937 x17577, 469.549.5978 fax
savannah.rogers@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

-----Original Message-----
From: Mathis, Julie A.
Sent: Thursday, February 05, 2009 5:38 PM
To: Rogers, Savannah L.
Cc: Thorn, Ann
Subject: FW: Emailing: Richardson Workbook v10 04 07 08.xls
Importance: High

Savannah,

Please review - the mortgage's escrow payment is much too low to pay her taxes and she has already received notice of such. Please review and let Ann and I know asap what the escrow payment should be.

Thanks,

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

WaMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, FL 32256
904.886.1305 direct, 904. 886.1325 fax
julie.mathis@wamu.net

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-----Original Message-----
From: Rogers, Savannah L.
Sent: Thursday, February 05, 2009 5:25 PM
To: Mathis, Julie A.
Subject: Emailing: Richardson Workbook v10 04 07 08.xls

The message is ready to be sent with the following file or link attachments:

Richardson Workbook v10 04 07 08.xls

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

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JPMLC-001140
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Page 12 of 131

CSOC.RICH.002777
From: Todd, Kevin C. 
To: Thorn, Ann
Cc: Feisthoff, Darlene; Adams-McElveen, Cena M.; Rogers, Savannah L.; Mathie, Julie A.

Subject: FW: URGENT - Richardson

Date: Mon Feb 03 2009 16:40:08 EST

Ann,

Please see Tess’s comments below in regards to the delinquent tax payments. If you have any further questions please let us know. Thanks!

Kevin C. Todd
LS Section Mgr II
Tax Mitigation - Relationship Mgt.

WaMu, now backed by the strength of JPMorgan Chase

2210 Enterprise Dr.
Florence, SC 29501

(843) 673-3887 direct, (843) 673-3008 fax
<mailto:kevin todd@wamu.net> kevin.todd@wamu.net

NOTE: This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Palmatier, Tess E. 
Sent: Monday, February 09, 2009 4:44 PM
To: Todd, Kevin C. 
Subject: RE: URGENT - Richardson

Per Brianne at Sacramento County Tax Office WaMu posted paid - 07/08 full year secured tax bill total base $1,016.82, 06/07 full year supplemental bill base $2,698.35 and a 07/08 full year supplemental bill base $4,954.84 - total $8,699.01 with $977.03 total penalty.
There were 2 consecutive installments which per CA gives the mortgage company the right to force escrow.

Any additional questions please feel free to ask.

Test Painiater

Servicing - Real Estate Tax Associate - SR
Tax Mitigation - Priority Research
PH#: 943-673-4662
Toll Free 1-800-353-3800 EXTN: 4552
Fax#: 943-673-3008

Wells Fargo - Now backed by the strength of JPMorgan Chase

"A wise man will make more opportunities than he finds."

Francis Bacon

---Original Message---
From: Todd, Kevin C.
Sent: Monday, February 09, 2009 12:48 PM
To: Painiater, Tess E.
Cc: Pushoff, Darlene; Thorn, Ann
Subject: RE: URGENT - Richardson

Tess,

Please research this loan and respond back ASAP with all the tax details. Thanks!
Kevin C. Todd
LS Section Mgr II
Tax Mitigation - Relationship Mgt.

WeMu, now backed by the strength of JPMorgan Chase

2210 Enterprise Dr.
Florence, SC 29501

(843) 673-3887 direct, (843) 673-3006 fax
kevin.todd@weamu.net

NOTE: This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

-----Original Message-----
From: Thorn, Ann
Sent: Monday, February 09, 2009 11:58 AM
To: Peshoff, Darlene; Todd, Kevin C.
Subject: [REDACTED] - [REDACTED]
Importance: High

Darlene/Todd-----

This is a Congresswoman that we did a modification on several months ago. She was a non-escrowed account and we ended up paying her delinquent taxes but I can not remember all the details. Her analysis now is increasing her payment by $500 and I need some details from taxes on the situation.
Can you please let me know what you can find........

Thanks.

Ann Thorn, FVP
National Asset Recovery Manager
WaMu, now part of JP Morgan Chase
office: 904-462-2150
cell: _______________________

For Internal Use Only

--------Original Message--------
From: Adams-McElveen, Dana M.
Sent: Monday, February 09, 2009 7:51 AM
To: Thorn, Ann; Mathis, Julie A.
Cc: Leviner, Cheryl H.
Subject: RE: URGENT - Richardson

The tax line was updated to the higher amount after the modification was completed. Neither Escrow Analysis nor Loan Mills had anyway of knowing this increase was going to take place. The modification and the subsequent analysis was based on the amount the Tax Dept. had loaded on the line at the time of the modification.
Dena Adams-McElveen
I.S. Section Manager II
Escrow Analysis & FHA Insurance
WalMu, now backed by the strength of JPMorgan Chase

843-673-4057 Business
843-673-3142 Fax

-----Original Message-----
From: Thom, Ann
Sent: Friday, February 06, 2009 5:25 PM
To: Adams-McElveen, Dena M.; Mathis, Julie A.
Cc: Leviner, Cheryl H.
Subject: Re: URGENT - Richardson

I am still not getting why this was not recognized during the mod process....
We are still telling her she has a $500 increase

Sent from my BlackBerry Wireless Handheld

-----Original Message-----
From: Adams-McElveen, Dena M,
To: Mathis, Julie A.
Cc: Thorn, Ann; Leviler, Cheryl H.
Sent: Fri Feb 06 12:51:27 2009
Subject: RE: URGENT - Richardson

The escrow account is correct. When the modification occurred, the amount on the tax lines were $506.41. The account was analyzed with this information on 9/22/08 effective 10/08. (All appeared correct. Escrow funding had the over/short at $3.00; which is expected on modifications.) The monthly escrow payment was $34.74. The total payment was $4352.32.

When the taxes were paid in 11/08, the line was updated to the billed amount of $2030.67. (I believe this is an automated process within the Tax Dept.) This disbursement created a large escrow shortage; which triggered an off cycle analysis. The analysis was performed on 11/20/08 effective 1/09. The monthly escrow payment increased from $34.74 to $496.45; in addition, there was an escrow shortage of $4440.81 being collected at $370.07 per month. The total payment increased from $4352.32 to $5126.10.

On 2/2/09, I was contacted by ECC and asked to make an exception for the homeowner and accept the old payment amount ($4352.32) for 1/09 2/09 and to run a new analysis with a 36 month escrow shortage spread effective 3/09. I adjusted the payment on PCHI to the old amount for 1/09-2/09.

On 2/3/09, I ran the new analysis with the effective date of 3/09 and a 36 month escrow shortage spread. The new payment amount is now $4985.10 beginning 3/09.

Please let me know if you need any additional information.

Thank you,

Dena Adams-McElveen
LS Section Manager II
Escrow Analysis & FHA Insurances
WaMu, now backed by the strength of JPMorgan Chase

Proprietary and Confidential - Do Not Copy
843-673-4057 Business
843-673-3142 Fax

---Original Message---
From: Mathis, Julie A.
Sent: Friday, February 06, 2009 4:15 PM
To: Adams-McElveen, Dena M.
Cc: Thom, Ann
Subject: URGENT - Richardson
Importance: High

Dena,

Can you please help us with the issue below on this loan? We just modified the loan and it appears we did not collect enough escrow funding nor is the monthly escrow payment correct.

Thanks,

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans
WaMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, Fl. 32256

904.886.1305 direct, 904. 886.1325 fax
julie.mathis@wamu.net

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---Original Message---
From: Waolde, Sean D.
Sent: Friday, February 06, 2009 4:06 PM
To: Mathis, Julie A.
Cc: Thorn, Ann
Subject: RE: Richardson

Why yes I do....Dena Adams-McElveen.

Sean D. Waolde
Default ERT Section Manager II
CARE Team Default Executive Response

WaMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA3000

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JPMCORP
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Page 20 of 131
Jacksonville, FL 32256
Tel: 904-462-[...]; Fax: 904-271-[...]

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-----Original Message-----
From: Mathis, Julie A.
Sent: Friday, February 06, 2009 4:04 PM
To: Weakle, Sean D.
Cc: Thorn, Ann
Subject: FW: Richardson
Importance: High

Sean, this is the loan I discussed with you last nite, do you have a contact in escrow?

Thanks!

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

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Wamu, now backed by the strength of JPMorgan Chase

7255 Baymeadows Way, JAXA2000

Jacksonville, FL 32256

904.886.1305 direct, 904.886.1325 fax
julie.mathis@wamu.net

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---Original Message---

From: Thomas, Michelle M.
Sent: Friday, February 06, 2009 3:57 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Mathis, Julie A.; Pound, Robert A.
Subject: RE: Richardson

I can't determine if we are collecting the correct amount of escrow. This has to be done in the escrow department. I can confirm that the tax amounts on the lines are correct. Unfortunately, I don't have a contact in the escrow department for you.

Michelle M. Thomas
Real Estate Tax Associate, Sr.
Wamu, now backed by the strength of JPMorgan Chase 1-800-353-2660 ext 4798 michelle.m thomas@wamu.net ---Original Message---

From: Thorn, Ann
Sent: Friday, February 06, 2009 3:36 PM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathis, Julie A.
Subject: RE: Richardson
Did we get resolution? This is a Congresswoman that we need to get some information to so she can make her payment for Jan. and Feb.

Please advise

Thanks

Ann Thorn, FVP
National Asset Recovery Manager
Wamu, now part of JP Morgan Chase
office: 904-462-2150
cell: 414-418-8174

For Internal Use Only

--------Original Message--------
From: Rogers, Savannah L.
Sent: Friday, February 06, 2009 9:17 AM
To: Thomas, Michelle M.
Cc: Mathis, Julie A.; Thorn, Ann
Subject: Richardson

Importance: High
Hi Michelle,

You helped with researching this escrowed property tax bill in July 2008 and since then we have a portion of the tax bill (which I have attached from NETRonline.com). I noticed on TAX2 we last paid $2,930.67 and the second portion is $2,950.67 which is due 3/09. This appears on ANA1 making the new escrow payment effective 3/09 $109.45 and total payment will be $4,095.19 (PCI 02/19/11).

Would you mind researching to make sure we have escrowed the right amount to cover this mortgagor's taxes? The mortgagor has received notification that her escrow is too low to cover her taxes.

Thank you,

Savannah Rogers
Negotiator-Prime
Loss Mitigation
Home Loans

WAMU, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way
Jacksonville, FL 32256

904.926.8937 x17577, 469.549.5978 fax
savannah.rogers@wamu.net

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Proprietary and Confidential - Do Not Copy
---Original Message---

From: Mathis, Julie A.

Sent: Thursday, February 05, 2009 5:38 PM

To: Rogers, Savannah L.

Cc: Thorn, Ann

Subject: FW: Emailing: Richardson_3-2-Free.jpg Workbook v10 04 07 08.xls

Importance: High

Savannah,

Please review - the mortgagor's escrow payment is much too low to pay her taxes and she has already received notice of such. Please review and let Ann and I know asap what the escrow payment should be.

Thanks,

Julio

Julie Mathis, VP
Department Manager
Loan Mitigation
Home Loans

WeMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, FL 32256

904.886.1305 direct, 904. 886.1325 fax
julie.mathis@wamu.net

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------Original Message------

From: Rogers, Savannah L.
Sent: Thursday, February 05, 2009 5:25 PM
To: Mathis, Julie A.
Subject: Emailing: Richardson Workbook v10 04 07 08.xls

The message is ready to be sent with the following file or link attachments:

Richardson Workbook v10 04 07 08.xls

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.
I am still not getting why this was not recognized during the mod process....
We are still telling her she has a $500 increase

Sent from my BlackBerry Wireless Handheld

--------- Original Message -------
From: Adams-McElveen, Dena M.
To: Mathis, Julie A.
Cc: Thom, Ann; Leviner, Cheryl H.
Sent: Fri Feb 06 13:54:27 2009
Subject: RE: URGENT - Richardson

The escrow account is correct. When the modification occurred, the amount on the tax lines were $208,41. The account was analyzed with this information on 9/22/05 effective 10/05. (All appeared correct. Escrow funding had the over/short at 30.00; which is expected on modifications.) The monthly escrow payment was $84.74. The total payment was $4352.32.

When the taxes were paid in 11/06, the line was updated to the billed amount of $3936.67. (I believe this is an automated process within the Tax Dept.) This disbursement created a large escrow shortage; which triggered an off cycle analysis. The analysis was performed on 11/20/06 effective 1/09. The monthly escrow payment increased from $84.74 to $490.46; in addition, there was an escrow shortage of $4440.51 being collected at $370.07 per month. The total payment increased from $4352.32 to $5126.10.

On 2/09. I was contacted by ECC and asked to make an exception for the homeowner and accept the old payment amount ($4352.32) for 1/09-2/09 and to run a new analysis with a 36 month escrow shortage spread effective for 3/09. I adjusted the payment on PCHT to the old amount for 1/09-2/09.

On 2/09, I ran the new analysis with the effective date of 3/09 and a 36 month escrow shortage spread. The new payment amount is now $4889.19 beginning 3/09.

Please let me know if you need any additional information.

Thank you,
Dena Adams-McElvaney  
LS Section Manager II  
Escrow Analytics & FHA Insurance  
WaMu, now backed by the strength of JPMorgan Chase  
843-673-4057 Business  
843-673-3142 Fax  

-----Original Message-----  
From: Mathis, Julie A.  
Sent: Friday, February 06, 2009 4:15 PM  
To: Adams-McElvaney, Dena M.  
Cc: Thorn, Ann  
Subject: URGENT - Richardson  
Importance: High  

Dena,  

Can you please help us with the issues below on this loan? We just modified the loan and it appears we did not collect enough escrow funding nor is the monthly escrow payment correct.  

Thanks,  

Julie  

Julie Mathis, VP  
Department Manager  
Loss Mitigation  
Home Loans  

WaMu, now backed by the strength of JPMorgan Chase  
7266 Baymeadows Way, JAXA2000  
Jacksonville, FL 32256  
904.696.1305 direct, 904.696.1325 fax  
jourie.mathis@wamu.net  

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-----Original Message-----  
From: Waalkes, Sean D.  
Sent: Friday, February 06, 2009 4:06 PM  
To: Mathis, Julie A.  
Cc: Thorn, Ann  
Subject: RE: Richardson  

Why yes I do...Dena Adams-McElvaney.  

Sean D. Waalkes  
Default ERT Section Manager II
CARE Team Default Executive Response

WaMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, FL 32256
Tel: 904-462-1821 Fax: 866-271-7346

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---Original Message---
From: Mathis, Julie A.
Sent: Friday, February 06, 2009 4:04 PM
To: Wedon, Sean D.
Cc: Thorn, Ann
Subject: FW: Richardson
Importance: High

seen, this the loan I discussed with you last nite, do you have a contact in escrow?

Thankel

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

WaMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, FL 32256
904.886.1305 direct, 904. 886.1325 fax
julie.mathis@wamu.net

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---Original Message---
From: Thomas, Michelle M.
Sent: Friday, February 06, 2009 5:57 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Mathis, Julie A.; Pound, Robert A.
Subject: RE: Richardson

I can't determine if we are collecting the correct amount of escrow. This has to be done in the escrow department. I can confirm that the tax amounts on the lines are correct. Unfortunately, I don't have a contact in the escrow department for you.
Michelle M. Thomas  
Real Estate Tax Associate, Sr.  
Warnu, now backed by the strength of JP Morgan Chase 1-800-353-3860 ext. 4726 michelle.m.thomas@warnu.net Original Message Original Message  
From: Thorn, Ann  
Sent: Friday, February 06, 2009 3:36 PM  
To: Rogers, Savannah L.; Thomas, Michelle M.  
Cc: Mathis, Julie A.; Thorn, Ann  
Subject: RE: Richardson  

Did we get resolution? This is a Congresswoman that we need to get some information to so she can make her payment for Jan. and Feb.  

Please advise  

Thanks  

Ann Thorn, FVP  
National Asset Recovery Manager  
Warnu, now part of JP Morgan Chase  
Office: 904-462-2150  
Cell: 414-415-8174  

For Internal Use Only  

--- Original Message ---  
From: Rogers, Savannah L.  
Sent: Friday, February 06, 2009 9:17 AM  
To: Thomas, Michelle M.  
Cc: Mathis, Julie A.; Thorn, Ann  
Subject: Richardson  
Importance: High  

Hi Michelle,  

You helped with researching this escrowed property tax bill in July 2008 and since then we have a portion of the tax bill (which I have attached from NC: Monline.com). I noticed on 1/4/2 we last paid $2,020.69 and the second portion is $2,039.67 which is due 3/09. This appears on ANA1 making the new escrow payment effective 3/09 $4,660.42 and total payment will be $4,885.19 (PCH2/hpmt).  

Would you mind researching to make sure we have escrowed the right amount to cover this mortgagor's taxes? The mortgagor has received notification that her escrow is too low to cover her taxes.  

Thank you,  

Savannah Rogers  
Negotiator-Prime  
Loss Mitigation  
Home Loans  

--- Original Message ---
WaMu, now backed by the strength of JPMorgan Chase
7265 Baymeadows Way
Jacksonville, FL 32256

856.826.9337 x17377, 409.549.0973 fax
savanah.rogers@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

---Original Message---
From: Mathis, Julie A.
Sent: Thursday, February 06, 2009 5:38 PM
To: Rogers, Savannah L.
Cc: Thorn, Ann
Subject: FW: Emailing: Richardson  Workbook v10 04 07 08.xls
Importance: High

Savannah,

Please review - the mortgagor's escrow payment is much too low to pay her taxes and she has already received notice of such. Please review and let Ann and I know asap what the escrow payment should be.

Thanks,

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

WaMu, now backed by the strength of JPMorgan Chase
7265 Baymeadows Way, JAXA2000
Jacksonville, FL 32256

604.866.1305 direct, 904. 886.1205 fax
julie.mathis@wamu.net

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---Original Message---
From: Rogers, Savannah L.
Sent: Thursday, February 06, 2009 5:25 PM
To: Mathis, Julie A.
Subject: Emailing: Richardson  Workbook v10 04 07 08.xls

The message is ready to be sent with the following file or link attachments:

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Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.
From: Mathis, Julie A.  
To: Mathis, Julie A.  
                    <c=wanu/ou=sea/cn=recipients/cn=u092185>  
                    Rogers, Savannah L.  
                    <c=wanu/ou=sea/cn=recipients/cn=u104622>  
Cc:  
Bcc:  
Subject: Richardson  
Date: Fri Jul 11 2008 16:30:26 EDT  
Attachments:  

Start Time: Tue Jul 15 08:30:00 Eastern Daylight Time 2008  
End Time: Tue Jul 15 09:00:00 Eastern Daylight Time 2008  
Location: 562 706-4094  
Invites: Mathis, Julie A.; Rogers, Savannah L.  
Recurring: No  
Show Reminder: No  
Accepted: No  

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CSOC.RICH.002799
From: Thom, Ann
To: Woodcock, Wendy A.; Mathis, Julie A.; Thom, Ann
Cc: Congresswoman Richardson
Subject: Thu Jun 05 2008 15:40:34 EDT

Start Time: Fri Jun 06 12:00:00 Eastern Daylight Time 2008
End Time: Fri Jun 06 13:00:00 Eastern Daylight Time 2008
Location: Ann will join Wendy in her office
Invites: Woodcock, Wendy A.; Mathis, Julie A.
Recurring: No
Show Reminder: No
Accepted: Yes
Accepted Time: Thu Jun 05 15:41:00 Eastern Daylight Time 2008

When: Friday, June 06, 2008 12:00 PM-1:00 PM (GMT-05:00) Eastern Time (US & Canada),
Where: Ann will join Wendy in her office

* * * * * * * * * * *
From: Mathis, Julie A.
<omywamucou=sea/ou=recipients/cn=692186>
To: Mathis, Julie A.
<omywamucou=sea/cn=recipients/cn=692186>; Rogers, Savannah L.
<omywamucou=eo=ou=recipients/cn=191622>
Cc:
Bcc:
Subject: Call Laura Richardson
Date: Fri Jul 11 2008 11:18:20 EDT
Attachments:

StartTime: Fri Jul 11 14:00:00 Eastern Daylight Time 2008
EndTime: Fri Jul 11 14:30:00 Eastern Daylight Time 2008
Location:
Invitees: Mathis, Julie A.; Rogers, Savannah L.
Recipients: No
ShowReminder: No
Accepted: No
Legal can join from 12:30 - 1:00.
From: Owen, Jon L.  
To: Caugl, Sara C.  
Cook, Don  
Battaglia, Paul J.  
Thorn, Ann  
Woodcock, Wendy A.  
GM QSM DTE  

Subject: Richardson Update  
Date: Fri May 30 2008 16:02:12 EDT  
Attachments:  

When: Monday, June 02, 2008 9:30 AM-10:00 AM (GMT-08:00) Pacific Time (US & Canada); Tijuana.  
Where: 677-709- [password]  

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CSOC.RICH.002808
From: Owen, Jan L.
To: Battaglia, Paul J.
Woodcock, Wendy A.
GM QEM DTE
Raptis, Geri Ann S.
Osleek, Susan B.
Gaugl, Sera C.
Cook, Don
Thom, Ann

Cc:
Bcc:
Subject: Updated: Richardson update

Date: Fri May 30 2008 14:06:50 EDT
Attachments:

When: Friday, May 30, 2008 12:30 PM-1:30 PM (GMT-08:00) Pacific Time (US & Canada); Tijuana.
Where: 077-785 [ ] [ ] [ ] [ ]
Fyi

Did we hear from 3rd party today. I have not had a chance to call Richardson, but will first thing in the morning.

Ann Thom, FVP
Washington Mutual
National Arrears Recovery Manager
904-866-5644

For Internal Use Only

Ann, here is the Richardson reinstatement which includes CRC's $9.00 outstanding costs.

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This file is empty (i.e., its length is zero bytes)
From: Owen, Jan L.
To: Caugl, Sam C.
Cook, Don
Battaglia, Paul J.
Thern, Ann
Woodcock, Wendy A.

Subject: Richardson Update
Date: Wed Jun 04 2008 17:55:00 EDT
Attachments:

When: Thursday, June 05, 2008 4:00 PM-5:00 PM (GMT-08:00) Pacific Time (US & Canada), Tijuana,
Where: 977-700
Password: [ ]

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JPMC-001176
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Page 159 of 168
From: Baptista, Geri Ann S.  
To: Gaul, Sara C.  
Cc:  
Bcc:  
Subject: Richardson Update  
Date: Wed Jun 18 2008 20:10:30 EDT  
Attachments:  

When: Thursday, June 19, 2008 0:00 AM-0:30 AM (GMT-08:00) Pacific Time (US & Canada); Tijuana.  
Where: 888-565-8709

* * * * * * * * * *
From: Baptista, Geri Ann S.
To: Baptista, Geri Ann S.
</o=wamura=see/zoom/recipient=cm-u285261>
Gaugh, Sara C.
</o=wamura=see/zoom/recipient=cm-255251>
Elias, Alan
</o=wamura=see/zoom/recipient=cm-1192170>
Cook, Don
</o=wamura=see/zoom/recipient=cm-576890>
Potashnick, Barbara
A.
</o=wamura=see/zoom/recipient=cm-972031>
Maltaglia, Paul
J.
</o=wamura=see/zoom/recipient=cm-972031>
Thorn, Ann
</o=wamura=see/zoom/recipient=cm-604440>
Owen, Jan L.
</o=wamura=see/zoom/recipient=cm-146276>
Co.
Box:
Subject: Updated: Richardson Update
Date: Thu Jun 19 2008 11:45:50 EDT
Attachments:

***changing time to accommodate schedules***
From: Baptista, Geri Ann S.
To: Gaugl, Sara C.
Eliaas, Alan
Cox, Dori
Polenschied, Barbara
A.
Battaglia, Paul
J.
Chern, Ann
Owen, Jan L.

Subject: Updated: Richardson Update
Date: Thu Jun 19 2008 11:46:59 EDT
Attachments:

When: Thursday, June 19, 2008 10:00 AM-10:30 AM (GMT-07:00) Pacific Time (US & Canada);
Tijuana,
Where:

***changing time to accommodate schedule***
| From:       | Bettaglia, Paul J. | </pam/upa=sea/on=recipients/on=onu29440> |
| To:        | Baptista, Ger Ann S. | </pam/upa=sea/on=recipients/on=onu255251> |
| Cc:        |                   |                                               |
| Bcc:       |                   |                                               |
| Subject:   | Accepted: Updated: Richardson Update          |
| Date:      | Thu Jun 19 2008 11:47:05 EDT               |
| Attachments: |                   |                                               |
From: Thom, Ann
To: Rogers, Savannah L.
Cc: Beal, Pamela S.; Mathis, Julio A.; Battaglia, Paul J.
Bcc: Richardson
Subject: RE: Richardson
Date: Thu Jul 03 2003 10:16:03 EDT
Attachments:

This all needs to go to Paul before we have the conversation.
From: Thomas, Michel M. <fo:wamulu:sea/cn=recipients/cn=14646652668306>
To: Rogers, Savannah L. <fo:wamulu:sea/cn=recipients/cn=191622Z>
Bcc: Richardson
Date: Thu Jul 03 2008 10:50:30 EDT
Subject: RE: Richardson

Savannah
Hi Michelle,

From: Rogers, Savannah L.
To: Thomas, Michelle M.
Cc: Thurlow, Awa
Bcc: Battaglia, Paul J., Beal, Pamela S., Boulton, Julio A.

Subject: FW: Richardson
Date: Thu Jul 03 2008 10:37:34 EDT
Attachments:

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Paul,

Rogers, Savannah L.
Battaglia, Paul J.
Thorn, Ann
Coker, Darlene
Mathis, Julie A.
Beal, Pamela S.

Subject: RE: Richardson
Date: Tue Jul 05 2005 06:45:51 EDT

From: Rogers, Savannah L.
To: Battaglia, Paul J.
Cc: Thorn, Ann
Coker, Darlene
Mathis, Julie A.
Beal, Pamela S.

Attachments:

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Michelle, can you please get this changed today as this is a highly escalated matter.
Savannah, please bring the file over.
great
Calling her again at 1:30.
Hi, Paul - additional background information below.

Sara Gaugl
Home Loans Public Relations

WaMu
1301 Second Avenue I WMMC40 I Seattle WA 98101
206.500.2222 direct I
sara.gaugl@wamu.net

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-----Original Message-----
From: Gaugl, Sara C.
Sent: Wednesday, May 21, 2008 12:34 PM
To: Cook, Don
Subject: FW: Research Needed: Congresswoman Richardson/Foreclosure

As we're discussing,

Sara Gaugl
Home Loans Public Relations

WaMu
1301 Second Avenue I WMMC40 I Seattle WA 98101
206.500.2222 direct I
sara.gaugl@wamu.net

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-----Original Message-----
From: Gaugl, Sara C.
Sent: Wednesday, May 21, 2008 10:24 AM
To: Kallner, Brad
Cc: Chambey, Steven D.; Borens, John; Owen, Jan L.; Elias, Alan
Subject: Research Needed: Congresswoman Richardson/Foreclosure
Importance: High

Brad -
Please see the article embedded below for more detail, but long story short, Congresswoman Laura Richardson appears to have defaulted on her WaMu loan (second home) and on March 19, a notice was filed with the county that her property would be sold at auction.

Congresswoman Richardson initially declined to comment, however, Jan Owen has learned from the Congresswoman that she plans to communicate to The Washington Post that she has established a repayment plan with WaMu.

Would you please look into Congresswoman Richardson's situation as soon as possible so that we understand the facts? Her loan number is [redacted].

Many thanks,

Sara

Sara Gaugt
Home Loan Public Relations

WaMu
1301 Second Avenue
Seattle, WA 98101
206.500.2822 direct [redacted]
sara.gaugt@wamu.net

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-----Original Message-----
From: Owen, Jan L.
Sent: Wednesday, May 21, 2008 8:38 AM
To: Riley, Olivia; Gaugt, Sara C.; Gaspar, Scott; Watson, Alison
Subject: Fw: Capitol Weekly -- "Foreclosure tale shows that nobody is immune from crisis"

Here we go. I am am in meeting and will call in a minute.

------------------

----- Original Message ----- 
From: Kevin Gould [redacted]
To: FSR Meeting Group [redacted]
Sent: Wed May 21 08:13:30 2008
Subject: Capitol Weekly -- "Foreclosure tale shows that nobody is immune from crisis"

Foreclosure tale shows that nobody is immune from crisis

By Anthony York (published Tuesday, May 20, 2008)

As the real estate market softened in 2007, the new owner of a three-bedroom, 1,600-square-foot house in Sacramento's Curtis Park neighborhood ran into trouble. The house that was purchased for $305,000 in January had lost equity. The owner fell behind in her payments, and eventually, the bank seized the home.
What makes this story different from the thousands like it is that the owner of this house was a member of Congress.

The story of the foreclosure of Long Beach Democrat Laura Richardson's Sacramento home is a tale of a real estate market gone sour. It is also an illustration of how often candidates will go to seek elected office, even if it means quite literally mortgaging their own financial future.

While being elevated to Congress in a 2007 special election, Richardson apparently stopped making payments on her new Sacramento home, and eventually walked away from it, leaving nearly $500,000 in unpaid loans and fees.

Richardson's decision to let the house slip into foreclosure was set in motion by an unlikely chain of events, only some of which had to do with Sacramento's crumbling real estate market. Richardson was elected to the Assembly in November 2006, and purchased her new Capitol home two months later. But in April 2007, Rep. Juanita Millender-McDonald succumbed to cancer, creating a Congressional vacancy in Richardson's district.

Richardson declared her candidacy for the seat, and soon found herself locked in a hotly contested, and very expensive race for Congress against state Sen. Jenny Oropeza, D-Los Angeles.

While her campaign heated up, Richardson's house slipped into default. Richardson fell behind on her mortgage payments as she loaned her Congressional campaign $60,000 - money that has began to be paid back to Richardson personally from her campaign account, according to records from the Center for Responsive Politics.

Richardson's opponent, Oropeza, loaned herself $115,000 for her run against Richardson. Oropeza's Congressional committee still shows nearly $200,000 in debt.

Richardson declined to comment for this story.

But tax records at the Sacramento County assessor's office show that in January 2007, Richardson took out a mortgage for the entire sale price of the house -- $535,000. The mortgage amount was equal to the sale price of the home, meaning she was able to buy the house without a down payment, even though the housing market was beginning to turn.

A March 18, 2008 notice of trustee's sale indicates that the unpaid balance of Richardson's loan, which is held by Washington Mutual, is more than $576,000 -- $40,000 more than the original mortgage.

The Curtis Park house is not Richardson's primary residence. She also owns a four-bedroom house in Long Beach, in her Congressional district. Real estate records show she purchased that house in 1999 for $135,000. An estimate from Zillow.com puts the current value of that house at $474,000.

Like many homes that have gone through foreclosure, Richardson's new residence quickly became an eyesore. With Richardson gone, upkeep on the home tapered, and neighbors began to get angry.

"The neighbors are extremely unhappy with her," said Sharon Helmar, who sold the home to Richardson. "She didn't mow the lawn or take out the garbage while she was there. We lived there for a long time, 30 years, and we had to hide our garbage whenever we came back to the neighborhood."

Helmar and her husband, Mark, sold the Curtis Park home to Richardson because Sharon's arthritis required the couple to move into a one-story house. With the area's real estate market slowing down, the house remained on the market for months, and the Helsmans, who lived in the house for more than 30 years, were getting desperate to sell.

Helmar said that she has never met Richardson personally, but dealt with Richardson through her realtor. The Helsmans wound up giving Richardson $15,000 toward closing costs, she said.
And she is still angry over what happened to a home that clearly she never really wanted to leave. "It's kind of silly. You would think people who are making decisions for others would be able to make good decisions for themselves," she said. "She should have known what she could afford and not afford. In this neighborhood, you just don't do that."

While Richardson walked away from her loan, she bailed out Oropesa in a June special election, and moved on to Congress. As a member of Congress, Richardson has been asked to vote on legislation pertaining to the spillover in foreclosure around the country.

On the biggest pieces of legislation having to do with government bailouts for people whose homes have entered foreclosure, Richardson has recused herself. She did not vote on legislation by Rep. Barney Frank, D-Mass., which would direct $2.7 billion in government funds to help an estimated 500,000 homeowners who are at risk of foreclosure.

Richardson also did not vote on a measure by Rep. Maxine Waters, D-Los Angeles, that would give local governments $15 billion to purchase, rehab and resell foreclosed properties.

While Richardson walked away from her bank loan, she has begun to pay herself back for the money she personally invested in her initial race. Records show that Richardson spent $587,000 out of her Congressional campaign committee since declaring her Congressional candidacy through March of this year. Of those expenditures, Richardson has spent $16,000 of that money to begin repaying herself for the money Richardson loaned to her campaign.

According to documents at the Sacramento County Clerk's office, Richardson first received a default notice in late 2007. By December 2007, less than a year after Richardson purchased the house, she was behind in her payments by more than $18,000.

Three months later, on March 19, a notice was filed with the county that Richardson's property would be sold at auction. According to the documents, the unpaid balance and other charges Richardson owed the bank was $587,384.
This is the reporter who wrote the first article. Thanks, Jan

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
916-553-4981
916-326-4717 fax
jan.owen@wamu.net

From: Capitol Weekly [mailto:arts@capitolweekly.net]
Sent: Thursday, May 22, 2008 2:30 PM
To: Owen, Jan L.
Subject: Debate intensifies over Richardson default

Capitol Weekly <http://iterpos.com/fs/d/tx0vye2v8gr4c1/v4vsa2v9ufaoe5i/0>

Debate intensifies over Richardson default

A Long Beach congresswoman who walked away from a $535,000 mortgage in Sacramento said in a written statement distributed by her office that she owns the house, but financial documents show the house was sold at public auction and has been in the possession of the buyer for weeks.

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Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-509-4281
Fax: 206-377-2784

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From: Martin T. McGuinn
Sent: Tuesday, May 27, 2008 5:05 PM
To: Battaglia, Paul J.
Subject: Laura Richardson

Paul when you get a chance please get me Legal Dept. billing no.

Marty

Martin T. McGuinn
Kirby & McGuinn, A.P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

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JPMC-001198
CONFIDENTIAL
From: Martin T. McGuln
To: Owen, Jen L.
Cc: Oxnard, Steve C.
Bcc: Subject: FW: Washington Mutual/Laura Richardson
Date: Wed May 28 2008 13:17:54 EDT
Attachments: EAS

Martin T. McGuln
Kirby & McGuln, A P.C.
600 B Street, Ste. 1050
San Diego, CA 92101

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From: Deana Parkinson
Sent: Wednesday, May 28, 2008 10:54 AM
To: Beth Ward; Martin T. McGuln
Subject: RE: Washington Mutual/Laura Richardson

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CSOC.RICH.002836
Mr. York respectfully declines the offer of $25,000 over his costs. He will accept $80,000 over his costs at this time. This counter offer will remain open until the close of business on Friday, April 30.

Donna Parkinson
Parkinson Phinney

430 Capitol Mall, 11th Floor Sacramento, CA 95814
T 916.449.1441 F 916.449.1440 O www.parkinsonphinney.com
<http://www.parkinsonphinney.com/>

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=================================================

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From: Beth Ward [blank]
Sent: Wednesday, May 26, 2006 9:59 AM
To: Donna Parkinson
Subject: Washington Mutual/Laura Richardson

Good morning, Ms. Parkinson. Attached is Mr. McGuinn's letter of today's date regarding the above matter.

Beth Ward

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JPMC-001200
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CSOC.RICH.002837
Paralegal to Martin T. McGuinn
& Kenneth C. Noortgijen
Kirby & McGuinn, A P.C.
500 B Street, Suite 1950
San Diego, CA 92101
Direct Line: (619) 399-5999
Direct Fax: (619) 399-5990

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Attachments:
Donna Parkinson (donna@kirbymcguinn.com) vcf (266 Bytes)
limage001.jpg (2010 Bytes)
Hi Paul,
Adrian is our Corp Comm division exec. Could you please share the update with him?

Adrian Rodriguez
adrian.rodriguez@wamu.net

Geri Ann S. Baptista, VP
Corporate Communications
Washington Mutual
1301 Second Avenue, WMC2103
Seattle, WA 98101
206.500.2875 direct, 206.377.2020 fax
geriann.baptista@wamu.net

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error, please advise the sender by reply email and immediately delete the message and any
attachments
without copying or disclosing the contents. Thank you.
Here is the email just sent for the letter consent

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-886-5644

For Internal Use Only

--- Original Message ---
From: Thorn, Ann
Sent: Thursday, May 22, 2008 6:01 PM
To: Laura Richardson
Cc: Woodcock, Wendy A.
Subject: Consent

Congresswoman Richardson, per our conversation, attached is the consent form needed to be signed by you in order to release the attached letter to the third party purchaser to facilitate the rescission of foreclosure sale. If you can please sign and scan back to my attention, I would appreciate it.

Thank you,
Ann Thorn

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-886-5644

For Internal Use Only

Attachments:
2008052214304877.pdf (84723 Bytes)
Consent.doc (24594 Bytes)
This file is empty (i.e., its length is zero bytes)
Embedded below is Congresswoman Laura Richardson's statement to the media for your reference.

CONGRESSWOMAN LAURA RICHARDSON
For Immediate Release
May 21, 2006

The story published in the Capitol Weekly regarding residential property that I own in Sacramento requires clarification.

Within a 12-month period last year (2007-2008), I was a member of Long Beach City Council, the District Director for California Lli. Gov. Cruz Bustamante, a member of the California State Legislature, and a member of Congress. While the transitioning has impacted me personally, the residential property in Sacramento California is not in foreclosure and has NOT been seized by the bank. I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement — with no special provisions. I fully intend to fulfill all financial obligations of this property.

On two housing cliffs that were cited by the Capitol Weekly, the allegation is that I focused myself from these votes. I did not. I was absent from Washington, D.C., and my duties in the House of Representatives due to the untimely death of my father and his subsequent funeral in California. I understand that these homeownership issues are a reflection of what many Americans are going through as they fight to keep their homes and to remain financially stable.

Sara Gauki
Home Loans Public Relations

Washington Mutual
1301 Second Avenue | Suite #400 | Seattle WA 98101
206.500.2822 direct | 206.222.1cell
sara.gauki@wamu.net

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From: Woodcock, Wendy A.  
To: Refagogis, Paul J.  
CC:  
Bcc:  
Subject: FW: Article: Calif. congresswoman's home threatened with repo  
Date: Thu May 22 2008 12:25:54 EDT  
Attachments:  

FYI

Wendy Woodcock, VP  
Division Manager  
Homeownership Preservation Dept.  
904 800-1306 ph  
904 886-1325 fax

From: Jenne', Kevin M.  
Sent: Thursday, May 22, 2008 12:21 PM  
To: Woodcock, Wendy A.  
Subject: FW: Article: Calif. congresswoman's home threatened with repo

Wendy, how are you? I'm forwarding this to you because I got Brad's out of office. Again, probably not news to you, but wanted to make sure.

---

From: Jenne', Kevin M.  
Sent: Thursday, May 22, 2008 9:19 AM  
To: Champney, Devon D.; Kallner, Brad; Johnson, Renee T.; Coughl, Son C.  
CC: Waiser, Michael; Schurf, Will D.  
Subject: Article: Calif. congresswoman's home threatened with repo

You probably already know all about this, but I never want to assume. There's some confusion about whether her home has been sold or not, and WaMu hasn't responded about it as of this report.

Calif. congresswoman's home threatened with repo  
Thursday May 22, 11:49 am ET
By Don Thompson, Associated Press Writer

Calif. congresswoman's home threatened with repossession after she fails to pay mortgage

SACRAMENTO, Calif. (AP) — Rep. Laura Richardson has an unusual perspective on the housing foreclosure bill moving through Congress: One of her own homes was threatened with repossession after she failed to pay the mortgage.

Richardson, a Southern California Democrat, bought a two-story home in a leafy, upper-middle-class neighborhood of Sacramento in January 2007, just months after winning a seat in the state Assembly.

She bought the three-bedroom, 1 1/2-bath home in the state capital for $535,500. The bill collectors started knocking on her door, according to records reviewed Wednesday by The Associated Press.

The city utility department placed a lien on her property in June 2007 for $154 in unpaid bills, according to documents at the Sacramento County recorder's office. In December, she received a default notice on the mortgage from the collection agency for Washington Mutual Inc., her lender. At that point, she owed $18,356.

At the time, she had left the Legislature after a quick rise from the Long Beach City Council and moved to Washington after winning a special election to fill a vacant congressional seat. Richardson on Wednesday blamed the frequent job-shifting for financial problems related to the Sacramento property.

A default notice in March this year put the "unpaid balance and other expenses" at $578,364 and said her 1,659-square-foot house would be auctioned at a trustee sale.

County records show the property was sold to a company called Red Rock Mortgage Inc. of Sacramento for $388,000 — although the county assessor's office continues to list Richardson as the owner. No listing could be found for Red Rock.

That sale was officially recorded Monday, according to the records. But Richardson said the home was not foreclosed and had not been seized.

"I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement — with no special provisions," Richardson said in a statement Wednesday. "I fully intend to fulfill all financial obligations of this property."

Richardson's chief of staff, Kimberly Parker, told the AP that the mortgage on the home had been sold but that the house had not. The collection agency referred inquiries to Washington Mutual, which did not return a call.

A real estate agent's lock box hung Wednesday from the front door of the 1925-vintage house.

Records at a Sacramento County tax office also show Richardson is delinquent in paying $8,850 in property taxes.

Richardson moved from the Long Beach City Council to her Assembly seat in 2006, and the next year won a special election to represent a heavily Democratic congressional district that includes Long Beach.

Congressional records show Richardson did not cast votes May 8 on three bills related to the Foreclosure Prevention Act. In her statement, she said she was away from Washington because of her father's funeral.
"I understand that these homeownership issues are a reflection of what many Americans are going through as they fight to keep their homes and to remain financially stable," Richardson said in her statement.

Associated Press writers Erica Werner in Washington and Samantha Young and Rich Pedroncelli in Sacramento contributed to this report.

Kevin Janné | FVP, Market Research Manager
Research & Customer Insight
Washington Mutual
V: 206.500.2515 | E: kevin.janne@wamu.net <mailto:kevin.janne@wamu.net>

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.
Good morning, Ann. From a media perspective, there has been additional coverage over the weekend (same tone as Friday). And as you are aware, the Congresswoman has chosen to not sign the media consent form that would allow us to discuss her loan situation publicly.

- Sara

Sent from my BlackBerry Wireless Handheld

--- Original Message ----
From: Thorn, Ann
To: Battaglia, Paul J.; Gaugl, Sara C.; Owen, Jan L.
Sent: Tue May 27 08:38:53 2008
Subject: Update

John Batra is looking for an update on the Richardson file this morning. Has there been anything new since the press interview Friday night?

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
800-888-5644

For Internal Use Only
From: Thom, Ann
To: Gaugi, Sara C.
Cc: Elias, Alan
Subject: RE: Congresswoman's Financial Report: This Won't Be Pretty.
Date: Thu Jun 12 2008 17:11:51 EDT

i was on a project for Sriro all day and just picked up my messages.

Congresswoman left me a message that she has not been home for two weeks and she is going home this weekend and will be turning in her financials to me some time early next week.

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-666-9844

For Internal Use Only

From: Gaugi, Sara C.
Sent: Thursday, June 12, 2008 11:30 AM
To: Cook, Don; Battaglia, Paul J.; Thom, Ann; Owen, Jan L.
Cc: Elias, Alan
Subject: Congresswoman's Financial Report: This Won't Be Pretty.

FYI, below. It appears that the House members' annual financial reports are scheduled to be released on Monday, which may include specific information about Ms. Richardson's home loan issues.

Just so you are aware, I communicated to Mary Ann that I couldn't discuss Ms. Richardson’s loan situation (not foreclosure sale).

I'll let you know if I receive any media calls today.

Proprietary and Confidential - Do Not Copy
Congresswoman's Financial Report: This Won't Be Pretty.

Mary Ann Akers And Paul Kane

12 June 2008

The Washington Post

We may learn more about Rep. Laura Richardson's (D-Calif.) home foreclosure problems Monday, when House members' annual financial reports are scheduled to be released.

Richardson filed her report on time rather than seeking an extension, her spokesman, William Marshall, tells The Hill. But Marshall says he can "neither confirm nor deny" whether the disclosure report will reflect the full extent of the beleaguered congresswoman's financial woes, which include foreclosure on one home and loan defaults on two others.

Marshall declined to answer questions about how Richardson, who won a special election last August, wound up in such dire straits. She lost her Sacramento home to foreclosure after failing to make payments, at the same time that she reportedly owed Sacramento County some $9,000 in property taxes and defaulted on loans six times on two other California homes.

In the meantime, however, Richardson rose in one year from Long Beach councilwoman to state assemblywoman to a member of the U.S. Congress.

According to the Long Beach Press-Telegram, Richardson also failed to pay hundreds of dollars worth of car repairs to one mechanic, then ultimately abandoned the car at another auto body shop.

Yesterday, the story took a new twist. The Los Angeles Times reported that the home Richardson lost in foreclosure could be returned to her, because the lender, Washington Mutual, filed a letter of rescission of the foreclosure sale and asked the new owner for the keys back.

"They took the property back, and they didn't even send back the money," the new owner, real estate investor James York, told the Times. "It's clear what's happening is Ms. Richardson is abusing her political power and using it for her own political needs," he said. "You don't have to be smart to understand what's happening."

Richardson isn't saying anything. Referring to the congresswoman's lender, her spokesman told us, "This is about Washington Mutual."

The left-leaning watchdog group Citizens for Responsibility and Ethics in Washington calls Richardson a "deadbeat congresswoman."

Sara Gaugl
Home Loans Public Relations

WAMU
1301 Second Avenue 1 WMC401 Seattle WA 98101
206.500.3822 direct 1 206.228 cell
sara.gaugl@wamu.net

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JPMC-091212
CONFIDENTIAL
Page 5 of 60

CSOC.RICH.002849
attachments without copying or disclosing the contents. Thank you.
From: Owen, Jan L.  <owen@wamu.com> 
To: Thom, Ann  
     Battaglia, Paul J.  <paul.battaglia@wamu.com>  
     Cook, Don  <dcook@wamu.com>  
     Gaugl, Sara C.  <sara.gaugl@wamu.com>  
Subject: Re: Loss Mit  
Date: Wed Jun 18 2008 10:34:02 EDT  
Attachments:  

I will schedule a call this week. Thanks, J

---------- Original Message ----------
From: Thom, Ann  
To: Battaglia, Paul J.; Cook, Don; Gaugl, Sara C.; Owen, Jan L.  
Sent: Wed Jun 18 07:30:45 2008  
Subject: FW: Loss Mit

Ann Thom, EVP  
Washington Mutual  
National Asset Recovery Manager  
904-886-0544  

For Internal Use Only

----------
From: Laura Richardson  
Sent: Wednesday, June 18, 2008 10:30 AM  
To: Thom, Ann  
Subject: FW: Loss Mit

Ann,
FYI—
NO REFERENCE TO TIME DEADLINES.
Laura Richardson

---------- Forwarded Message ----------
From: "Mathis, Julie A." <julie.mathis@wamu.net>

Proprietary and Confidential - Do Not Copy
To: laurarichards
Cc: "Thorn, Ann" <ann.thorn@wmu.net>; "Woodcock, Wendy A." <wendy.woodcock@wmu.net>
Sent: Friday, June 6, 2008 12:10:05 PM
Subject: Loss Mit

<<Borrower Assistance Form 5.06.pdf>>

Thank you,

Julie

Julie Mathis, VP
Department Manager
Homeownership Preservation
Washington Mutual
904 986-1203
904 896-1325 fax
From: Thorn, Ann
To: Battaglia, Paul J.
      Cock, Don
      Gaugi, Sara G.
      Devan, Ian I.
Cc: 
Bcc: 
Subject: FW: Follow-up on Loss Mit
Date: Wed Jun 18 2008 10:28:26 EDT
Attachments:

Here is her response to the letter.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-886-6644

For Internal Use Only

From: Laura Richardson [mailto:lararichardson]
Sent: Wednesday, June 18, 2008 10:24 AM
To: Thorn, Ann
Subject: Re: Follow-up on Loss Mit

Ms. Thorn,

Due to the numerous issues that have surrounded my agreement and the improper sale of my property, I am working with my original broker to complete the application accurately. I am limited to his availability therefore it is taking longer than I expected. I advised Ms. Mathis of my delay via email and was told you would be notified.

I was quite surprised with your attached letter that requires submittal by Friday which I do not believe was expressed before. If you recall, it was I, that suggested we begin the process prior to the completion of the escrow not WAMU.

I will meet your deadline; however, in the future clear indications of time deadlines is needed.

Laura Richardson

----- Original Message -----
From: "Thorn, Ann" <ann.thorn@wamu.net>

Proprietary and Confidential - Do Not Copy
To: Laura Richardson <laurarichardson>
Sent: Tuesday, June 17, 2005 3:14:14 PM
Subject: Follow-up on Loss Mit

Congresswoman,

Please see attached.

Thank you,

Ann Thorn

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-060-0644

For Internal Use Only
From: Thorn, Ann
<mailto:ann.thorn@wm.com>

To: Raffel, Paul J.
<mailto:paul.raffel@wm.com>; Cook, Don
<mailto:don.cook@wm.com>; Gagi, Sara G.
<mailto:sara.gagi@wm.com>; Owen, Jan L.
<mailto:jan.owen@wm.com>

Cc: 

Subject: FW: Loss Mkt

Date: Wed Jun 18 2008 10:29:53 EDT

Attachments:

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
934-886-8044

For Internal Use Only

---

From: Laura Richardson
Sent: Wednesday, June 18, 2008 10:25 AM
To: Thorn, Ann
Subject: Re: Loss Mkt

FYI...
My notice of delay AND NO REFERENCE TO TIME DEADLINES.
Laura Richardson

--- Original Message ---
From: "Mathis, Julio A." <julio.mathis@wm.com>
To: Laura Richardson
Sent: Thursday, June 12, 2008 1:05:34 PM
Subject: Re: Loss Mkt

Thanks, I will let them both know.

Julie

Julie Mathis, VP
Department Manager
Homeownership Preservation

Proprietary and Confidential - Do Not Copy
From: Laura Richardson
Sent: Thursday, June 12, 2008 10:20 AM
To: Mathis, Julie A.
Subject: Re: Loss Mit

Please advise Ann Thorne that I will work on this during the weekend. I apologize for the delay I did not recognize your email / name. I was looking for something from Ann or Ms. Woodcock, so I missed it.

I will be in touch.

Laura

--- Original Message ---
From: "Mathis, Julie A." <julie.mathis@wamu.net>
To: laurann.mathis <laurann.mathis@wamu.net>
Cc: "Thorne, Ann" <ann.thorne@wamu.net>, "Woodcock, Wendy A." <wandy.woodcock@wamu.net>
Sent: Friday, June 6, 2008 12:10:05 PM
Subject: Loss Mit

<<Borrower Assistance Form 6.08.pdf>>

Thank you,

Julie

Julie Mathis, VP
Department Manager
Homeownership Preservation
Washington Mutual
604.886.1306
904.886.1325 fax
I also got this ..........

_____

From: Laura Richardson
Sent: Wed 06/18/2008 06:54 PM
To: Thorn, Ann
Subject: Notice of Pendency of Action

Ann,

Late yesterday, Red Rock Mortgage, sent a certified letter to my district office in Torrance where my office staff unknowingly signed for which included "Notice of Pendency of Action" papers.

Who in your operation/office should I follow-up with? Please advise at your earliest convenience.

Laura Richardson
From: Thorn, Ann
Sent: Thursday, June 19, 2008 9:41 PM
To: Mathis, Julie A.; Battaglia, Paul J.; Gaugl, Sara C.; Owen, Jan L.
Cc:  
Subject: RE: Follow-up on Loss Mit

Julie, not sure what fax this is, but I will need you to get the information and then you and Wendy call her with any additional questions regarding Loss Mit. My day is full except from 1 to 2 tomorrow. If that works for you, then I will email her and advise her of the time so we do not miss her again. Everyone, is that ok with you?

From: Laura Richardson
Sent: Thu 06/19/2008 06:38 PM
To: Mathis, Julie A. 
Cc: Thorn, Ann
Subject: FW: Follow-up on Loss Mit

FV: I am faxing you the document as well with pending clarifying questions and hope to hear from someone tomorrow. Again, I can be reached at 202-225-7924 or call [ ]
Thanks, Laura

--- Forwarded Message ---
From: Laura Richardson
To: "Thom, Ann" <ann.thom@wamu.net>
Sent: Thursday, June 19, 2008 7:36:01 PM
Subject: Re: Follow-up on Loss Mit

Ann,

I just sent the WaMu borrower assistance form via fax to 904-886-1627. I sent three emails to you yesterday and none of them were replied to. Please contact me at your earliest convenience to discuss a few open items. Further, I have a couple questions regarding the assistance form but I wanted to complete it as best as I could today to meet your requested deadline just advised of yesterday for Friday. I look forward to your call tomorrow at either...

Thanks,
Laura

--- Original Message ---
From: "Thom, Ann" <ann.thom@wamu.net>
To: Laura Richardson
Sent: Tuesday, June 17, 2008 9:14:14 PM
Subject: Follow-up on Loss Mit

Congresswoman,

Please see attached.

Thank you,

Ann Thom

Ann Thom, EVP
Washington Mutual
National Asset Recovery Manager
904-886-5644

For Internal Use Only
Julie, not sure what fax this is, but I will need you to get the information and then you and Wendy call her with any additional questions regarding Loss Mit. My day is full except from 1 to 2 tomorrow. If that works for you, then I will email her and advise her of the time so we do not miss her again. Everyone, is that ok with you?

FYI... I am faxing you the document as well with pending clarifying questions and hope to hear from someone tomorrow.
Again, I can be reached at...
Thanks, Laura

--- Forwarded Message ---
From: Laura Richardson <Laura Richardson@wm.com>
Sent: Thursday, June 19, 2008 7:36:01 PM
To: "Thorn, Ann" <ann.thom@wm.com>
Subject: Re: Follow-up on Loss Mit

Ann,
I just sent the WaMu borrower assistance form via fax to 604-886-1627. I sent three emails to you yesterday and none of them were replied to. Please contact me at your earliest convenience to discuss a few open items. Further, I have a couple questions regarding the assistance form but I wanted to complete it as best as I could today to meet your requested deadline just advised of yesterday for Friday. I look forward to your call tomorrow at either...

Thanks,
Laura
Original Message

From: "Thorn, Ann" <ann.thorn@washmutual.com>
To: Laura Richardson
Sent: Tuesday, June 17, 2008 3:14:14 PM
Subject: Follow-up on Loss Mit

Congresswoman,

Please see attached.

Thank you,

Ann Thorn

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-868-6644

For Internal Use Only
FYL. Please see bolded text below.

Congresswoman's Home Sold in Foreclosure Auction - WSJ

Congress has turned its attention to solving the foreclosure crisis even as one of its members has lost a home in a foreclosure auction.

The Sacramento home of Rep. Laura Richardson was sold in a public auction two weeks ago for $388,000. The Southern California Democrat bought the house for $555,000 with no money down in January 2007 and owed nearly $575,000 to Washington Mutual when the mortgage was sold earlier this month at a significant loss to Red Rock Mortgage Inc.

Rep. Richardson, a former Long Beach city council member, bought the home after winning a seat in California's state assembly. She maintains her primary residence, a four-bedroom home, in her Long Beach district. Months later, Rep. Richardson ran in a hard-fought election for the congressional seat, which was vacated when the late Rep. Juanita Millender-McDonald died from cancer. To fund that campaign, Rep. Richardson lent herself more than $75,000 and stopped making payments on the Sacramento home around the same time.

The story was first reported by the Capitol Weekly, a Sacramento publication.

Rep. Richardson said in a statement Wednesday that the house is not in foreclosure and had not been notice by the bank. "I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement - with no special provisions. I fully intend to fulfill all financial obligations of this property."

But James York, the Sacramento broker who bought Richardson's house at auction, told the Long Beach Press-Telegram that he planned to resell the home. The three-bedroom, 1.5-bathroom house sits on a 1,600 square foot parcel.

Richardson didn't vote on the housing rescue deal that passed the House of Representatives two weeks ago and in a statement attributed her absence to her father's funeral. But Richardson did vote last fall in favor of the Mortgage Forgiveness Debt Relief Act, which passed and prevents the federal government from charging income tax on debt forgiven as a consequence of foreclosure. -Nick Timiraos

Sara Gaul
Home Loans Public Relations

WaMu
1301 Second Avenue 1 WMC40 I Seattle WA 98101
206.500.2822 direct ( ) 7 - 9 - 4 - 6 - 8 - 2 - 7 - 2 - 6 - 7
sara.gaul@wamu.net

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From: Alvarez, Rosalva R.
To: Battaglia, Paul J.
Cc: Owen, Jan L.
Subject: FW:
Date: Wed May 21 2008 17:08:19 EDT
Attachments: EAS

Rosie Alvarez
Executive Response Team
Customer Relations Manager
Washington Mutual Bank
(800) 225-5497 Opt. 1 Ext. 467
Fax (206) 985-3082

"I long to accomplish great and noble tasks, but it is my chief duty to accomplish humble tasks as though they were great and noble. The world is moved along, not only by the mighty shoves of its heroes, but also by the aggregate of the tiny pushes of each honest worker." Helen Keller.

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From: Blain, Donna R.
Sent: Wednesday, May 21, 2008 2:07 PM
To: Alvarez, Rosalva R.
Subject:

Donna Banks
D&B Specialized II
Washington Mutual Bank

Attachments:
Richardson reinstatement.doc (26130 Bytes)
This file is empty (i.e., its length is zero bytes)
Money, Finance & Business; Sea other Money, Finance & Business <http://www.liberty.org/cgl-bin/listarticles.cgi?1710> Articles
Title: Congresswoman defaults on (mortgage) loanSource: Long Beach (Calif.) Press-TelegramSource: <http://www.presstelegram.com>Published: May 22, 2008Author: (unknown)Post Date: 2008-05-22 12:36:46 by gift1733 Comments
Rep. Laura Richardson lost her Sacramento home in a foreclosure auction two weeks ago, and left behind nearly $9,000 in unpaid property taxes.
Richardson, D-Long Beach, appears to have made only a few payments on the house, which she bought in January 2008 for $535,000.

After buying the home, Richardson hardly had time to live in it. Three months later, Rep. Inslee Miller-McDonald died and Richardson - then a freshman member of the state Assembly - launched a campaign to replace her in Congress.

Richardson won the election, pouring in $77,600 in personal loans to her own campaign. Around the same time, she stopped making payments on the Sacramento house. The bank issued a default notice in December, and the home was sold at a public auction on May 7 for $388,000.

Richardson declined Wednesday to be interviewed about the foreclosure, which was first revealed in Capitol Weekly, a Sacramento-based publication. In a statement, Richardson denied that the home was in foreclosure and said it had not been seized by the bank.

"I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement - with no special provisions," Richardson said in the statement. "I fully intend to fulfill all financial obligations on the property."

That would come as a surprise to James York, the Sacramento real estate broker who bought Richardson's house at auction. York specializes in buying and selling foreclosed homes, and said he eventually intends to resell Richardson's home, which overlooks a park in an upscale neighborhood.

York produced a trustee's deed confirming that his company, Red Rock Mortgage Inc., owns the house. York said the house was relatively clean when he found it, at least compared with other foreclosed homes, though the garage was "full of trash to the ceiling." Workers have been cleaning it out and cutting the yard, which had been left unmowed for months.

When he bought the house at 3022 W. Curtis Drive, York assumed responsibility for Richardson's unpaid property tax bill of $8,960.79.

"Tell Laura I'd be happy to have her pay my property tax," York said.

The real loser in the deal was Washington Mutual Bank, which issued Richardson a $535,000 loan with no money down in January 2007. By the time the default notice was issued, Richardson was underwater on the loan. She owed about $575,000, including $18,000 in missed payments. Washington Mutual ended up writing off nearly $200,000 of that debt to get rid of the house.

"They took a beating," York said.

The previous owner of the home, Sharon Hofmar, said the neighbors were "appalled" that Richardson was not maintaining the lawn. Another neighbor said that until recently the grass was about a foot high.

"It's kind of heartbreaking to see something you've worked on for 30 years be left and not taken care of," Hofmar said. "You would have thought someone like that would have been a little more responsible."
The home is only a few minutes' drive from the Capitol. It is about 1,600 square feet, and has three bedrooms and 1 1/2 baths. It sits on a corner facing Curtis Park.

"It's your typical 1920s house," she said. "Hardwood floors, wallpaper. It's not huge, but it served us for a lot of years."

The neighborhood is known as affluent and politically liberal. A mayoral candidate lives nearby, and a former state senator lives three doors down.

"It is a very stable neighborhood," said Charlene Singley, the Realtor who sold the home to Richardson. "It has been affected by the downturn, however, because it is in the older, more established area of Sacramento, and it is close to the downtown urban core. It is one of the few neighborhoods that has not been hit as hard."

Singley was surprised to hear that the home had gone into foreclosure.

Although Richardson did not pay her property taxes or the balance of her loan, she has begun repaying the loans that she issued to her own political campaign.

Richardson, a former Long Beach city councilwoman, still owns a home in Long Beach.

One of Richardson's first votes upon arriving in Congress last fall was on the Mortgage Forgiveness Debt Relief Act of 2007. The bill helped homeowners by preventing the federal government from charging income tax on debt forgiven in a foreclosure, such as the $200,000 forgiven in Richardson's foreclosure.

Joining 395 of her colleagues, Richardson voted yes.

Sara Gaugi
Home Loans Public Relations

WaMu
1301 Second Avenue
Seattle, WA 98101
206-500-2012 direct
sara.gaugi@wamu.net

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FYI - it appears that Congresswoman Richardson has now engaged a spokesperson -- William Marshall. Among other things, he states that Ms. Richardson is awaiting clarification from Walitsu as to whether she had secured new loan terms in time, but that she is still in fact the owner of her Sacramento home (though public records state otherwise).

I'll continue to let you know of any other new developments as reported by the media.

- Sara

Reps. Richardson defaulted on three Calif. home loans - The Hill
By Jared Allen
05/27/05

The tale of Rep. Laura Richardson's (D) personal housing crisis got even more captivating Tuesday as her office said the freshman lawmaker defaulted on loans she took out for not just one, but three, California homes.

The news of one of Richardson's properties recently being sold at auction captured widespread attention last week in the wake of the nation's housing crisis. But that was only part of the story.

Richardson's office said Tuesday she has caught up on her payments and renegotiated the terms of loans she took out to purchase homes in San Pedro and Long Beach, Calif. Her office confirmed that the lawmaker defaulted on both of these homes and was facing foreclosure when she went months without making payments.

A third home that Richardson borrowed heavily to move into in Sacramento was sold at auction earlier this month - at a $150,000 loss to the bank that issued her the $535,000 loan.

William Marshall, a spokesperson for Richardson, said on Tuesday that she was still awaiting clarification from her lender, Washington Mutual, as to whether she had secured new loan terms in time and was still, in fact, the owner of the home.

Richardson told The Associated Press on Friday that she was surprised to learn that the home was sold at the May 7 auction. She claimed that the sale never should have happened because she had...
renegotiated her loan to pay it off.

Even as that was happening, ethics watchdogs were crying foul over Richardson's personal finances and questioning how she was able to lend her campaign $77,500 in the midst of multiple home loan defaults.

Federal Election Commission (FEC) reports show that Richardson loaned her campaign a total of $77,500 in three installments - between June and July of 2007.

Richardson's year-end FEC filing showed that her campaign still had $331,100 worth of debt but $116,000 cash-on-hand.

Marshall was unable to immediately answer questions about whether Richardson borrowed against any of her home equity - from homes she defaulted on - to finance her House campaign.

But he did not dispute reports that Richardson had done the very same thing the year prior when she borrowed $100,000 against her Long Beach home - whose mortgage she later defaulted on - to loan to her campaign for the California General Assembly. She repaid that personal loan in its entirety, according to Los Angeles media outlets.

Melanie Sloan, executive director of the Citizens for Responsibility and Ethics in Washington, criticized Richardson for taking on more than $77,500 of her own money on her campaign. She suggested that Richardson's actions only demonstrated her belief that winning a seat in Congress is more important that practicing personal fiscal responsibility.

Sloan added Richardson should not be in the situation she is while making a congressional salary when homeowners around the country are struggling to pay their debts.

"Truthfully, it's appalling," Sloan said.

Meredith McGeehe, policy director for the Campaign Legal Center, said it would be reasonable for the FEC to look into the timing of the loan against the timeline of Richardson's home loan defaults.

"In situations like this it's very important for whoever loaned her the money to demonstrate that they trusted her equity, not favoritism," McGeehe said. "Otherwise, you're getting into a situation of a corporate underwriting of a campaign."

Richardson's FEC reports do not spell out the terms of her personal loans to her campaign.

Richardson originally came under scrutiny last week when it was learned that a home she owned in Sacramento was sold at auction after it went into foreclosure.

As well as her $535,000 home in Sacramento, a home that Richardson owned in San Pedro - which she borrowed $359,000 to obtain - went into default in September 2007 when she became more than $12,000 behind in her payments.

In addition, Richardson's primary residence in Long Beach went into default just two months ago after she failed to make a payment for four months and owed nearly $20,000 on the property.

Marshall declined to give details of the new loans that he said Richardson was able to secure.

Richardson last week told reporters in California that her experience makes her particularly well-suited to help Congress legislate a solution to the nation's housing crisis, saying she hoped to testify before congressional committees on the issue.

And when Congress returns following the Memorial Day recess, reconciling the House and Senate versions of the legislation designed to help the housing market rebound will be on the to of the
agenda.

Richardson did not vote on the version of the Foreclosure Prevention Act that passed the House, but said she missed the vote only because she was attending her father's funeral.

Richardson was a member of the Long Beach City Council when she won a California General Assembly seat in November 2006, months before she purchased the home in Sacramento. She won the congressional seat the following year in the special election to replace the late Rep. Juanita Millender-McDonald (D).

Sara Gauigl
Home Loans Public Relations

WaMu
1301 Second Avenue | LWC40 | Seattle WA 98101
206.606.2822 direct | 
sara.gauigl@wamu.net

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From: Gaugl, Sara C. 
To: Battaglia, Paul J. 
Cc: Rodriguez, Adrian 
Subject: Update York Comment Re: Sale 
Date: Thu May 22 2008 22:13:27 EDT 
Attachments: 

All -
Please see below - York has now publicly offered to resell the home for $535,000 — the same price Richardson paid for it in 2007. I will scan recent coverage in an effort to uncover additional info and will route to the team in advance of tomorrow’s meeting. It also appears that Richardson has refrained from making further comments at this time.


Buyer of Rep. Laura Richardson’s house: She “walked away” <http://latimesblogs.latimes.com/lailand/2008/05/buyer-of-rep-la.html>

The Wall Street Journal quotes the buyer of U.S. Rep. Laura Richardson’s Sacramento house as saying she walked away from the house, and can have it back if she wants it — for the same price she paid for it in 2007.

Richardson (pictured) has denied a published report that her house went into foreclosure. <http://latimesblogs.latimes.com/lailand/2008/05/report-lender-t.html> saying she worked with her lender to renegotiate her mortgage.

But James York, the Sacramento broker listed on public documents as the new buyer of the home, tells the Journal’s “Developments” blog the congresswoman walked away from the mortgage: “She's walked away from the property,” he said. “I would be happy to recoup her the home for the $555,000.”

That would represent a tidy profit for York, who reportedly bought the Richardson house at auction for $555,000.

Richardson’s office has not answered questions about the Sacramento home. In a statement Wednesday, the Democrat from Long Beach said the house “is not in foreclosure” and that she had reached an agreement with her lender on a loan modification.

Sara Gaugl
Home Loans Public Relations
WaMu

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JPMC-001234
CONFIDENTIAL
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CSOC.RICH.002871
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From: Champney, Steven D.  
<ct=wamu@u=soa=cm=recipient=cn=u214145>

To: Dettaglio, Paul J.  
<ct=wamu@u=soa=cm=recipient=cn=u209440>

CC: 

Subject: Out of Office AutoReply: Laura Richardson - Attorney Client Privileged Communication  
Date: Thu May 22 2008 20:57:20 EDT  
Attachments:

Thank you for contacting me. I am presently out of office 6/22 - 6/27, so if this is an urgent matter or an emergency please contact my assistant Susan Samuel at 904-636-6251 or susan.strmcul@wamu.net, otherwise I will respond once I've returned. Thank you and have a Wamu day!
I will be out of the office Friday, 5/30. If you require immediate assistance please contact Huay-Jen Chiu at (818) 775-2340 or huay-jen.chiu@wamu.net. Thank you.

NOTE: Please direct all DLL, Senior Lien Monitoring and TDUS Inquiries to cruseferrari@wamu.net. Thank you.
FYI, below, it appears that the House members' annual financial reports are scheduled to be released on Monday, which may include specific information about Ms. Richardson's home loan issues.

Just so you are aware, I communicated to Mary Ann that I couldn't discuss Ms. Richardson's loan situation (not foreclosure sale).

I'll let you know if I receive any media calls today.

Congresswoman's Financial Report: This Won't Be Pretty.

Mary Ann Akers And Paul Kane
12 June 2008

The Washington Post

We may learn more about Rep. Laura Richardson's (D Calif.) home foreclosure problems Monday, when House members' annual financial reports are scheduled to be released.

Richardson filed her report on time rather than seeking an extension, her spokesman, William Marshall, tells The Hill. But Marshall says he can "neither confirm nor deny" whether the disclosure report will reflect the full extent of the beleaguered congresswoman's financial woes, which include foreclosure on one home and loan defaults on two others.

Marshall declined to answer questions about how Richardson, who won a special election last August, wound up in such dire straits. She lost her Sacramento home to foreclosure last fall to make payments, at the same time that she reportedly owed Sacramento County some $9,000 in property taxes and defaulted on loans six times on two other California homes.

In the meantime, however, Richardson rose in one year from Long Beach councilwoman to state assemblywoman to a member of the U.S. Congress.
According to the Long Beach Press-Telegram, Richardson also failed to pay hundreds of dollars worth of car repairs to one mechanic, then ultimately abandoned the car at another auto body shop.

Yesterday, the story took a new twist. The Los Angeles Times reported that the home Richardson lost in foreclosure could be bought back for $1.2 million, because the lender, Washington Mutual, filed a letter of rescission of the foreclosure sale and asked the new owner for the keys back.

"They took the property back, and they didn't even send back the money," the new owner, real estate investor James York, told the Times. "It's clear what's happening is we, Richardson is abusing her political power and using it for her own political needs," he said. "You don't have to be smart to understand what's happening."

Richardson isn't saying anything. Referring to the congresswoman's lender, her spokesman told us, "This is about Washington Mutual." He urged us to call Washington Mutual for comment. But a Washington Mutual spokesman told us she couldn't comment on the foreclosure sale because Congresswoman Richardson "has not provided us with authorization to publicly discuss her loan."

The left-leaning watchdog group Citizens for Responsibility and Ethics in Washington calls Richardson a "deadbeat congresswoman."

Sara Gaugl
Home Loans Public Relations

WAMU
1301 Second Avenue, WWCA 401 Seattle WA 98101
206.590.2822 direct I [____]____
sara.gaugl@wamu.net

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CSOC.RICH.002877
Sam Caugl
Home Loans Public Relations

WAMU
1301 Second Avenue
Seattle, WA 98101
206.590.2922 direct
sara.caugl@wamuv.

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From: Owen, Jan L.
<TO> Battaglia, Paul J.
<CC>

Subject: Out of Office AutoReply: Laura Richardson

Date: Tue Jun 10 2006 16:31:57 EDT

Attachments:

Thank you for your email. I am out of the office the week of June 9th returning June 16th. I will have sporadic access to email during this week. Should you need immediate attention please call Seattle, Erik Strom at ***, or email me at erik.strom@wamu.net. I will respond to your email when I return. Thank you, Jan :-( **
From: Prince, Deanna K.
<csoc.rich.cm recipients/en=216638>
To: Battaglia, Paul J.
<csoc.rich.cm recipients/en=209440>
Cc:
Doc:
Subject: Accepted: Laura Richardson - Counteroffer from foreclosure purchaser
Date: Mon Jun 16 2008 14:50:09 EDT
Attachments:
Paul, Steve Champney will not be able to attend this afternoon.
From: Oakley, Susan B.
To: Battaglia, Paul J.
CC: 
Subject: Accepted: FW: Laura Richardson - Counteroffer from foreclosure purchaser
Date: Mon Jun 16 2008 15:06:59 EDT
Attachments:
From:  Cook, Don
<o=wnulw=sea/cn=recipients/cn=ui576890>
To:    Battaglia, Paul J.
<o=wnulw=sea/cn=recipients/cn=ui209440>
Cc:    
Bcc:   
Subject:  Accepted: Laura Richardson - Counteroffer from foreclosure purchaser
Date:    Mon Jun 16 2008 15:21:54 EDT
Attachments:  

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CSOC.RICH.002884
From: Battaglia, Paul J.  
To: Fineman, John
Champney, Steven D.
Cook, Don
Stein, Lawrence W.
Klein, Jason C.

Subject: Laura Richardson - Counteroffer from foreclosure purchaser
Date: Mon Jun 16 2008 14:42:18 EDT
Attachments:

When: Monday, June 16, 2008 12:30 PM-1:00 PM (GMT-07:00) Pacific Time (US & Canada); Tijuana.
Where: Dial in at 1-866-736-3131 Participant passcode is [ ]

---

Telephone conference to discuss the 3rd party purchaser’s new counter-offer received today. (Counter offer is $80k plus “expenses”. We’re seeking clarification on how much the claimed expenses are and what they include).

Dial in Number: 965-736-3131
Participant Code: [ ]

Seattle Participants meet in small conference room on 34.
From: Russo, Elizabeth M. 
<foo.wmu.edu/sea/cc/recipient/cn=u142429> 
To: Rattaglia, Paul J. 
<foo.wmu.edu/sea/cc/recipient/cn=u209440> 
Cc: 

Subject: Accepted: Laura Richardson - Couteroffer from foreclosure purchaser 

Date: Mon Jun 16 2009 14:47:57 EDT 

Attachments:
From: Thorn, Ann
To: Battaglia, Paul J.
Cc: Cock, Don; Gauigl, Sara G.; Owen, Jan L.
Subject: FW: Loss Mit
Date: Wed Jun 18 2008 10:30:45 EDT
Attachments: EAB

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-886-8644

For Internal Use Only

From: Laura Richardson
Sent: Wednesday, June 18, 2008 16:30 AM
To: Thorn, Ann
Subject: Fw: Loss Mit

Ann,
FYI...
NO REFERENCE TO TIME DEADLINES.
Laura Richardson

--- Forwarded Message ---
From: "Mathis, Julie A." <julie.mathis@wamu.net>
To: laurarichardson
Cc: "Thorn, Ann" <ann.thorn@wamu.net>; "Woodcock, Wendy A." <wendy.woodcock@wamu.net>
Sent: Friday, June 6, 2008 12:10:35 PM
Subject: Loss Mit

<<Borrower Assistance Form 5.08.pdf>>

Thank you,
Julie Mathis, VP
Department Manager
Homeownership Preservation
Washington Mutual
904-886-1305
904-886-1325 fax

Attachments:
Borrower Assistance Form 5.06.pdf (241083 bytes)
From: Thom, Ann  
To: Battaglia, Paul J.  
Cc:  
Subject: Out of Office AutoReply: Richardson  
Date: Tue Jun 24 2008 16:58:34 EDT  
Attachments:  

I will be out of the office Wednesday, June 25th with limited access to email. If you need immediate assistance, please contact Sue Oakley at susan.oakley@wamu.net  

Thank you  
Ann
From: Mathis, Julie A.
To: Battaglia, Paul J.
CC: 
Subject: Out of Office AutoReply: [Julie Mathis] Richardson
Date: Tue Jun 24 2008 16:58:56 EDT
Attachments:

I will be out of the office Wednesday, June 25th. I will return on Monday, July 7th. If you need immediate attention, please contact Nicol Peters for short sale matters and Pam Seel on modification matters.

Thank you,

Julie Mathis
I will be out of the office Friday, 7/5. If you require immediate assistance please contact Huey-Jen Chiu at (312) 777- - or huey-jen.chiu@wamu.net. Thank you.
Hello to All,
Yes. Thanks.
Good morning,

[Body of the email content]

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Okay.
From: Owen, Jan L.
To: Owen, Jan L., Gaugl, Sara C., Woodcock, Wendy A., Battaglia, Paul J., Cook, Don, Baptista, Guri Ann, S., GM QSM DTE, Keilner, Brad
Cc: 
Bcc: 
Subject: Congresswoman Richardson Update
Date: Wed May 21 2008 20:30:51 EDT
Attachments: 

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CSOC.RICH.002898
Paul when you get a chance please get me Legal Dept. billing no.

Marty

Martin T. McGalin
Kirby & McGalin, A P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

mmcgalin

Direct Dial: (619) 525-

Direct Fax: (619) 525-

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From: Battaglia, Paul J.  
"<o=wanu/ou=eesi/cn=recipients/cn=U259440>"
To: Owen, Jon T.  
"<o=wanu/ou=eesi/cn=recipients/cn=U146276>"
Cc:  
Bcc:  
Subject: Accepted Richardson Update  
Date: Wed May 28 2008 13:30:35 EDT  
Attachments:
From: Battaglia, Paul J.
To: Ownn, Jan L.
Cc: 
Subject: Accepted: Richardson update
Date: Wed May 28 2008 12:40:30 EDT
Attachments:
From: Owen, Jan L.
To: Cagui, Sara C.; Battaglia, Paul J.; Thom, Ann; Woodcock, Wendy A.; Cook, Don
Cc: Richardson update
Date: Wed May 28 2008 12:39:14 EDT

When: Thursday, May 29, 2008 10:00 AM-11:00 AM (GMT-08:00) Pacific Time (US & Canada);
Tijuana
Where:

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From: Owen, Jan L.  
To: Owen, Jan L.  
Gaugl, Sara C.  
Baptista, Geri Ann  
S.  
Thorn, Ann  
Woodcock, Wendy A.  
Cock, Don  
Batagita, Paul J.  

Cc:  
Bcc:  

Subject: Update on Richardson  
Date: Fri May 23 2008 16:31:02 EDT  
Attachments:  

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Fyi

Did we hear from 3rd party today. I have not had a chance to call Richardson, but will first thing in the morning.

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
901-998-5844

For Internal Use Only

---

From: Boulton, Elizabeth A.
Sent: Wednesday, June 04, 2008 5:31 PM
To: Thom, Ann
Cc: Menz, Angie G.
Subject: 0722942433.xls
Importance: High

Ann, here is the Richardson reinstatement which includes CRC's $9.00 outstanding costs.

Attachments:
- [0722942433.xls](attachment:0722942433.xls) (18054 Bytes)
From: Thorn, Ann
Sent: Tue, Jun 24, 2008 11:44:42 EDT
To: Richardson
Subject: FWI

Sent from my BlackBerry Wireless Handheld

--- Original Message ---
From: Mathis, Julie A.
To: Thorn, Ann
Sent: Tue, Jun 24, 2008 08:53:52 EDT
Subject: FWI Richardson

FYI

From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:39 AM
To: Johnson, Wonza L.
Cc: Haywood, Onaka S.; Mathis, Julie A.
Subject: 07253242433 Richardson

Hi Wonza,

There were two checks returned 4/2/08 for delinquent property taxes $3109.81 + $405.49. This loan went to FC sale which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 326 8937
Direct fax 408 549 5978

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CSOC.RICH.002908
Calling her again at 1:30.
goes
Savannah, please bring the file over.
Michelle,

Attachments:
Picture (Metafile) (30236 Bytes)
This site is empty (i.e., its length is zero bytes)
Michelle, can you please get this changed today as this is a highly escalated matter.
Paul,

Rogers, Savannah L.
Savannah
Hi Michelle,

From: Rogers, Savannah L.
To: Thomas, Michelle M.
Cc: Thorn, Ann
     Battaglia, Paul L.
     Deal, Pamela S.
     Mathis, Julie A.

Date: Thu Jun 28 2007 10:37:34 EDT

Subject: FW: [Richardson

Attachments:

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CSOC.RICH.002917
Ore, that is probably going to be a problem.........
From: Mathis, Julie A.
<do-warmu/ou=sea/cn=recipients/cn=ue92185>

To: Battaglia, Paul J.
<do-warmu/ou=seal/cn=recipients/cn=295440>

Box: 

Subject: Out of Office AutoReply:

Date: Tue Jun 24 2008 16:59:38 EDT

Attachments:

I will be out of the office Wednesday, June 25th. I will return on Monday, July 7th. If you need immediate attention, please contact Nicol Peters for short sale matters and Pam Beal on modification matters.

Thank you,

Julie Mathis
From: Thorn, Ann  
<o:wam/u@sea/hr=00008c5c94>  
To: Battaglia, Paul J.  
<o:wam/u@sea/hr=00008c5c94>  
Cc:  
Bcc:  
Subject: Out of Office AutoReply  
Dateto: Tue Jun 24 2008 16:56:53 EDT  
Attachments:  

I will be out of the office Wednesday, June 25th with limited access to email. If you need immediate assistant, please contact Sue Oakley at susan.oakley@wamu.net

Thank you
Ann
From: Thom, Ann
To: Gaugl, Sara C., Owen, Jan L., Battaglia, Paul J., Cook, Don
Cc: Richardson
Date: Fri Jun 06 2008 12:27:38 EDT
Subject: Richardson

She was not prepared to discuss finances today. We sent her the financial package via email and she said she will have it done by Tuesday or Wednesday.

Moving onto Evander......

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
934-889-5644

For Internal Use Only
Hi, Carolyn,

As a follow-up to our brief conversation earlier this morning, please see David's request below. I will give you a call shortly.

Best,

Sara

Sara Gaupl
Home Loans Public Relations

WaMu
1301 Second Avenue | WMC40 | Seattle WA 98101
206.500.2022 direct | 1.800.548.1557 toll free
sara.gaupl@wamu.net

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From: Schneider, David C.
Sent: Tuesday, May 27, 2008 12:46 PM
To: Gaupl, Sara C.
Cc: Chappony, Steven D.; Hyde, Arlene M.
Subject: RE: Richardson Coverage, Calculated Risk Blog

Can you get me the information on the original loan? Today please.

You can have this done by the channel that originates the deal.

ds
From: Cauzi, Sara C.
Date: Tuesday, May 27, 2008 12:31 PM
To: Schneider, David C.; Berens, John; Champney, Steven D.
Cc: Thorn, Ann; Owen, Jan L.; Elias, Alan
Subject: Richardson Foreclosure: Calculated Risk

All:
As expected, coverage on Congresswoman Richardson's financial situation has continued to evolve after it was reported on Friday that she has defaulted on other loans -- including her primary residence. I'm forwarding the blog posting embedded below in particular, as it reflects the current viewpoint among other journalists and links to key articles/postings published to date.

- Sara

UPDATED: A Congressional Speculator? - Calculated Risk
By Tartta
http://calculatedrisk.blogspot.com/2008/05/congressional-speculator-nsw-

This is an update to post below on Rep. Laura Richardson's foreclosure woes.

Gene Mattaus of the Daily Breeze <http://www.dailybrooco.com/id/9356081> kindly forwarded today's additions to the saga. There are not two, but three homes owned by Richardson in foreclosure. And yes, she appears to have cashed out her primary residence back in 2006 to fund her campaign for State Assembly. So it looks like a pattern.

* * * *

I have been watching the story of Representative Laura Richardson and her foreclosure woes for a while now, while hesitating to post on it. For one thing, the original story—a member of Congress losing her expensive second home to foreclosure—had that kind of celebrity car-crash quality to it that I'm not especially interested in for the purposes of this blog. For another thing, posting about anything even tangentially related to politics invites the kind of comments that personally bore me to tears.

All that is still true, but the story has taken such an unfortunate turn that I feel obligated to weigh in on it. Specifically, Rep. Richardson is threatening us <http://origin.mercurynews.com/breakingnews/id/9363126>.

Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don't experience what she did. For example, she said a need to send letters to inform property owners before their property can be sold.

"We have to ensure that lenders and lenders have the tools with proper timing to resolve this," she said.

If Rep. Richardson is going to base legislative proposals on her own experience, then it matters to the rest of us that that experience was... So click the link below if you can stand to hear about it.

* * * *

The story was originally reported in the Sacramento Capitol Weekly <http://www.capitolweekly.net/article.php?articleid=v7C6p343wssel5s55%7Cx4ds673ulskp&issue=x4tdloqynwom0d0id=x4planmuv0w00dx>, and picked up by the Wall Street Journal <http://blogs.wsj.com/devlopments/2008/06/22/congresswoman-home-sold-in-foreclosure>

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Richardson has repeatedly claimed at different times that the house was not in foreclosure, that she had worked out a modification with the lender, and that the lender improperly foreclosed after having agreed to accept her payments. Frankly, unilaterally and unilaterally, Richardson gives her lender, Washington Mutual, permission to tell the side of the story—this is not holding her breath on that—we're unlikely to be able to sort out this mess of claims to my satisfaction, at least.

It's possible that WaMu screwed the up—but it accepted payments on a workout plan with the understanding that foreclosure was "on hold" and then said the property was in foreclosure the next week anyway. It's possible that Richardson's version of what went on is muddled, too. Without some more information I'm not inclined to assume the servicer did most of the screwing up, or for no other reason that we didn't find out until late yesterday, courtesy of the L.A. I and [http://latimesblogs.latimes.com/laand/2008/05/richardson-says.html] and Foreclosure Truth [http://www.foreclosuretruth.com/blog/susan/foreclosure-crisis-gets-personal-rep-laure-richardson] blogs, that Richardson's other home—her primary residence—was also in foreclosure proceedings as recently as March of this year, a detail that as far as I can tell Richardson never disclosed in all the previous discussions of the facts surrounding the foreclosure of her second home.

What part of this I am most interested in, right now, is the question of what in the hell exactly Richardson was thinking when she bought the Sacramento home in the first place. Since the story is quite complex, let's get straight on a few details. Richardson was a Long Beach City Council member who was elected to the state legislature in November of 2006. In January of 2007 she purchased a second home in Sacramento, presumably to live in during the Assembly session. In April 2007, the U.S. Congressional Representative from Richardson's district died, and Richardson entered an expensive race for that seat, winning in a special election in August of 2007. By December 2007 the Sacramento home was in default, and it was foreclosed in early May of 2008. The consensus in the published reports seems to be that Richardson spent what money she had on her campaign, not her bills.

According to the AP [http://www.mercurynews.com/breakingnews/ci_5936125]:

Richardson, 46, makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a pension total of $70,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

It seems to me that all this rang on what happened after she bought the Sacramento home—running for the suddenly-available Congressional seat, changing jobs, etc.—is obscuring the issue of the original transaction.

In November of 2006, Richardson already owned a home in Long Beach. As a newly-elected state representative, she would have been required to maintain her principal residence in her district, but she would also have had to make some arrangements for staying in Sacramento during Assembly sessions, given the length of the commute from L.A. County to the state capitol. She seems to have told the AP reporter that "Lawmakers are required to maintain two residences while other people don't have to," which is not exactly the way it'd have put it. Lawmakers are required to maintain one primary residence (which need not be owned) in their district. They are not required to buy a home at the capitol (of California or the U.S.); many legislators do rent. Richardson is a single woman with no children, yet she felt "required" to purchase a 3-bedroom, 1 1/2 bathroom home in what sounds like one of Sacramento's pricier neighborhoods for $586,500, with no down payment and with $15,000 in closing cost.
contributions from the property seller. (The NAR median price in Sacramento in the first quarter of 2007 was $399,330 <http://www.ustoday.com/news/economy/housing/2006-06-13-q1-homeprices_N.htm>.)

I have no idea what loan terms Richardson got for a 100% LTV sexual home purchase in January 2007, but I’m going to guess that if she got something like a 7.00% interest only loan (without additional mortgage insurance), she got a pretty damn good deal. If she got that good a deal, her monthly interest payment would have been $3123.75. Assuming taxes and insurance of 1.50% of the property value, her total payment would have been $3793.13.

The AP reports that Richardson’s salary as a state representative was $113,000 in 2007, and she received $20,000 in per diem payments (which are, of course, intended to offset the additional expense of traveling to and staying in the Capitol during sessions). I assume the per diem is taxable, so I’ll guess it up to $25,000. That gives me an annual income of $133,000 or a gross monthly income of $11,100.

The total payment on the second home, then, with my surly assumptions about loan terms, comes to 33% of Richardson’s gross income. I have no idea what the payment is for her principal residence in Long Beach. I have no idea what other debt she might have. I am ignoring her congressional race and job changes and all that because at the point she took out this mortgage, that was all in the future and Richardson didn’t know that the incumbent would die suddenly and all that. I’m just trying to figure out what went through this woman’s mind when she decided it was a wise financial move to spend one-third of her pre-tax income on a second home. (There’s no point trying to figure out what went through the lender’s mind at the time. There just isn’t.

Now, Richardson has this <http://virgin.mercurynews.com/breakingnews/ci_9363126> to say about herself:

"I'm Laura Richardson, I'm an American, I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income that I had."

Yeah, well, I’m Tara. I’m an American, I’m a single woman, and I say you’re full of it. You need to show us what your plan for affording this home was before the job changes, girlfriend. You might also tell me why you feel you needed such an expensive second home when you had no money to put down on it or even to pay your own closing costs. As it happens, the Mercury News/AP <http://www.mercurynews.com/breakingnews/ci_9337389?cid=1> reported that by June of 2007—five months after purchase—you had a lien filed for unpaid utility bills. You didn’t budget for the lights?

But what are we going to get? We’re going to get Richardson all fired up in Congress about tinkering with foreclosure notice timing, which is last I knew a question of state, not federal, law, and which has as far as I can see squat to do with why this loan failed.

Quite honestly, if WaMu did give Richardson some loan modification deal, I’d really like to know what went through the Loss Mit Department’s collective and individual minds when they signed off on that. Sure, Richardson’s salary went up to $170,000 when she became a member of the U.S. Congress, but what does she need a home in Sacramento for after that? Where’s she going to live in Washington, DC? And, well, her principal residence was also in the process of foreclosure at the same time. I suppose I might have offered a short sale or deed-in-lieu here, but a modification? Why would anybody do that? Because she’s a Congresswoman?

I’m quite sure Richardson wants to be treated like just a plain old American and not get special treatment. Well, I was kind of hard on a plain old American the other day who wrote a hardship letter <http://calculatordk.blogspot.com/2006/05/how-not-to-write-hardship-letter.html>— that didn’t pass muster with me. I feel obligated to tell Richardson that she sounds like a real estate speculator who bought a home she obviously couldn’t afford, defaulted on it, and now wants WaMu to basically subsidize her Congressional campaign by lowering her mortgage payment or forgiving debt. And that's…
... disgusting. At the risk of sounding like Anglo.

I know some of you are thinking that maybe poor Ms. Richardson got taken advantage of by some fast-talking REALTOR who encouraged her to buy more house than she could afford.

According to Poto Villo at L.A. Land <http://latimesblogs.latimes.com/loland/2009/05/aloe_rep_laura_r.html>, she likes the Realtors, and they like her. She filed financial disclosure forms with the House Ethics Committee reporting the National Assn. of Realtors flew her to Las Vegas in November to help swear in the new president of the association, Realtor Dick Gaylord of Long Beach.

In suggested remarks* at the NAR gathering, also filed with the House, Richardson's script read: "I might be one of the newest members of Congress but I am not a new member of the REALTOR Party. When I needed help to win a tough primary, REALTORS stood up and backed me even though I was the underdog."

--Real estate industry professionals have given her $39,500 in campaign contributions in the current election cycle, according to Open Secrets.

No wonder she's blaming the lender.

Sara Gaugl
Home Loan Public Relations

Wamu
1301 Second Avenue | WMC422 | Seattle WA 98101
206.600.3822 direct | 206.228. - - - bell
sara.gaugl@wamu.net

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We won't be able to get Ops input by EOD.

From: Gaugl, Sara C.
Sent: Tuesday, May 27, 2008 3:19 PM
To: Adams, Carolyn
Cc: Cook, Don; Hyde, Arlene M.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Many thanks.

In terms of timing, David has asked for this information by EOD (today).

Sara Gaugl
Home Loans Public Relations

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From: Geugl, Sara C.
Sent: Tuesday, May 27, 2008 3:01 PM
To: Adams, Carolyn
Cc: Cook, Don; Hyde, Arlene M.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Yea, please.

Thank you, Carolyn.

Sara Geugl
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sara.geugl@wamu.net

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Subject: FW: Richardson Coverage: Calculated Risk Blog

Hi, Carolyn,

As a follow up to our brief conversation earlier this morning, please see David's request below. I will give you a call shortly.

Best,
Sara

Sara Geugl
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Sent: Tuesday, May 27, 2008 12:46 PM  
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Cc: Champney, Steven D.; Hyde, Adriane M.  
Subject: RE: Richardson Coverage: Calculated Risk Blog  

Can you get me the information on the original loan? Today please.  
You can have this done by the channel that originated the deal.

ds

From: Gugli, Sara C.  
Sent: Tuesday, May 27, 2008 12:31 PM  
To: Schneider, David C.; Berens, John; Champney, Steven D.  
Cc: Thorn, Ann; Owen, Jan L.; Elles, Alan  
Subject: Richardson Coverage: Calculated Risk Blog  

All:  
As expected, coverage on Congresswoman Richardson's financial situation has continued to evolve after it was reported on Friday that she has defaulted on other loans—including her primary residence. I'm forwarding the blog posting embedded below in particular, as it reflects the current viewpoint among other journalists and links to key articles/posts/blogs published to date.

- Sara  

UPDATED: A Congressional Speculator? - Calculated Risk  
by Tarrta  
http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html  

This is an update to post below on Rep. Laura Richardson's foreclosure woes.  

Gene Maddaus of the Daily Breeze <http://www.dailybreeze.com/ci_2965061> kindly forwarded today's additions to the saga. There are not two, but three homes owned by Richardson in foreclosure. And yes, she appears to have cashed out her primary residence back in 2006 to fund her campaign for State Assembly. So it looks like a pattern.

*****

I have been watching the story of Representative Laura Richardson and her foreclosure woes for a while now, while heretofore hesitating to post on it. For one thing, the original story—a member of Congress losing her expensive second home to foreclosure—had that kind of celebrity car-crash quality to it that I'm not especially interested in for the purposes of this blog. For another thing, posting about

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anything even tangentially related to politics invites the kind of comments that personally bore me to tears.

All that is still true, but the story has taken such an unfortunate turn that I feel obligated to weigh in on it. Specifically, Rep. Richardson is threatening us [http://orgin.mercurynews.com/breakingnews61.jsp?_s=2153]

Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don’t experience what she did. For example, she sees a need to add steps to inform property owners before their property can be sold.

“We have to ensure that lenders and lenders have the tools with proper timing to resolve this,” she said.

If Rep. Richardson is going to base legislative proposals on her own experience, then it matters to the rest of us what that experience was. So click the link below if you can stand to hear about it.

The story was originally reported in the Sacramento Capitol Weekly [http://www.capitolweekly.net/article.php?sectionid=v57Cj29163L3w385s5o%k&c=147xv00u0o03v0a0x%&x=44yJxvlv0x9G0x&x=44dEu0v0e09G0x], and then covered by a number of blogs, with the storyline being that Rep. Richardson “walked away” from her home, a second home she purchased in Sacramento after being elected to the State Assembly. The “walk away” part came from a remark made by the real estate investor who purchased her home at the foreclosure auction, not Rep. Richardson or anyone who could be expected to understand her financial situation, but that didn’t stop the phrase “walk away” from headlining [http://globalconomyanalysis.blogspot.com/2008/05/congresswoman-walks-away.html] blog [http://optionarmageddon.blogspot.com/2008/05/update-on-walk-away-congresswoman.html] posts [http://alltimesblogs.latimes.com/island/2008/05/buyer-of-rep-la.html].

Rep. Richardson has variously claimed at different times that the house was in foreclosure, that she had worked out a modification with the lender, and that the lender improperly foreclosed after having agreed to accept her payments. Frankly, unless and until Rep. Richardson gives her lender, Washington Mutual, permission to tell its side of the story—I’m not holding my breath on that—we’re unlikely to be able to sort out this mess of claims to my satisfaction, at least.

It’s possible that Wamu screwed this up—that it accepted payments on a workout plan with the understanding that foreclosure was “on hold” and then sold the property at auction the next week anyway. It’s possible that Richardson’s version of what went on is muddled, too. Without some more hard information I’m not inclined to assume the service did most of the screwing up, if for no other reason that we didn’t find out until late yesterday, courtesy of the L.A. Land [http://alltimesblogs.latimes.com/island/2008/05/richardson-says.html] and Foreclosure Truth [http://www.foreclosuretruth.com/blog/sees/foreclosure-walk-away-get-personal-np-lauren-richardson] blogs, that Richardson’s other home—her primary residence—was also in foreclosure proceedings as recently as March of this year, a detail that as far as I can tell Richardson never disclosed in all the previous discussion of the facts surrounding the foreclosure of her second home.

What part of this I am most interested in, right now, is the question of what in the hell exactly Richardson was thinking when she bought the Sacramento home in the first place. Since the story is quite complex, let’s get straight on a few details. Richardson was a Long Beach City Council member who was elected to the state legislature in November of 2006. In January of 2007 she purchased a second home in Sacramento, presumably to live in during the Assembly session. In April 2007, the U.S. Congressional Representative from Richardson’s district died, and Richardson entered an expensive race for that seat, winning in a special election in August of 2007. By December 2007 the Sacramento
home was in default, and it was foreclosed in early May of 2008. The consensus in the published report seems to be that Richardson spent what money she had on her campaign, not her bills.


Richardson, 45, makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

It seems to me that all this focus on what happened after she bought the Sacramento home—running for the suddenly-available Congressional seat, changing jobs, etc.—is obscuring the issue of the original transaction.

In November of 2006, Richardson already owned a home in Long Beach. As a newly-elected state representative, she would have been required to maintain her principal residence in her district, but she would also have had to make some arrangements for staying in Sacramento during Assembly sessions, given the length of the commute from L.A. County to the state capitol. She seems to have told the AP reporter that lawmakers are required to maintain two residences while other people don’t have to, which is not exactly the way I’d have put it. Lawmakers are required to maintain one primary residence (which need not be owned) in their district. They are not required to buy a home at the capitol (of California or the U.S.); many legislators do rent. Richardson is a single woman with no children, yet she felt “required” to purchase a 3-bedroom, 2 1/2 bathroom home in what sounds like one of Sacramento’s pricier neighborhoods for $335,000, with no downpayment and with $15,000 in closing costs—contributions from the property seller. (The NAR median price in Sacramento in the first quarter of 2007 was $365,300 <http://www.usatoday.com/money/economy/housing/2006-05-13-q1-home_prices_N.htm>.)

I have no idea what loan terms Richardson got for her 100% LTV second home purchase in January 2007, but I’m going to guess that if she got something like a 7.00% interest only loan (without additional mortgage insurance), she got a pretty darn good deal. If she got that good a deal, her monthly interest payment would have been $1123.75. Assuming taxes and insurance of 1.50% of the property value, her total payment would have been $9793.13.

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The total payment on the second home, then, with my sunny assumptions about loan terms, comes to 33% of Richardson’s gross income. I have no idea what the payment is for her principal residence in Long Beach. I have no idea what other debt she might have. I am ignoring her congressional raise and job changes and all that because at the point she took out this mortgage, that was all in the future and Richardson didn’t know that the incumbent would die suddenly and all that. I’m just trying to figure out what went through this women’s mind when she decided it was a wise financial move to spend one-third of her pre-tax income on a second home. (There’s no point trying to figure out what went through the lender’s mind at the time. There just isn’t.)

Now, Richardson has this <http://origin.mercurynews.com/breakingnewsid_9363126> to say about herself:

"I'm Laura Richardson. I'm an American, I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Yeah, well, I'm Tanya. I'm an American. I'm a single woman, and I say you're full of it. You need to show me what your plan for affording this home was before the job changes, girlfriend. You might also tell me..."
why you felt you needed such an expensive second home when you had no money to put down on it or even to pay your own closing costs. As it happens, the Mercury News/AP* <http://www.mercurynews.com/breakingnews/ci_9337389?refid=check> reported that by June of 2007—five months after purchase—you had lien filed for unpaid utility bills. You didn’t budget for the lights?

But what are we going to get? We’re going to get Richardson all fired up in Congress about fiddling with foreclosure notice timing, which is last I knew a question of state, not federal, law, and which has as far as I can see squat to do with why this loan failed.

Quite honestly, if WaMu did give Richardson some loan modification deal, I’d really like to know what went through the Loan Mit Department’s collective and individual minds when they signed off on that.

Sure, Richardson’s salary went up to $170,000 when she became a member of the U.S. Congress, but what does she need a home in Sacramento for after that? Where’s she going to live in Washington, DC? And, well, her principal residence was also in the process of foreclosure at the same time. I suppose I might have offered a short sale or deed-in-lieu here, but a modification? Why would anybody do that? Because she’s a Congresswoman?

I’m quite sure Richardson wants to be treated like just a plain old American and not get special treatment. Well, I was kind of hard on a plain old American the other day who wrote a "hardship letter" <http://calcualtedrisk.blogspot.com/2008/05/how-not-to-write-hardship-letter.html> that didn’t pass muster with me. I feel obligated to tell Richardson that she sounds like a real estate speculator who bought a home she obviously couldn’t afford, defaulted on it, and now wants WaMu to basically subsidize her Congressional campaign by lowering her mortgage payment or forgiving debt. And that’s... disgusting. At the risk of sounding like Angelo.

I know some of you are thinking that maybe poor Ms. Richardson got taken advantage of by some sleazy talking REALTOR who encouraged her to buy more house than she could afford.

According to Pete Viles at L.A. Land <http://lalandblogs.latimes.com/land/2008/05/us-rep-laura-vi.html>, she likes the Realtors, and they like her. She filed financial disclosure forms with the House Ethics Committee reporting the National Assn. of Realtors flew her to Las Vegas in November to help swear in the new president of the association, Realtor Dick Gaylord of Long Beach.

In suggested remarks* at the NAR gathering, also filed with the House, Richardson’s script read: "I might be one of the new members of Congress but I am not a new member of the REALTOR Party. When I needed help to win a tough primary, REALTORS stood up and backed me even though I was the underdog."

—Real estate industry professionals have given her $39,500 in campaign contributions in the current election cycle, according to Open Secrets.

No wonder she’s blaming the lender.

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Sent: Tuesday, May 27, 2008 3:09 PM
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Cc: Cook, Don; Hyde, Arlene M.
Subject: RE: Richardson Coverage: Calculated Risk Blog

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by Tanta
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According to the AP (http://origin.mercurynews.com/breakingnews/cl_93831260):

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<@wamu@ou=sea@cn=recipients@cn=u126602>  
Cc: Cook, Don  
<@wamu@ou=sea@cn=recipients@cn=u87886>, Hyde, Arlene M.  
<@wamu@ou=sea@cn=recipients@cn=u977903>  
Bcc:  
Subject: RE: Richardson Coverage: Calculated Risk Blog  
Date: Tue May 27 2008 18:01:20 EDT  
Attachments:  

Yes, please.  
Thank you, Carolyn.  
Sara Gaugl  
Home Loans Public Relations  
WaMu  
1301 Second Avenue | WMC40J Seattle WA 98101  
206.506.2822 direct | 206.228.8365 fax  
sara.gaugl@wamu.net  

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From: Adams, Carolyn  
Sent: Tuesday, May 27, 2008 2:40 PM  
To: Gaugl, Sara C.  
Cc: Cook, Don; Hyde, Arlene M.  
Subject: RE: Richardson Coverage: Calculated Risk Blog  

Sorry - I was at a meeting on 13 and just got back - do you need the origination file reviewed?  

---  

From: Gaugl, Sara C.  
Sent: Tuesday, May 27, 2008 1:17 PM  
To: Adams, Carolyn  
Cc: Cook, Don; Hyde, Arlene M.; Champney, Steven D.; Elias, Alan  
Subject: FW: Richardson Coverage: Calculated Risk Blog  

Hi, Carolyn,  
As a follow-up to our brief conversation earlier this morning, please see David’s request below. I will give you a call shortly.  
Best,  

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Sara Gaugi
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From: Schneider, David C.
Sent: Tuesday, May 27, 2008 12:46 PM
To: Gaugi, Sara C.
Cc: Champony, Steven D.; Hyde, Arlene M.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Can you get me the information on the original loan? Today please.

You can have this done by the channel that originated the deal.

ds

From: Gaugi, Sara C.
Sent: Tuesday, May 27, 2008 12:31 PM
To: Schneider, David C.; Berens, John; Champney, Steven D.
Cc: Thorn, Anne; Ovoo, Jan L.; Elias, Alan
Subject: Richardson Coverage: Calculated Risk Blog

All,

As expected, coverage on Congressman Richardson’s financial situation has continued to evolve after it was reported on Friday that she has defaulted on other loans — including her primary residence. I’m forwarding the blog posting embedded below in particular, as it reflects the current viewpoint among other journalists and links to key articles/postings published to date.

- Sara

UPDATED: A Congressional Speculator? - Calculated Risk by Tantua
http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html

This is an update to post below on Rep. Laura Richardson’s foreclosure woes.

Gene Maddaus of the Daily Breeze (<http://www.dailybreeze.com/oj/f06061>) kindly forwarded today’s
additions to the saga. There are not two, but three homes owned by Richardson in foreclosure. And yes, she appears to have chased out her primary residence back in 2006 to fund her campaign for State Assembly. So it looks like a pattern.

I have been watching the story of Representative Laura Richardson and her foreclosure woes for a while now, while heretofore hesitating to post on it. For one thing, the original story—a member of Congress losing her expensive second home to foreclosure—had that kind of celebrity car-crash quality to it that I'm not really interested in for the purposes of this blog. For another, I didn't feel anything tangentially related to politics invites the kind of comments that personally bore me to tears.

All that is still true, but the story has taken such an unfortunate turn that I feel obligated to weigh in on it. Specifically, Rep. Richardson is threatening us <http://origin.mercurynews.com/breakingnews/id_9363126>:

Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don't experience what she did. For example, she sees a need to add steps to inform property owners before their property can be sold.

"We have to ensure that lenders and lenders have the tools with proper timing to resolve this," she said.

If Rep. Richardson is going to base legislative proposals on her own experience, then it matters to the rest of us what that experience was. So click the link below if you can stand to hear about it.

The story was originally reported in the Sacramento Capitol Weekly <http://www.capitolweekly.net/article.php? eddocid=%7Cg2q43wex8850%
7Cvvs673tuepltsuecml9+v4y7qjyfw0r08&ixid=xlptimv0wx0%> and picked up by the Wall Street Journal <http://blogs.wsj.com/developments/2008/05/22/congresswoman-home-sold-in-foreclosure-auction/> and then covered by a number of blogs, with the storyline being that Rep. Richardson "walked away" from her homes, a second home she purchased in Sacramento after being elected to the State Assembly. The "walk away" part came from a remark made by the real estate investor who purchased the home at the foreclosure auction, not Rep. Richardson or anyone who could be expected to understand her financial situation, but that didn't stop the phrase "walk away" from headlining <http://globaleconon/canalysa.blogspot.com/2008/05/congresswoman-walk-away.html> blog <http://optionsmageddon.blogspot.com/2008/05/update-on-walk-away-congresswoman.html> posts <http://latimesblogs.latimes.com/aland/2008/05/buyer-of-rep-la.html>.

Rep. Richardson has variously claimed at different times that the house was not in foreclosure, that she had worked out a modification with the lender, and that the lender improperly foreclosed after having agreed to accept her payments. Frankly, unless and until Rep. Richardson gives her lender, Washington Mutual, permission to sell its side of the story—I'm not holding my breath on that—we're unlikely to be able to sort out this mess of claims to my satisfaction, at least.

It's possible that WaMu screwed this up—that it accepted payments on a workout plan with the understanding that foreclosure was "on hold" and then sold the property at auction the next week anyway. It's possible that Richardson's version of what went on is muddled, too. Without some more hard information I'm not inclined to assume the servicer did most of the screwing up, if for no other reason that we didn't find out until late yesterday, courtesy of the L.A. Land <http://latimesblogs.latimes.com/aland/2008/05/richardson-says.html> and Foreclosures Truth <http://www.foreclosurestruth.com/blogs/beau/foreclosure-orale-get-pennymanrep-laurerichardson> blogs, that Richardson's other home—her primary residence—was also in foreclosure proceedings as recently as March of this year.
detail that as far as I can tell Richardson never disclosed in all the previous discussion of the facts surrounding the foreclosure of her second home.

What part of this I am most interested in, right now, is the question of what in the hell exactly Richardson was thinking when she bought the Sacramento home in the first place. Since the story is quite complex, let's get straight on a few details. Richardson was a Long Beach City Council member who was elected to the state legislature in November of 2008. In January of 2007 she purchased a second home in Sacramento, presumably to live in during the Assembly session. In April 2007, the U.S. Congressional Representative from Richardson's district died, and Richardson entered an expensive race for that seat, winning in a special election in August of 2007. By December 2007 the Sacramento home was in default, and it was foreclosed in early May of 2008. The consensus in the published reports seems to be that Richardson spent what money she had on her campaign, not her bills.

According to the AP [http://origin.mercurynews.com/breakingnews/cl_0963.26> Richardson, 46, makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

It seems to me that all this focus on what happened after she bought the Sacramento home—running for the suddenly-available Congressional seat, changing jobs, etc.—is obscuring the issue of the original transaction.

In November of 2006, Richardson already owned a home in Long Beach. As a newly-elected state representative, she would have been required to maintain her principal residence in her district, but she would also have had to make some arrangements for staying in Sacramento during Assembly sessions, given the length of the commute from L.A. County to the state capital. She seems to have told the AP reporter that “Lawmakers are required to maintain two residences while other people don’t have to,” which is not exactly the way I’d have put it. Lawmakers are required to maintain one primary residence (which need not be owned) in their district. They are not required to buy a home at the capital (of California or the U.S.); many legislators do rent. Richardson is a single woman with no children, yet she fell “required” to purchase a 3-bedroom, 1 1/2 bathroom home in what sounds like one of Sacramento’s pricier neighborhoods for $350,500, with no downpayment and with $15,000 in closing cost contributions from the property seller. (The NAR median price in Sacramento in the first quarter of 2007 was $345,300 <http://www.usatoday.com/money/economy/housing/2006-05-13-q1-homeprices_N.htm>.)

I have no idea what loan terms Richardson got for a 100% LTV second home purchase in January 2007, but I’m going to guess that if she got something like a 7.00% interest only loan (without additional mortgage insurance), she got a pretty darn good deal. If she got that good a deal, her monthly interest payment would have been $3123.75. Assuming taxes and insurance of 1.50% of the property value, her total payment would have been $3750.13.

The AP reports that Richardson’s salary as a state representative was $113,000 in 2007, and she received $20,000 in per diem payments (which are, of course, intended to offset the additional expenses of traveling to and staying in the Capital during sessions). I assume the per diem is non-taxable, so I’ll gross it up to $25,000. That gives me an annual income of $138,000 or a gross monthly income of $11,500.

The total payment on the second home, then, with my sunny assumptions about loan terms, comes to 33% of Richardson’s gross income. I have no idea what the payment is for her principal residence in Long Beach. I have no idea what other debt she might have. I am ignoring her congressional race and job changes and all that because at the point she took out this mortgage, that was all in the future and Richardson didn’t know that the incumbent would die suddenly and all that. I’m just trying to figure out what went through this woman’s mind when she decided it was a wise financial move to spend one-third of her pre-tax income on a second home. (There’s no point trying to figure out what went through

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Now, Richardson has this <http://orig.in.mercurynews.com/breakingnews/oj_0883126> to say about herself:

"I'm Laura Richardson. I'm an American, I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Yeah, well, I'm Tanya, I'm an American, I'm a single woman, and I say you're full of it. You need to show us what your plan for affording this home was before the job changes, girlfriend. You might also tell me why you felt you needed such an expensive second home when you had no money to put down on it or even to pay your own closing costs. As it happens, the Mercury News/AP <http://www.mercurynews.com/breakingnews/oj_08375897?click_check=1> reported that by June of 2007—five months after purchase—you had a lien filed for unpaid utility bill. You didn't budget for the lights?

But what are we going to get? We're going to get Richardson all fed up in Congress about fiddling with foreclosure notice timing, which is last I know a question of state, not federal, law, and which has so far as I can see, squat to do with why this loan failed.

Quite honestly, if WaMu did give Richardson some loan modification deal, I'd really like to know what went through the Loan Mill Department's collective and individual minds when they signed off on that. Sure, Richardson's salary went up to $170,000 when she became a member of the U.S. Congress, but what then was she to earn a home in Sacramento for after that? Where's she going to live in Washington, DC? And, well, her principal residence was also in the process of foreclosure at the same time. I suppose I might have offered a short sale or deed-in-lieu here, but a modification? Why would anybody do that? Because she's a Congresswoman?

I'm quite sure Richardson wants to be treated like just a plain old American and not get special treatment. Well, I was kind of hard on a plain old American the other day who wrote a "hardship letter" <http://calculatecrisis.blogspot.com/2008/05/how-not-to-write-hardship-letter.html> that didn't pass muster with me. I feel obligated to tell Richardson that she sounds just like a real estate speculator who bought a home she obviously couldn't afford, defaulted on it, and now wants WaMu to basically subsidize her Congressional campaign by lowering her mortgage payment or forgiving debt. And that's... disgusting. At the risk of sounding like Angelo.

I know some of you are thinking that maybe poor Ms. Richardson got taken advantage of by some fast-talking REALTOR who encouraged her to buy more house than she could afford.

According to Pete Villas at L.A. Land <http://latinosblogs.latimes.com/laton/l/2008/06/uop_laura_d.html>, she likes the Realtors, and they like her. She filed financial disclosure forms with the House Ethics Committee reporting the National Assn. of Realtors flew her to Las Vegas in November to help swear in the new president of the association, Realtor Dick Gaylord of Long Beach.

In suggested remarks* at the NAR gathering, also filed with the House, Richardson's script read: "I might be one of the newest members of Congress but I am not a new member of the REALTOR Party. When I needed help to win a tough primary, REALTORS stood up and backed me even though I was the underdog."

*Real estate industry professionals have given her $30,500 in campaign contributions in the current election cycle, according to Open Secrets.

No wonder she's blaming the lender.

Sara Gaugi
Home Loans Public Relations
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I just wanted to let you know that I have sent a copy of the resolution to Congresswoman this morning. Once it is recorded, we will get the Loes mit package out.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
504.885.2644

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From: Gaugl, Sara C. 
<sgaugl@wanum.com> 
To: Baptista, Geri Ann. 
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Strom, Erik E. 
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Thorn, Ann 
<aathorn@wanum.com>
Cc: 
Subject: RE: Pelosi comments on Laura Richardson defaults 
Date: Thu Jun 12 2008 17:14:30 EDT 
Attachments: 

Thanks for forwarding, Geri Ann.  

Team, FYI below. 

Sara Gaugl 
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From: Baptista, Geri Ann. 
Sent: Thursday, June 12, 2008 1:20 PM 
To: Gaugl, Sara C; Strom, Erik E. 
Subject: Pelosi comments on Laura Richardson defaults 
Sensitivity: Confidential 

Pelosi comments on Laura Richardson defaults 
By Erica Werner The Associated Press 
[http://www.dailybreaze.com/ci_9564107]

WASHINGTON — House Speaker Nancy Pelosi, asked Thursday about fellow California Democratic Rep. Laura Richardson's multiple home defaults, said that "every member of Congress is responsible for living up to the highest ethical standards."

Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a special election last year to replace the late Rep. Juanita Millender-McDonald in the 37th Congressional District in Long Beach.

But every lawmaker must make "the fullest disclosure of his or her assets as is required by law," Pelosi

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said.
"Many people in our country are caught in the foreclosure crisis. Members of Congress maybe are as well," she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in Southern California that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also left car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she'd worked out a deal with her lender to buy it back. However, the purchaser of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she's a congresswoman and that he planned to sue over the issue.

Richardson's spokesman, William Marshall, had no immediate comment Thursday. California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington. Bass and other Assembly leaders had endorsed Richardson's congressional bid but Bass told reporters she'd had no idea about Richardson's financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2006 and to Congress the next year. "Given the rapid rise of all of that I can understand the financial difficulties, but now there is coming out," Bass said. She said she'd hoped while in Washington to talk to Richardson about the situation but hadn't had the opportunity.

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From: Jan Owen
To: Gaugt, Sara C.
S. <wamu@u.washington.edu> cc: recipients/cn=102170; Bapista, Geri Ann S. <wamu@u.washington.edu> cc: recipients/cn=255251; Elias, Alan <wamu@u.washington.edu> cc: recipients/cn=62181494974864; adrian.rodriguez@wamu.net <adrian.rodriguez@wamu.net>; Caepand, Scott <wamu@u.washington.edu> cc: recipients/cn=173797; Thorn, Ann <wamu@u.washington.edu> cc: recipients/cn=804980; Woodcock, Wendy A. <wamu@u.washington.edu> cc: recipients/cn=890715; Cook, Don <wamu@u.washington.edu> cc: recipients/cn=576850; paul.battaglia@wamu.net <paul.battaglia@wamu.net>

Date: Fri May 23 2008 10:27:21 EDT

Attachments: EAB

Capitol Weekly Richardson article 5-22-08

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Debate intensifies over Richardson home default

By Anthony York <http://www.capitolweekly.net/author.php?adcid=17Cjqz-q43wvs855o%7Cx4xrtldeglsvef5> (published Thursday, May 22, 2008)

A Long Beach congresswoman who fell behind in her payments on a $525,000 mortgage in Sacramento said in a written statement that she owns the home, but financial documents show the house was sold at public auction and has been in the possession of the buyer for weeks.

The auction for Rep. Laura Richardson’s house, in Sacramento’s Curtis Park neighborhood, took place on May 7. The transaction was detailed in public records filed with the county.

Richardson, a Democrat, a former Assembly member who was elected to the House last year, bought the 1,800-square-foot, three-bedroom house in January 2007, but soon fell behind in the payments.

The story of Richardson’s Sacramento home is more than a tale of a real estate market gone sour. It is also an illustration of how far many candidates will go to seek elected office, even if it means quite literally mortgaging their own financial future.

While being elevated to Congress in a 2007 special election, Richardson apparently stopped making payments on her new Sacramento home, leaving nearly $600,000 in unpaid loans and fees, including nearly $9,000 in property taxes.

Richardson’s decision to allow the loan to slide into default was set in motion by an unlikely chain of events, only some of which had to do with Sacramento’s crumbling real estate market. Richardson was elected to the Assembly in November 2006, and purchased her new capital home two months later. But in April 2007, Rep. Juanita Millender-McDonald succumbed to cancer, creating a Congressional vacancy in Richardson’s district.

Richardson declared her candidacy for the seat, and soon found herself locked in a holy contest, and very expensive race for Congress against state Sen. Jenny Oropeza, D-Long Beach.

While her campaign heated up, Richardson’s house slipped into default. Richardson fell behind on her mortgage payments as she loaned her Congressional campaign $80,000 - money that has begun to be paid back in Richardson personally from her campaign account, according to records from the Center for Responsive Politics.
Richardson’s opponent, Oropeza, loaned herself $115,000 for her run against Richardson. Oropeza’s Congressional committee still shows nearly $200,000 in debt.

Richardson declined requests over several days to discuss her real estate transaction. She also was not immediately available to comment Thursday, according to her office.

In a carefully written statement released Wednesday evening, she challenged Capitol Weekly’s story about “the residential property that I own in Sacramento,” and said that it had not been subjected to foreclosure. She also said that she renegotiated a loan in connection with the transaction, but did not provide details.

“I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement—with no special provisions. I fully intend to fulfill all financial obligations of this property,” she said.

But financial records on file with the county show that Richardson does not own the home. The house was sold on May 7 at a public foreclosure auction for $386,000.

That auction originally had been scheduled for April 7, but was delayed a month, said James York, a Sacramento real estate broker who purchased the house from the trustee, the California Reconveyance Company. That transaction was officially recorded on May 9, and the deed transfer and sale were recorded on May 19. Documents associated with the transaction can be viewed here. [link]

"It was a foreclosure auction. I took possession of the house as of May 7," said York, who has conducted numerous similar purchases, according to county records. (York is not related to the author of this article).

York, whose firm specializes in foreclosure sales, said that Richardson did not participate in the transaction. That the house had been vacant for some time and that he paid the funds to California Reconveyance, which handles foreclosure property and is owned by Washington Mutual, the original lender.

The sale forced the bank to “take a $200,000 write-off,” York noted. In an earlier interview with The Daily Breeze of Torrance, which reported a detailed account of the transaction, he said the bank "took a
beating."

Tax records at the Sacramento County assessor’s office show that in January 2007, Richardson took out a mortgage for the entire sale price of the house -- $565,000. The mortgage amount was equal to the sale price of the home, meaning she was able to buy the house without a down payment. At the time, the housing market was beginning to turn, but the severest impacts had not yet been felt. No-interest, "jumbo" loans (those more than $417,000) were still available from some lenders.

Richardson received a default notice in late 2007. By December 2007, less than a year after Richardson purchased the house, she was behind in her payments by more than $18,000.

Three months later, on March 10, 2008, a notice was filed with the county that Richardson’s property would be sold at auction on April 7. According to the documents, the unpaid balance and other charges Richardson owed the bank was $587,384.

The March 19 notice of trustee’s sale also described the unpaid balance of Richardson’s loan, held by Washington Mutual, at more than $576,000 - $40,000 more than the original mortgage. Tax records show $3,940 in unpaid property taxes.

The Curtis Park house is not Richardson’s primary residence. She also owns a four-bedroom house in Long Beach, in her congressional district. Real estate records show she purchased that house in 1999 for $255,000. An estimate from Zillow.com puts the current value of that house at $474,000.

Like many homes that have gone through foreclosure, Richardson’s new residence quickly became an eyesore. With Richardson gone, upkeep on the home lapsed, and neighbors began to get angry.

"The neighbors are extremely unhappy with her," said Sharon Helmar, who sold the home to Richardson. "She didn’t mow the lawn or take out the garbage while she was there. We lived there for a long time, 30 years, and we had to hide our heads whenever we came back to the neighborhood."

Helmar and her husband, Mark, sold the Curtis Park home to Richardson because Sharon's arthritis required the couple to move into a one-story house. With the area’s real estate market slowing down, the house remained on the market for months, and the Helmars, who lived in the house for more than 30 years, were getting desperate to sell.

Helmar said that she has never met Richardson personally, but dealt with Richardson through her realtor. The Helmars wound up giving Richardson $15,000 toward closing costs, she said.

And she is still angry over what happened to the house that clearly she never really wanted to leave. "It’s kind of silly. You would think people who are making decisions for others would be able to make good decisions for themselves," she said. "She should have known what she could afford and not afford. In this neighborhood, you just don't do that."

While Richardson walked away from her loan, she faced Oropesa in a June special election, and moved on to Congress. As a member of Congress, Richardson has been asked to vote on legislation pertaining to the spike in foreclosures around the country.

On the biggest pieces of legislation having to do with government bailouts for people whose homes have entered foreclosure, Richardson did not vote. She also did not vote on legislation by Rep. Barney Frank, D-Mass., which would direct $2.7 billion in government funds to help an estimated 960,000 homeowners who are at risk of foreclosure. Richardson said she missed the votes because of the death
of her father.

Richardson did not vote on a measure by Rep. Maxine Waters, D-Los Angeles, that would give local governments $15 billion to purchase, rehab and resell foreclosed properties.

While Richardson walked away from her bank loan, she has begun to pay herself back for the money she personally invested in her initial race. Records show that Richardson spent $587,000 out of her congressional campaign committee since declaring her congressional candidacy through March of this year. Of those expenditures, Richardson has spent $16,000 of that money to begin repaying herself for the money Richardson loaned to her campaign.

Also in this issue

* Prevention of Cruelty to Animals Act; ethical and sound science <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by Marilyn Golden
* Drug companies fighting perceptions for consumers <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by Thomas Brandl
* Many in Half Moon Bay question decision not to appeal developer case <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by Malcolm Maciaschian
* Many in Half Moon Bay question decision not to appeal developer case <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by Malcolm Maciaschian
* Big Daddy <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by B.J. Daddy
* Medical marijuana bills moving forward <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by Malcolm Maciaschian
* San Jose, Leno bills would restrict cooperation with federal authorities and rules
* Facilitating assisted suicide is not the way to go <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
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* The I-5 fiasco or a motor of firing <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
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* Starting May 30, commuters will be tested to the max
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  by Capitol Staff
* Seven animal initiatives fail to qualify for ballot <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by Malcolm Maciaschian

Opponents of Levine’s spay/neuter bill pledge they’ll be back

* John Garamendi: movin’ on up? <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by Nick Borkow
* The Lt. Gov. talks about the governorship, insurers
* Experts Expound <http://www.capitolweekly.net/article.php?_addcid=v%7Cq2q43wsvs855o%7Cv4xst9degisv5&issuelid=x4yogmlkwv0m8&idx=xu7ly9x8e5kej>
  by Capitol Readers
* Skaters, bikers: A free pass to avoid the I-5 crunch <http://www.capitolweekly.net/article.php?

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CSOC.RICH.002953
The parts are just as good, but cheaper. Think generic versus brand-name drugs.

- Personnel Profile: Nicole Rine <http://www.capitolweekly.net/article.php?_a=edit&lid=V7CjQ2q43w855o%7Cxt48deglassv56&issueid=x4ytdq2qinw0m0z&dd=x4tu87pxx87cr> by Capitol Staff

- Medi-Cal cuts hurt all Californians <http://www.capitolweekly.net/article.php?_a=edit&lid=V7CjQ2q43w855o%7Cxt48deglassv56&issueid=x4ytdq2qinw0m0z&dd=x4tu87pxx87cr> by Lynn Roistion

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<http://idmcommunications.com>

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Hi team -
FYI, below.

From: Vondin, Tom [mailto:lowondin@ap.org]
Sent: Fri 05/23/2003 7:02 PM
To: Gaugl, Sara C.
Subject: RE: Laura Richardson

Sara, here's our first take on the Laura Richardson story tonight. Subsequent versions will have greater detail. Please let me know if Wamu wants to issue an updated statement.

Tom

1 BC-CA--Congresswoman's House
1 URGENT
1 AP Interview: Calif. congresswoman says home sale 'improper'
1 AP Interview: Calif. congresswoman claims sale of her Sacramento house shouldn't have happened
1 Video: APNewshNow. Will be fed.
1 ewf/dfotav1
1 By ERICA WERNER
1 Associated Press Writer
1 05-23-2003 18:38
1 WASHINGTON (AF) _California Congresswoman Laura Richardson claims the foreclosure auction of her Sacramento house was improper and contrary to a written agreement she had with her lender.

1 In a lengthy interview with The Associated Press on Friday, the Southern California Democrat knocked back against several days of negative publicity over reports she defaulted on her mortgage. Her house was sold at auction earlier this month.
1 Richardson said that sale never should have happened and that she has renegotiated her loan to pay it off.
1 She insisted that she is not getting special terms because she's a congresswoman.
1 In fact, Richardson said the experience has allowed her to relate to the thousands of other Americans _including many in her Los Angeles-area district _confronted with foreclosures. She even
wants to testify before Congress about it.

From: Verdin, Tom
Sent: Friday, May 23, 2008 6:27 PM
To: sara.gaugl@wamu.net
Subject: Laura Richardson

Sara, thank you for calling us back earlier this evening.

As it happens, our reporter in Washington who covers California's congressional delegation was on the phone with Laura Richardson while you and I were talking. In brief, Richardson is blaming WaMu. She claims she did not know her Sacramento house was being sold at auction and says WaMu told her no action would be taken on it until sometime next month.

She also claims to have documentation to support this claim but has yet to provide it to us.

We'll be moving a story based on Richardson's comments shortly.

Because AP did not have her statement when we spoke previously, I wanted to give WaMu an opportunity to respond.

We'll be sending our story in takus (individual bylines will move before the final writeup), and I can send you those so you can see exactly what Richardson claims.

Regards,
Tom

Tom Verdin
 Correspondent
 Sacramento bureau
 916-448-9555

<< OLE Object: Picture (Metafile) >>

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Liza- I am not sure we can reschedule however it is just an update- Monday will be a bigger meeting and we will work with everyone's schedule. Thanks, J

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
804 K Street Suite 110
Sacramento, CA 95814
916-380-1991
916-324-4717 fax
jan.owen@wamu.net

-----Original Appointment-----
From: Russo, Elizabeth M. On Behalf Of Cook, Don
Sent: Friday, May 30, 2008 11:25 AM
To: Owen, Jan L.
Subject: Declined: Updated: Richardson update
Where: 877-708

Jan - can we please reschedule this meeting? Don has another meeting that will run until 1:00 (and then another one starting at 1:00 that he can't miss), so he won't be able to attend. Sorry for any confusion.

Thanks,
Liza Russo
Legal Assistant
Embedded below is Congresswoman Laura Richardson's statement to the media for your reference.

CONGRESSWOMAN LAURA RICHARDSON
For Immediate Release
May 21, 2008

The story published in the Capitol Weekly regarding residential property that I own in Sacramento requires clarification.

Within a 12-month period last year (2007-2008), I was a member of Long Beach City Council, the District Director for California Lt. Gov. Cruz Bustamante, a member of the California State Legislature, and, now a member of Congress. While the transitioning has impacted me personally, the residential property in Sacramento California is not in foreclosure and has NOT been seized by the bank.

I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement, with no special provisions. I fully intend to fulfill all financial obligations of this property.

On two housing bills that were cited by the Capitol Weekly, the allegation is that I recused myself from these votes. I did not. I was absent from Washington, D.C., and my duties in the House of Representatives due to the untimely death of my father and his subsequent funeral in California. I understand that these homeownership issues are a reflection of what many Americans are going through as they fight to keep their homes and to remain financially stable.

Sara Gaugl
Home Loans Public Relations
WaMu
1301 Second Avenue | MMC 40 | Seattle WA 98101
206.500.2822 direct | 206.228.8100 toll
sara.gaugl@wamu.com

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From: Poteetnick, Barbara A.
To: Cook, Dan
Cc:
Bcc: 
Subject: FW: Richardson Update
Date: Thu Jun 19 2008 22:37:34 EDT
Attachments: 

When: Thursday, June 19, 2008 10:00 AM-10:30 AM (CMT-08:00) Pacific Time (US & Canada);
Tijuana.
From: Baptista, Geri Ann S. <amru@sun-sea.com@recipients@cn=ca255251>
To: Baptista, Geri Ann S. <amru@sun-sea.com@recipients@cn=ca255251>
Cc: 
Subject: Updated: Richardson Update
Date: Thu Jun 19 2008 22:37:36 EDT
Attachments:

StartTime: Thu Jun 19 13:00:00 Eastern Daylight Time 2008
EndTime: Thu Jun 19 13:39:00 Eastern Daylight Time 2008
Location:
Inviters: Baptista, Geri Ann S.; Gaagi, Sara C.; Elias, Alan; Cock, Don; Potashnick, Barbara A.; Battaglia, Paul J.; Thorn, Ann; Owen, Jan L.
Recurring: No
ShowReoccurring: No
Accepted: No

***changing time to accommodate schedules***
From: Cock, Don
</o=wamu/ou=sea/cn=recipients/cn=u678880>
To: Baptiste, Geri Ann S.
</o=wamu/ou=sea/cn=recipients/cn=u255251>
Cc: 
Bcc: 
Subject: Accepted Richardson Update
Date: Wed Jun 18 2008 20:17:34 EDT
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From: Bapista, Geri Ann S.
To: Gaugi, Sara C.
</o=wamu/ou=soa/cn=recipients/cn=u192170>; Elias, Alan
</o=wamu/ou=soa/cn=recipients/cn=u62781491974684>; Cook, Don
</o=wamu/ou=soa/cn=recipients/cn=u6756500>; Potschnig, Barbara
A.
</o=wamu/ou=soa/cn=recipients/cn=u972031>; Battaglia, Paul
J.
</o=wamu/ou=soa/cn=recipients/cn=u209440>; Thorn, Ann
</o=wamu/ou=soa/cn=recipients/cn=u6049600>; Owen, Jan L.
</o=wamu/ou=soa/cn=recipients/cn=u146276>
Cc:
Bcc:
Subject: Richardson Updsia
Date: Wed Jan 18 2008 20:10:30 EDT
Attachments:

When: Thursday, June 19, 2008 9:00 AM-9:30 AM (GMT-08:00) Pacific Time (US & Canada); Tijuana.
From: Gaugi, Sara C.
To: Elias, Alan
Cc: Thorn, Ann
Bcc: Baptista, Geri Ann

Subject: Merrill from Richardson

Date: Wed Jun 18 2008 19:38:11 EDT

Attachments:

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All - 
Please see below.- York has now publicly offered to sell the home for $335,000 -- the same price Richardson paid for it in 2007. I will soon be releasing additional info and will route to the team in advance of tomorrow's meeting. It also appears that Richardson has relented from making further comments at this time.

I. A. Land: latimes.com <http://latimesblogs.latimes.com/land/index/>


The Wall Street Journal quotes the buyer of U.S. Rep. Laura Richardson's Sacramento house as saying she walked away from the property, and can have it back if she wants it — for the same price she paid for it in 2007.

Richardson (pictured) has denied a published report that her house went into foreclosure, <http://latimesblogs.latimes.com/land/2008/05/report-lender-l.html> saying she worked with her lender to renegotiate her mortgage.

But James York, the Sacramento broker listed on public documents as the new buyer of the home, tells the Journal's *Developments* blog the congresswoman walked away from the mortgage: "She's walked away from the property," he said. "I would be happy to resell her the home for the $306,000."

That would represent a tidy profit for York, who reportedly bought the Richardson house at auction for $306,000.

Richardson's office has not answered questions about the Sacramento home. In a statement Wednesday, the Democrat from Long Beach said the house "is not in foreclosure" and that she had reached an agreement with her lender on a loan modification.

Sara Gaugl
Home Loans Public Relations

WeMu
From:    Adams, Carolyn
To:      Cagle, Sara C.
Cc:      Cook, Don
Bcc:     
Subject: AP story - excerpt below
Date:    Thu May 22 2008 15:50:26 EDT
Attachments:    

I'm sure you have seen this - do you need anything from us?

AP
Calif. congresswoman's home threatened with repo
Thursday May 22, 11:49 am ET
By Don Thompson, Associated Press Writer

Calif. congresswoman's home threatened with repossession after she fails to pay mortgage
SACRAMENTO, Calif. (AP) -- Rep. Laura Richardson has an unusual perspective on the housing
foreclosure bills moving through Congress: One of her own homes was threatened with repossession
after she failed to pay the mortgage.
Richardson, a Southern California Democrat, bought a two-story home in a leafy, upper-middle-class
neighborhood of Sacramento in January 1997, just months after winning a seat in the state Assembly.
She bought the three-bedroom, 1 1/2-bath home in the state capital for $335,500. The bill collectors
started knocking soon after, according to records reviewed Wednesday by The Associated Press.
The city utility department placed a lien on her property in June 2007 for $154 in unpaid bills, according
to documents at the Sacramento County recorder's office. In December, she received a default notice
on the mortgage from the collection agency of Washington Mutual Inc., her lender. At that point, she
owed $16,656.

(more posted on yahoo.com)
FYI. Please see bolded text below.

Congresswoman's Home Sold in Foreclosure Auction - WSJ
Congress has turned its attention to solving the foreclosure crisis even as one of its members has lost a home in a foreclosure auction.
The Sacramento home of Rep. Laura Richardson was sold in a public auction two weeks ago for $358,000. The Southern California Democrat bought the house for $355,000 with no money down in January 2007 and owed nearly $675,000 to Washington Mutual when the mortgage was sold earlier this month to Red Rock Mortgage Inc.
Rep. Richardson, a former Long Beach city council member, bought the home after winning a seat in California's state assembly. She made it her primary residence, a four-bedroom home, in her Long Beach district. Months later, Rep. Richardson ran in a hard-fought election for the congressional seat, which was vacated when the late Rep. Juanita Millender-McDonald died from cancer. To fund that campaign, Rep. Richardson lent herself more than $75,000 and stopped making payments on the Sacramento home around the same time.
The story was first reported by the Capitol Weekly, a Sacramento publication.
Rep. Richardson said in a statement Wednesday that the home is not in foreclosure and had not been seized by the bank. "I have worked with my lender to complete a loan modification and have renegotiated the terms of the agreement - with no special provisions, I fully intend to fulfill all financial obligations of this property."
But James York, the Sacramento broker who bought Richardson's house at auction, told the Long Beach Press-Telegram that he planned to resell the home. The three-bedroom, 1.5-bathroom house sits on a 1,600 square foot parcel.
Richardson didn't vote on the housing rescue bill that passed the House of Representatives two weeks ago and is a statement attributed her absence to her father's funeral. But Richardson did vote last fall in favor of the Mortgage Forgiveness Debt Relief Act, which passed and prevents the federal government from changing income tax on debt forgiven as a consequence of foreclosure. -Nick Timiraos

Sara Gaugl
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Paul and Don -

Gene Maddaus posted an update to his earlier articles about an hour ago - see below. The story, which focuses on the validity of the foreclosure sale, includes numerous comments made by James York re: his current position.

In part, he says he's going to hang on to the house and would be surprised if WaMu sues to get it back. He then goes on to say that in this particular case, there isn't anything for WaMu to gain on the backsides except for a congresswoman's good will.

Ann: You should also be aware that Richardson described her agreement with WaMu as a loan modification, and said she had begun making payments on it. I know that you've already discussed this with her directly, but wanted to give you a heads up.

- Sara

Richardson faces fight for house

SOUTH BAY: Odds seem to be against the congresswoman getting her auctioned home back.

By Gene Maddaus

05/27/2008 11:36:22 PM PDT

South Bay Rep. Laura Richardson will face an uphill fight as she tries to reclaim her Sacramento house, which was sold in a foreclosure auction three weeks ago.
Richardson, a first-year Democrat, said last week that she is working with her lender to try to rescind the auction on the grounds that it was held in error.

A real estate broker, James York, bought the house May 7 for $300,000. Richardson argues that she had previously made an agreement with her lender, Washington Mutual, to reinstate her loan, which should make the auction invalid.

But several attorneys said Tuesday that the law in such cases is stacked in favor of the buyer at a foreclosure auction. Only in rare cases can an auction be overturned.

"It's gonna be very, very hard - even if the sale itself was improper - to get the sale reversed," said Richard Timan, an attorney who has handled similar cases. "People who don't make payments are not beloved by judges."

York said Tuesday that he plans on hanging on to the house and would be surprised if Washington Mutual sues to get it back.

"I'm not too worried about it," he said. "Once you get the deed, it's pretty much a done deal."

In California, two appellate decisions from 2005 deal with such cases.

In Melendez v. D&J Investment Inc., the court held that a foreclosure sale was valid, even though the Melendez family, of Watsonville, believed it had agreed to a repayment plan and had begun making payments.

"The Melendez family had the same claim as the congresswoman does," said Timan, the plaintiff's attorney on the case. "Which is that they had actually worked out a deal with the bank, and the bank hadn't documented it properly."

But all that mattered to the appellate court in that case was that D&J Investment was a "bona fide purchaser" - meaning, essentially, that the company bought the house in a fair auction, without committing fraud. The auction was upheld.
The other case, Bank of America v. La Jolla Group II, offers a ray of hope for Richardson. In that case, the Saelaia family of Fresno fell behind on a loan with Bank of America. Before an auction was held, the family paid the entire arrearage on the loan. But the auction was erroneously held anyway, and the La Jolla Group II purchased the property.

The court voided the auction.

"Now it opens up the door for almost any sale to be challenged," said Susan Moore, who argued the case for the La Jolla Group II. "The trend seems to be moving more towards favoring the homeowner."

Richardson, who has also defaulted on her two other homes in Long Beach and San Pedro, described her agreement with Washington Mutual as a loan modification, and she said she had begun making payments on it.

Glenn Wechsler, who argued for Bank of America, noted that his case was limited to a reinstatement in which the entire arrearage was paid. He said he was unaware of a precedent that dealt directly with Richardson's circumstances.

But he said that often borrowers think they have an agreement to stop a foreclosure, when they don't. Assuming York is a bona fide purchaser, a judge will start from the "conclusive presumption" that the foreclosure sale was valid, Wechsler said.

York said the Bank of America case does not apply because Richardson did not pay off the entire arrearage.

"I know that for a fact," he said. "If I knew that she sent the money in on time, I would probably be thinking something different. But I know she didn't send it."

Additionally, he said he did not see why Washington Mutual would want to sue him to get the loan back.

"When the market was sky high, we would end up in lawsuits because there was equity in all the homes, and there's actually something to gain," he said. "In this case, there isn't anything to gain on the backsides, except for a congresswoman's good will."

Without a reinstatement, Richardson will be unable to repay the $6,000 in back taxes on the property.
As it stands, York has assumed responsibility for Richardson's tax bill.

Sara Gaugl
Home Loans Public Relations

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From: Gaugl, Sara C.  
To: Thorn, Ana  
Cc: Schneider, David C.  
Bcc:  
Subject: Update: Congresswoman obtains spokesperson  
Date: Tue May 27 2008 22:24:32 EDT  
Attachments:  

All,

FYI - It appears that Congresswoman Richardson has now engaged a spokesperson—William Marshall. Among other things, he states that Ms. Richardson is awaiting clarification from WalMi as to whether she had secured new loan terms in time, but that she is still in fact the owner of her Sacramento home (though public records state otherwise).

I’ll continue to let you know of any other new developments as reported by the media.

- Sara

Rep. Richardson defaulted on three Calif. home loans - The Hill
By Jared Allen  
05/27/08

The tale of Rep. Laura Richardson’s (D) personal housing crisis got even more captivating Tuesday as her office said the freshman lawmaker defaulted on loans she took out for not just one, but three, California homes.

The news of one of Richardson’s properties recently being sold at auction captured widespread attention last week in the wake of the nation’s housing crisis. But that was only part of the story.

Richardson’s office said Tuesday she has caught up on her payments and renegotiated the terms of loans she took out to purchase homes in San Pedro and Long Beach, Calif. Her office confirmed that the lawmaker defaulted on both of these homes and was facing foreclosure when she went months without making payments.

A third home that Richardson borrowed heavily to move into in Sacramento was sold at auction earlier this month - at a $150,000 loss to the bank that issued her the $559,000 loan.

William Marshall, a spokesman for Richardson, said on Tuesday that she was still awaiting clarification from her lender, Washington Mutual, as to whether she had secured new loan terms in time and was still, in fact, the owner of the home.

Richardson told The Associated Press on Friday that she was surprised to learn that the home was sold at the May 7 auction. She claimed that the sale never should have happened because she had

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CSOC.RICH.002976
renegotiated her loan to pay it off.

Even as that was happening, ethics watchdogs were crying foul over Richardson’s personal finances and questioning how she was able to lend her campaign to Congress $77,500 in the midst of multiple home loan defaults.

Federal Election Commission (FEC) reports show that Richardson loaned her campaign a total of $77,500 - in three installments - between June and July of 2007.

Richardson’s year-end FEC filing showed that her campaign still had $331,000 worth of debt but $116,000 cash-on-hand.

Marshall was unable to immediately answer questions about whether Richardson borrowed against any of her home equity - from homes she defaulted on - to finance her House campaign.

But he did not dispute reports that Richardson had done the very same thing the year prior when she borrowed $100,000 against her Long Beach home - whose mortgage she later defaulted on - to loan to her campaign for the California General Assembly. She repaid that personal loan in its entirety, according to Los Angeles media outlets.

Melanie Sloan, executive director of the Citizens for Responsibility and Ethics in Washington, criticized Richardson for falling deeper into debt while choosing to spend more than $77,500 of her own money on her campaign. She suggested that Richardson’s actions only demonstrated her belief that winning a seat in Congress is more important than practicing personal fiscal responsibility.

Sloan added Richardson should not be in the situation she is while making a congressional salary when homeowners around the country making $50,000 or less are struggling to pay their debts.

"Truthfully, it's appalling," Sloan said.

Meredith McGee, policy director for the Campaign Legal Center, said it would be reasonable for the FEC to look into the timing of the loan against the timeline of Richardson's home loan defaults.

"In situations like this it's very important for whoever loaned her the money to demonstrate that they treated her equitably, not favorably," McGee said. "Otherwise, you're getting into a situation of a corporate underwriting of a campaign."

Richardson’s FEC reports do not spell out the terms of her personal loans to her campaign.

Richardson originally came under scrutiny last week when it was learned that a home she owned in Sacramento was sold at auction after it went into foreclosure.

As well as her $535,000 home in Sacramento, a home that Richardson owned in San Pedro - which she borrowed $350,000 to obtain - went into default in September 2007 when she became more than $12,000 behind in her payments.

In addition, Richardson's primary residence in Long Beach went into default just two months ago after she failed to make a payment for four months and owed nearly $20,000 on the property.

Marshall declined to give details of the new loans that he said Richardson was able to secure.

Richardson last week told reporters in California that her experience makes her particularly well-suited to help Congress legislate a solution to the nation’s housing crisis, saying she hoped to testify before congressional committees on the issue.

And when Congress returns following the Memorial Day recess, reconciling the House and Senate versions of the legislation designed to help the housing market rebound will be on the top of the
Richardson did not vote on the version of the Foreclosure Prevention Act that passed the House, but said she missed the vote only because she was attending her father's funeral.

Richardson was a member of the Long Beach City Council when she won a California General Assembly seat in November 2006, months before she purchased the home in Sacramento. She won the congressional seat the following year in the special election to replace the late Rep. Juanita Millender-McDonald (D).

Sara Guagli
Home Loans Public Relations

WaMu
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206.500.2822 direct | 206.228.9999 local
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<th>From</th>
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<td>Gagli, Sara C. ; Owen, Jan L. ; Bopiati, Gari Ann S. ; Parker, Gary L.</td>
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This is a heads-up for media coverage. Sara received information from the media that Mr. York had filed suit against us relating to the Laura Richardson loan. Our attorney had not received a copy of the complaint (to our knowledge we have not yet been served), but he was advised that he could obtain a copy of it from the court's Web site. I have not yet reviewed the complaint, but it is attached for your information.

Please let me know if you have any questions.

From: Martin T. McGuinn
Sent: Friday, June 13, 2008 5:32 PM
To: Battaglia, Paul J.
Cc: Cook, Dan
Subject: 001 Complaint Filed 6-12-08.pdf - Adobe Acrobat Professional

Gentlemen:

Copy of complaint which was filed yesterday by Red Rock. I will review it shortly.

Marty

Martin T. McGuinn
Kirby & McGuinn, A P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

mmcguinn[ ] [ ] [ ] [ ]
Direct Dial: (619) 525 [ ] [ ] [ ]
Direct Fax: (619) 525 [ ] [ ] [ ]

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Attachments:
001 Complaint Filed 6-12-08 (171020 B yles)
This file is empty (i.e., its length is zero bytes)
Sure. What is your turn-around on this review? I don't think we've had anyone from ops look at the file yet - I think their input would be very helpful based on the HUD-1 I saw last week - do we have time?

---

From: Gaugl, Sara C.
Sent: Tuesday, May 27, 2008 5:01 PM
To: Adams, Carolyn
Cc: Cook, Don; Hyde, Arlene M.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Yes, please.

Thank you, Carolyn.

Sara Gaugl
Home Loans Public Relations

WaMu
1301 Second Avenue | WMC4QJ Seattle WA 98101
206.600.2822 direct 1 206.220. ---call
sara.gaugl@wamu.net

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---

From: Adams, Carolyn
Sent: Tuesday, May 27, 2008 2:40 PM
To: Gaugl, Sara C.
Cc: Cook, Don; Hyde, Arlene M.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Sorry - I was at a meeting on 13 and just got back - do you need the origination file reviewed?
From: Gaugl, Sara C.
To: Adams, Carolyn
Cc: Cook, Don; Hyde, Arlene M.; Champney, Steven D.; Elias, Alan
Subject: FW: Richardson Coverage: Calculated Risk Blog

Hi, Carolyn,

As a follow-up to our brief conversation earlier this morning, please see David's request below. I will give you a call shortly.

Best,

Sara

Sara Gaugl
Home Loans Public Relations

WaMu
1301 Second Avenue (WA#126) Seattle WA 98101
206.503.2822 direct1
sara.gaugl@wamu.net

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From: Schneider, David C.
To: Gaugl, Sara C.
Cc: Champney, Steven D.; Hyde, Arlene M.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Can you get me the information on the original loan? Today please.

You can have this done by the channel that originated the deal.

dis

From: Gaugl, Sara C.
To: Schneider, David C.; Berens, John; Champney, Steven D.
Cc: Thorn, Ann; Owen, Jan L.; Elias, Alan
Subject: Richardson Coverage: Calculated Risk Blog

All:

As expected, coverage on Congresswoman Richardson's financial situation has continued to evolve after it was reported on Friday that she has defaulted on other loans — including her primary residence. I am forwarding the blog posting embedded below in particular, as it reflects the current viewpoint among

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other journalists and links to key articles/postings published to date.

- Sara

UPDATED: A Congressional Speculator? - Calculated Risk
by Tanta
http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html

This is an update to post below on Rep. Laura Richardson’s foreclosure woes.

Gene Maddaus of the Daily Breeze <http://www.dailybreeze.com/content_S20080518> kindly forwarded today’s additions to the saga. There are not two, but three homes owned by Richardson in foreclosure. And yes, she appears to have cashed out her primary residence back in 2006 to fund her campaign for State Assembly. So it looks like a pattern.

******

I have been watching the story of Representative Laura Richardson and her foreclosure woes for a while now, while heretofore hesitating to post on it. For one thing, the original story—a member of Congress losing her expensive second home to foreclosure—had that kind of celebrity car-crash quality to it that I’m not especially interested in for the purposes of this blog. For another thing, posting about anything even tangentially related to politics invites the kind of comments that personally bore me to tears.

All that is still true, but the story has taken such an unfortunate turn that I feel obligated to weigh in on it. Specifically, Rep. Richardson is threatening us <http://origin.mercurynews.com/breakingnews/d_9363126>:

Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don’t experience what she did. For example, she sees a need to add steps to inform property owners before their property can be sold.

"We have to ensure that lenders and lenders have the tools with proper timing to resolve this," she said.

If Rep. Richardson is going to base legislative proposals on her own experience, then it matters to the rest of us what that experience was. So click the link below if you can stand to hear about it.

******

The story was originally reported in the Sacramento Capitol Weekly <http://www.capitolweekly.net/article.php?articleid=57C2a34358855f7C288731f3ps69&issueno=x4t40%20x48x0r0%20%20x48x0r08x0r06>, and picked up by the Wall Street Journal <http://online.wsj.com/article/SB122094184847406p>, and then covered by a number of blogs, with the storyline being that Rep. Richardson "walked away" from her home, a second home she purchased in Sacramento after being elected to the State Assembly. The "walk away" part came from a remark made by the real estate investor who purchased the home at the foreclosure auction, not Rep. Richardson or anyone who could be expected to understand her financial situation, but that didn’t stop the phrase "walk away" from headlining <http://globaleconomicsanalysis.blogspot.com/2008/05/congresswoman-walks-away.html> blog <http://optionmanageddon.blogspot.com/2008/05/update-on-walk-away-congresswoman.html> posts <http://latimesblogs.latimes.com/laland/2008/05/buyer-of-rep-la.html>.

Rep. Richardson has variously claimed at different times that the house was not in foreclosure, that she had worked out a modification with the lender, and that the lender improperly foreclosed after having agreed to accept her payments. Frankly, unless and until Rep. Richardson gives her lender,

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CSOC.RICH.002984
Washington Mutual, permission to tell this story—my breath on that—we're unlikely to be able to sort out these mess of claims to my satisfaction, at least.

It's possible that WaMu screwed this up—that it accepted payments on a workout plan with the understanding that the foreclosed mortgage was "out of contract" and then sold the property at auction the next week anyway. It's possible that Richardson's version of what went on is muddled, too. Without some more hard information I'm not inclined to assume the servicer did most of the screwing up, if for no other reason that we don't find out until late yesterday, courtesy of the L.A. Land <http://hitst.Today/L.A. home> and Foreclosure Truth <http://www.foreclosurestruth.com/blog/seen/foreclosure-crisis-gets-personal-re-laure-richardson> blogs, that Richardson's other home—her primary residence—was also in foreclosure proceedings as recently as March of this year, a detail that as far as I can tell Richardson never disclosed in any of the previous discussions of the facts surrounding the foreclosure of her second home.

What part of this I am most interested in, right now, is the question of what in the hell exactly Richardson was thinking when she bought the Sacramento home in the first place. Since this story is quite complex, let's get straight on a few details. Richardson was a Long Beach City Council member who was elected to the state legislature in November of 2005. In January of 2007 she purchased a second home in Sacramento, presumably to live in during the Assembly sessions. In April 2007, the U.S. Congressional Representative from Richardson's district died, and Richardson entered an expensive race for that seat, winning in a special election in August of 2007. By December 2007 the Sacramento home was in default, and it was foreclosed in early May of 2008. The consensus in the published reports seems to be that Richardson spent what money she had on her campaign, not her bills.

According to the AP <http://www.mercurynews.com/breakingnews/article_8350f90a-9920-11dd-9b4f-001a0cb1c017.html>, Richardson, 46, makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

It seems to me that all this focus on what happened after she bought the Sacramento home—running for the suddenly-available Congressional seat, changing jobs, etc.—is obscuring the issue of the original transaction.

In November of 2006, Richardson already owned a home in Long Beach. As a newly-elected state representative, she would have been required to maintain her principal residence in her district, but she would also have had to make some arrangements for staying in Sacramento during Assembly sessions, given the length of the commute from LA County to the state capital. She seems to have told the AP reporter that "Lawmakers are required to maintain two residences while other people don't have to," which is not exactly the way I'd have put it. Lawmakers are required to maintain one primary residence (which need not be owned) in their district. They are not required to buy a home as the capitale (of California or the 11th): many legislators do rent. Richardson is a single woman with no children, yet she felt "required" to purchase a 3-bedroom, 1 1/2 bathroom home in what sounds like one of Sacramento's pricier neighborhoods for $385,500, with no downpayment and with $35,000 in closing cost contributions from the property seller. (The NAR median price in Sacramento in the first quarter of 2007 was $365,300 <http://www.usatoday.com/money/economy/housing/2008-05-13-q1-homeprices_N.htm>.)

I have no idea what loan terms Richardson got for a 100% LTV second home purchase in January 2007, but I'm going to guess that if she got something like a 7.00% interest only loan (without additional mortgage insurance), she got a pretty darn good deal. If she got that good a deal, her monthly interest payment would have been $3123.75. Assuming taxes and insurance of 1.50% of the property value, her total payment would have been $3793.13.

The AP reports that Richardson's salary as a state representative was $113,000 in 2007, and she received $20,000 in per diem payments (which are, of course, intended to offset the additional expense
of traveling to and staying in the Capitol during sessions). I assume the per diem is non-taxable, so it grosses it up to $25,000. That gives me an annual income of $136,000 or a gross monthly income of $11,500.

The initial payment on the second home, then, with my sunny assumptions about loan terms, comes to 33% of Richardson's gross income. I have no idea what the payment is for her principal residence in Long Beach. I have no idea what other debt she might have. I am ignoring her congressional race and job changes and all that because at the point she took out this mortgage, that was all in the future and Richardson didn't know that the incumbent would die suddenly and all that. I'm just trying to figure out what went through this woman's mind when she decided it was a wise financial move to spend one-third of her pre-tax income on a second home. (There's no point trying to figure out what went through the lender's mind at the time. There just isn't.)

Now, Richardson has this <http://origin.mercyunews.com/breakingnews/01_8903120> to say about herself:

"I'm Laura Richardson. I'm an American, I'm a single woman who has four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American now I could restructure the obligations that I had with the income I had."

Yaah, well, I'm Tanta, I'm an American, I'm a single woman, and I say you're full of it. You need to show us what your plan for affording this home was before the job changes, girlfriend. You might also tell me why you felt you needed such an expensive second home when you had no money to put down on it or even pay your own closing costs. As it happens, the Mercury News/AP <http://www.mercurynews. com/breakingnews/01_8903700> reported that by June of 2007—five months after purchase—you had a lien filed for unpaid utility bills. You didn't budget for the lights?

But what are we going to get? We're going to get Richardson all fired up in Congress about inheriting with foreclosures nation-wide, which is best! I know a question of statute, not federal, law, and which has as far as I can see, squat to do with why this loan failed.

Quite honestly, if WaMu did give Richardson some loan modification deal, I'd really like to know what went through the Los Altos Department's collective and individual minds when they signed off on that. Sure, Richardson's salary went up to $170,000 when she became a member of the U.S. Congress, but what does she need a home in Sacramento for after that? Where's she going to live in Washington, DC? And, well, her principal residence was also in the process of foreclosure at the same time. I suppose I might have offered a short sale or deed-in-lieu here, but a modification? Why would anybody do that? Because she's a Congresswoman?

I'm quite sure Richardson wants to be treated like just a plain old American and not get special treatment. Well, I was kind of hard on a plain old American the other day who wrote a hardship letter <http://calculatedrisk.blogspot.com/2008/09/how-not-to-write-hardship-letter.html> that didn't please tuzzer with me. I feel obligated to tell Richardson that she sounds like a real estate speculator who bought a home she obviously couldn't afford, defaulted on it, and now wants WaMu to basically subsidize her Congressional campaign by lowering her mortgage payment or forgiving debt. And that's . . . disgusting. At the risk of sounding like Angela.

I know some of you are thinking that maybe poor Ms. Richardson got taken advantage of by some fast-talking REALTOR who encouraged her to buy more house than she could afford.

According to Pete Vites at L.A. land <http://latimesblogs.latimes.com/land/2008/09/ls-rcp-laura-r.html>, she likes the Realtors, and they like her. She filed financial disclosure forms with the House Ethics Committee reporting the National Asn. of Realtors flew her to Las Vegas in November to help swear in the new president of the association, Realto Dick Gaylord of Long Beach.

In suggested remarks* at the NAR gathering, also filed with the House, Richardson's script read: "I might be one of the newest members of Congress but I am not a new member of the REALTOR Party.

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CSOC.RICH.002986
When I needed help to win a tough primary, REALTORS stood up and backed me even though I was the underdog."

—Real estate industry professionals have given her $39,500 in campaign contributions in the current election cycle, according to OpenSecrets.

No wonder she's blaming the lender.

Sara Gaugl
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WaMu

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As we're discussing,

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-----Original Message-----
From: Gaugl, Sara C.
Sent: Wednesday, May 21, 2008 10:24 AM
To: Kallner, Brad
Cc: Chamoney, Steven D.; Berens, John; Owen, Jan L.; Elias, Alan
Subject: Research Needed: Congresswoman Richardson/Foreclosure

Importance: High

Brad,

Please see the article embedded below for more detail, but long story short, Congresswoman Laura Richardson appears to have defaulted on her WaMu loan (second home) and on March 19, a notice was filed with the county that her property would be sold at auction.

Congresswoman Richardson initially declined to comment, however, Jan Owen has learned from the Congresswoman that she plans to communicate to The Washington Post that she has established a repayment plan with WaMu.

Would you please look into Congresswoman Richardson's situation as soon as possible so that we understand the facts? Her loan number is [redacted].

Many thanks,

Sara

Sara Gaugl
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-----Original Message-----
From: Owen, Jan L.
Sent: Wednesday, May 21, 2008 8:36 AM
To: Riley, Olivia; Gaugi, Sara C.; Gaspard, Scott; Watson, Alison
Subject: Fw: Capitol Weekly -- "Foreclosure tale shows that nobody is immune from crisis"

Here we go. I am in meeting and will call in a minute.

---------------

----- Original Message ----- 
To: FSIR Meeting Group <FSIRMeetingGroup@CalBankers.com>
Sent: Wed May 21 08:01:35 2008
Subject: Capitol Weekly -- "Foreclosure tale shows that nobody is immune from crisis"

Foreclosure tale shows that nobody is immune from crisis

By Anthony Yunk (published Tuesday, May 20, 2008)

As the real estate market softened in 2007, the new owner of a three-bedroom, 1,800-square-foot house in Sacramento’s Curtis Park neighborhood ran into trouble. The house that was purchased for $335,000 in January had lost equity. The owner fell behind in her payments, and eventually, the bank seized the home.

What makes this story different from the thousands like it is that the owner of this house was a member of Congress.

The story of the foreclosure of Long Beach Democrat Laura Richardson’s Sacramento home is a tale of a real estate market gone sour. It is also an illustration of how far many candidates will go to seek elected office, even if it means quite literally mortgaging their own financial future.

While being elevated to Congress in a 2007 special election, Richardson apparently stopped making payments on her new Sacramento home, and eventually walked away from it, leaving nearly $600,000 in unpaid loans and taxes.

Richardson’s decision to let the house slip into foreclosure was set in motion by an unlikely chain of events, only some of which had to do with Sacramento’s crumbling real estate market. Richardson was elected to the Assembly in November 2006, and purchased her new capital home two months later. But in April 2007, Rep. Juanita Millender-McDonald succumbed to cancer, creating a Congressional vacancy in Richardson’s district.

Richardson declared her candidacy for the seat, and soon found herself locked in a hotly contested, and very expensive race for Congress against state Sen. Jenny Oropesa, D-Long Beach.

While her campaign heated up, Richardson’s house slipped into default. Richardson fell behind on her mortgage payments as she loaned her Congressional campaign $180,000 - money that has begun to be
paid back to Richardson personally from her campaign account, according to records from the Center for Responsive Politics.

Richardson’s opponent, Orozpeza, loaned herself $115,000 for her run against Richardson. Orozpeza’s Congressional committee still shows nearly $200,000 in debt.

Richardson declined to comment for this story.

But tax records at the Sacramento County assessor’s office show that in January 2007, Richardson took out a mortgage for the entire sale price of the house — $335,000. The mortgage amount was equal to the sale price of the home, meaning she was able to buy the house without a down payment, even though the housing market was beginning to turn.

A March 19, 2008 notice of trustee’s sale indicates that the unpaid balance of Richardson’s loan, which is held by Washington Mutual, is more than $576,000 — $40,000 more than the original mortgage.

The Curtis Park house is not Richardson’s primary residence. She also owns a four-bedroom house in Long Beach, in her Congressional district. Real estate records show she purchased that house in 1990 for $135,000. An estimate from Zillow.com puts the current value of that house at $474,000.

Like many homes that have gone through foreclosure, Richardson’s new residence quickly became an eyesore. With Richardson gone, upkeep on the home lapsed, and neighbors began to get angry.

“The neighbors are extremely unhappy with her,” said Sharon Helmar, who sold the home to Richardson. “She didn’t mow the lawn or take out the garbage while she was there. We lived there for a long time, 30 years, and we had to hide our heads whenever we came back to the neighborhood.”

Helmar and her husband, Mark, sold the Curtis Park home to Richardson because Sharon’s arthritis required the couple to move into a one-story house. With the area’s real estate market slowing down, the house remained on the market for months, and the Helmers, who lived in the house for more than 30 years, were getting desperate to sell.

Helmar said that she has never met Richardson personally, but dealt with Richardson through her realtor. The Helmers wound up giving Richardson $15,000 toward closing costs, she said.

And she is still angry over what happened to a home that clearly she never really wanted to leave. “It’s kind of silly. You would think people who are making decisions for others would be able to make good decisions for themselves,” she said. “She should have known what she could afford and not afford. In this neighborhood, you just don’t do that.”

While Richardson walked away from her loan, she boosted Orozpeza in a June special election, and moved on to Congress. As a member of Congress, Richardson has been asked to vote on legislation pertaining to the spike in foreclosures around the country.

On the biggest pieces of legislation having to do with government bailouts for people whose homes have entered foreclosure, Richardson has recused herself. She did not vote on legislation by Rep. Barney Frank, D-Mass, which would direct $2.7 billion in government funds to help an estimated 500,000 homeowners who are at risk of foreclosure.

Richardson also did not vote on a measure by Rep. Maxine Waters, D-Los Angeles, that would give local governments $16 billion to purchase, rehab and resell foreclosed properties.

While Richardson walked away from her bank loan, she has begun to pay herself back for the money she personally invested in her initial race. Records show that Richardson spent $697,000 out of her Congressional campaign committee since declaring her Congressional candidacy through March of this year. Of those expenditures, Richardson has spent $18,000 of that money to begin repaying herself for
the money Richardson loaned to her campaign.

According to documents at the Sacramento County Clerk’s office, Richardson first received a default notice in late 2007. By December 2007, less than a year after Richardson purchased the house, she was behind in her payments by more than $10,000.

Three months later, on March 18, a notice was filed with the county that Richardson’s property would be sold at auction. According to the documents, the unpaid balance and other charges Richardson owed the bank was $597,594.
From: Gaugl, Sara C. 
To: Battaglia, Paul J. 
_CC: Richardson / Long Beach Press-Telegram 
_Bcc: 
Subject: Richardson / Long Beach Press-Telegram 
Date: Mon Jun 06 2008 20:00:19 EDT 
Attachments: 

FYI, below. The latest Richardson update......

37th District Rep. Laura Richardson left car bills unpaid - Long Beach Press-Telegram 
By Paul Einkins, Staff Writer 
LONG BEACH - Car trouble takes on a new meaning when it comes to financially distressed Congresswoman Laura Richardson.

In 2005, when she was still on the Long Beach City Council, she left her mechanic in a lurch with an unpaid bill, then later had her badly damaged RMW towed to an auto body shop but didn’t pay for any work and abandoned the car there, owners of the businesses said this week.

The next day, Richardson began using a city-owned vehicle - putting almost 37,000 miles on it in about a year - and continued driving the car five days after she had left the council to serve in the state Assembly, city records show.

Richardson, 46, didn’t return phone calls seeking comment this week.

These are just the newest revelations of Richardson’s ongoing financial problems and instances of her unpaid debts.

Last month, it was reported that Richardson’s Sacramento home, where she had lived during her brief Assembly stint before moving on to Congress, had fallen into foreclosure and been sold at auction.

Further investigation revealed she had defaulted on that house and two others in Long Beach and San Pedro a total of eight times since 2004.

Meanwhile, Richardson was sending money to her campaigns as she embarked on an unprecedented rise to power from council to Assembly to Congress in one year. On Tuesday, she won the Democratic nomination to serve her first full, two-year term in Congress, and she is unchallenged in the November general election.

Unpaid and abandoned.

Richardson’s car problems all started with a shimmy.

In October 2005, her 1999 four-door 740IL BMW had an odd vibration in the front, so she took it to Signal Hill Foreign Auto Services, according to Loc Labreche, the shop owner.

Mechanics there fixed the car and replaced some worn parts, but when Richardson picked up her vehicle, she said she didn’t have the money to pay the $735 bill, Labreche said. Because Richardson was a council member, Labreche let her take the car, assuming that she was good for the money, he said.

“She didn’t have the car up and was going to come back and pay the bill, and she never did,” Labreche said.

Labreche said he spent months leaving messages on Richardson’s cell phone voice mail, then he got a collection agency involved, but still the bill went unpaid.

“I couldn’t get through to her, and then when the collection agency couldn’t do anything. I thought, ‘There’s nothing I’m going to be able to do,’ ” Labreche said.

But on Tuesday, after the Press-Telegram requested an interview with Richardson to discuss the 2 1/2-year-old unpaid bill, she went to the auto shop and paid Labreche, he said.
Similarly, Richardson last week paid off a $150 printing bill owed to a local company following published reports about the debt.

Richardson also settled a bill Tuesday with another mechanic, Alvin's Auto Body in Signal Hill, only this time she came out ahead, in a sense.

About one month after Richardson had taken her BMW to Labrecque for work, she got into a car accident that tore up the front left corner of her car, leaving it undriveable.

She initially had it towed back to Labrecque for repairs, even though she still owed him money.

But Labrecque doesn't do auto body work.

So the car was sent to Alvin's Auto Body, which received the BMW on Nov. 17, 2005, according to owner Bob Lillegard.

But Lillegard never heard from Richardson or her insurance company, he said.

"I'd call her office, and they'd say she was too busy," Lillegard said. "I couldn't get through to her."

The BMW's extensive damage would have cost about $8,000 to repair, Lillegard said, which he suggested might have been more than the car was worth. The "Kelley Blue Book" website says a 2000 740iL BMW with standard options and 100,000 miles has a retail value of about $15,000 today.

In December 2005, Lillegard filed for a mechanic's lien on Richardson's car to pay the towing, storage and administrative costs, he said. Lillegard said the lien was finalized in February 2006 and he sold the car to a junkyard, though a few days later - too late - Richardson sent him money to put toward the bill.

The junkyard bought the BMW for $3,600, so Lillegard took the $5,100 he said was owed him, and when Richardson went to the body shop on Tuesday, he paid her the difference, he said.

A city ride

After the accident that led to Richardson abandoning her car, she apparently was without transportation.

So, on Nov. 18, one day after her BMW was towed to Lillegard's shop, she checked out a city-owned Toyota Prius to use for her council business, according to city Fleet Services Bureau records cited by city spokeswomen Meredith Reynolds.

Reynolds said that the Prius was issued to Richardson that day, and that it was returned more than a year later, a few days after Richardson had ended her council tenure.

In a letter acquired by the Press-Telegram from then-City Manager Jerry Miller to Richardson dated Dec. 5, 2006, Miller asks Richardson to return her city vehicle, identified as a Prius. According to the letter, Richardson's last day as a council member was Dec. 3, 2006. She was sworn into the Assembly the following day.

City Fleet Services records show that Richardson turned in the car on Dec. 8, 2006, Reynolds said.

During the one year and almost three weeks that Richardson had the Prius, she drove it 30,920 miles, Reynolds said. That amounts to an average of more than 60 miles per day, or about 2,400 miles per month, for Richardson's part-time council job in a 50-square-mile city.

By comparison, the only other two council members who used city vehicles during part or all of the same period averaged 80 miles per month in one case and less than 400 miles per month in the other, according to figures provided by Reynolds.

Council members can either use their own vehicles for council business and receive a monthly car allowance from the city, or they may use city vehicles. However, city policy doesn't allow city vehicles to be used for personal use.

Richardson has never been shy about using city cars.

In 2001 and 2002, she had the highest vehicle expenses of any council member, in part by putting nearly 7,000 personal miles on her car in 2002. At the time, she and other council members told the Press-Telegram that they hadn't been aware of the no-personal-use rule.

In 2003, Richardson had been using a gas-guzzling Ford Expedition owned by the city, but switched to a Toyota Solara to save money. She told the Press-Telegram then that she soon would stop using a city vehicle altogether and would switch to a monthly car allowance.

She scrapped that effort in 2005 when she left her BMW at the auto body shop and again got behind the wheel of a city car.

Sara Gaugl
Home Loans Public Relations

WAMU
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<table>
<thead>
<tr>
<th>From:</th>
<th>Gaug, Sara C.</th>
</tr>
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<tbody>
<tr>
<td>To:</td>
<td>Cook, Don</td>
</tr>
<tr>
<td>Cc:</td>
<td>Elias, Alan</td>
</tr>
<tr>
<td>Bcc:</td>
<td>CNN Inquiry Re: Richardson</td>
</tr>
<tr>
<td>Date:</td>
<td>Tue Jun 24 2008 17:49:45 EDT</td>
</tr>
</tbody>
</table>

Good afternoon.
Sorry - I was at a meeting on 13 and just got back - do you need the origination file reviewed?

From: Gaugi, Sara C.
Sent: Tuesday, May 27, 2008 1:17 PM
To: Adams, Carolyn
Cc: Cook, Don; Hyde, Arlene M.; Champney, Steven D.; Elias, Alan
Subject: FW: Richardson Coverage: Calculated Risk Blog

Hi, Carolyn,

As a follow-up to our brief conversation earlier this morning, please see David's request below. I will give you a call shortly.

Best,

Sara

Sara Gaugi
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sara.gaugi@wamunet

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From: Schneider, David C.
Sent: Tuesday, May 27, 2008 12:46 PM
To: Gaugi, Sara C.
Cc: Champney, Steven D.; Hyde, Arlene M.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Can you get me the information on the original loan? Today please.
You can have this done by the channel that originated the deal.

rs

From: Gagli, Sara C.
Sent: Tuesday, May 27, 2008 12:31 PM
To: Schneider, David C.; Berens, John; Champney, Steven D.
Cc: Thorn, Ann; Oren, Jan L.; Elias, Alan
Subject: Richardson Coverage: Calculated Risk Blog

All:

As expected, coverage on Congresswoman Richardson's financial situation has continued to evolve after it was reported on Friday that she has defaulted on other loans — including her primary residence.

I'm forwarding this blog post [linked here](http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html) embedded below in particular, as it reflects the current viewpoint among other journalists and links to key articles/postings published to date.

- Sara

**UPDATED: A Congressional Speculator? - Calculated Risk**

by Tania

[http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html](http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html)

This is an update to post below on Rep. Laura Richardson's foreclosure woes.

Gene Maddaus of the Daily Brezez [http://www.dailybrezez.com/ci_3069051](http://www.dailybrezez.com/ci_3069051) kindly forwarded today's additions to the saga. There are not two, but three homes owned by Richardson in foreclosure. And yes, she appears to have cashed out her primary residence back in 2006 to fund her campaign for State Assembly. So it looks like a pattern.

* * * * *

I have been watching the story of Representative Laura Richardson and her foreclosure woes for a while now, while heretofore hesitating to post on it. For one thing, the original story—a member of Congress losing her expensive second home to foreclosure—had that kind of celebrity car-crash quality to it that I'm not especially interested in for the purposes of this blog. For another thing, posting about anything even tangentially related to politics invites the kind of comments that personally bore me to tears.

All that is still true, but the story has taken such an unfortunate turn that I feel obligated to weigh in on it. Specifically, Rep. Richardson is threatening us [http://origin.mercurynews.com/latestnews/ci_3069420](http://origin.mercurynews.com/latestnews/ci_3069420):.

Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don't experience what she did. For example, she sees a need to add steps to inform property owners before their property can be sold.

"We have to ensure that lenders and lendees have the tools with proper timing to resolve this," she said.

If Rep. Richardson is going to base legislative proposals on her own experience, then it matters to the rest of us what that experience was. So click the link below if you can stand to hear about it.
The story was originally reported in the Sacramento Capitol Weekly <http://www.capitolweekly. com/2008/05/22/congresswoman-home-sold-in-foreclosure-auction/> and picked up by the Wall Street Journal <http://blogs.wsj.com/developments/2008/05/22/congresswoman-walks-away/> and then covered by a number of blogs, with the storyline being that Rep. Richardson "walked away" from her home, a second home she purchased in Sacramento after being elected to the State Assembly. The "walk away" part came from a remark made by the real estate investor who purchased the home at the foreclosure auction, not Rep. Richardson or anyone who could be expected to understand her financial situation, but that didn't stop the phrase "walk away" from headlining <http://globalteconomicanalysis.blogspot.com/2008/05/congresswoman-walks-away.html> blog <http://se的情商additon.blogspot.com/2008/05/update-on-walk-away-congresswoman.html> posts <http://latimesblogs.latimes.com/land/2008/05/buyer-of-rep-land.html>.

Rep. Richardson has variously claimed at different times that the house was not in foreclosure, that she had worked out a modification with the lender, and that the lender improperly foreclosed after having agreed to accept her payments. Frankly, unless and until Rep. Richardson gives her lender, Washington Mutual, permission to tell its side of the story—I'm not holding my breath on that—we're unlikely to be able to sort out this mess of claims to my satisfaction, at least.

It's possible that Wall Street Journal screwed this up—that it accepted payments on a workout plan with the understanding that foreclosure was "on hold" and then sold the property at auction the next week anyway. It's possible that Richardson's version of what went on is muddled, too. Without some more hard information I'm not inclined to assume the servicer did most of the screwing up. If for no other reason that we didn't find out until late yesterday, courtesy of the L.A. Land <http://latimesblogs.latimes.com/land/2008/05/richter-says.html> and Foreclosure Truth <http://www.foreclosurerights.com/blog/seafvforeclosure-crisis-gets-personal-rep-laura-richardson> blogs, that Richardson's other home, for which she had option to buy, is also in foreclosure proceedings as recently as March of this year, a detail that as far as I can tell Richardson never disclosed in all the previous discussion of the facts surrounding the foreclosure of her second home.

What part of this I am most interested in, right now, is the question of what in the hell exactly Richardson was thinking when she bought the Sacramento home in the first place. Since the story is quite complex, let's get straight on a few details. Richardson was a Long Beach City Council member who was elected to the state legislature in November of 2006. In January of 2007 she purchased a second home in Sacramento, presumably to live in during the Assembly session. In April 2007, the U.S. Congressional Representative from Richardson's district died, and Richardson entered an expensive race for that seat, winning in a special election in August of 2007. By December 2007 the Sacramento home was in default, and it was foreclosed in early May of 2008. The consensus in the published reports seems to be that Richardson spent what money she had on her campaign, not her hocks.

According to the AP <http://orig.in/m33v/news.com/breakingnews/dl_9363129>, Richardson, 48, makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $60,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

It seems to me that all this focus on what happened after she bought the Sacramento home—running for the suddenly-available Congressional seat, changing jobs, etc.—is obscuring the issue of the original transaction.

In November of 2006, Richardson already owned a home in Long Beach. As a newly-elected state representative, she would have been required to maintain her principal residence in her district, but she would also have had to make some arrangements for staying in Sacramento during Assembly sessions,
given the length of the commute from L.A. County to the state capitol. She seems to have told the AP reporter that "Lawmakers are required to maintain two residences while other people don't have to," which is not exactly the way I'd have put it. Lawmakers are required to maintain one primary residence (which need not be owned) in their district. They are not required to buy a home at the capitol (of California or the U.S.), many legislators do rent. Richardson is a single woman with no children, yet she tells "I paid $535,500 for a 3-bedroom, 1 1/2 bathroom home in what sounds like one of Sacramento's pricier neighborhoods with no downpayment and with $15,000 in closing cost contributions from the property seller. (The NAR median price in Sacramento in the first quarter of 2007 was $365,900 <http://www.usatoday.com/money/economy/housing/2006-06-13-q1-homeprices_N.htm>.)"

I have no idea what loan terms Richardson got for a 100% LTV second home purchase in January 2007, but I'm going to guess that if she got something like a 7.00% interest only loan (without additional mortgage insurance), she got a pretty darn good deal. If she got that good a deal, her monthly interest payment would have been $3123.75. Assuming taxes and insurance of 1.50% of the property value, her total payment would have been $3793.13.

The AP reports that Richardson's salary as a state representative was $113,000 in 2007, and she received $20,000 in per diem payments (which are, of course, intended to offset the additional expense of traveling to and staying in the Capitol during sessions). I assume the per diem is non-taxable, so I'll gross it up to $25,000. That gives me an annual income of $138,000 or a gross monthly income of $11,500.

The total payment on the second home, then, with my sunny assumptions about loan terms, comes to 30% of Richardson's gross income. I have no idea what the payment is for her principal residence in Loma Beach. I have no idea what other debt she might have. I am ignoring her congressional race and job changes and all that because at the point she took out this mortgage, that was all in the future and Richardson didn't know that the incumbent would die suddenly and all that. I'm just trying to figure out what went through this woman's mind when she decided it was wise financial move to spend one-third of her pre-tax income on a second home. (There's no point trying to figure out what went through the lender's mind at the time. There just isn't.)

Now, Richardson has this <http://origin.mercurynews.com/breakingnews/cl_9363126/> to say about herself:

"I'm Laura Richardson. I'm an American. I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Yeah, well, I'm Tanta, I'm an American. I'm a single woman, and I say you're full of it. You need to show us what your plan for affording this home was before the job changes, girlfriend. You might also tell me why you felt you needed such an expensive second home when you had no money to put down on it or even to pay your own closing costs. As it happens, the Mercury News/AP <http://www.mercurynews.com/breakingnews/cl_9337389?click_check=1> reported that by June of 2007—five months after purchase—you had a lien filed for unpaid utility bills. You didn't budget for the lights?

But what are we going to get? We're going to get Richardson all fired up in Congress about tinkering with foreclosure notice timing, which is last I knew a question of state, not federal, law, and which has as far as I can see squat to do with why this loan failed.

Quite honestly, if WaMu did give Richardson some loan modification deal, I'd really like to know what went through the Loan Mgt Department's collective and individual minds when they signed off on that. Sure, Richardson's salary went up to $170,000 when she became a member of the U.S. Congress, but what does she need a home in Sacramento for after that? Where's she going to live in Washington, D.C.? And, well, her principal residence was also in the process of foreclosure at the same time. I suppose I might have offered a short sale or deed-in-lieu here, but no modification? Why would anybody do that? Because she's a Congresswoman?

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I'm quite sure Richardson wants to be treated like just a plain old American and not get special treatment. Well, I was kind of hard on a plain old American the other day who wrote a "hardship letter" that didn't pass muster with me. I feel obligated to tell Richardson that she sounds like a real estate speculator who bought a home she obviously couldn't afford, defaulted on it, and now wants WaMu to basically subsidize her Congressional campaign by lowering her mortgage payment or forgiving debt. And that's . . . disgusting. At the risk of sounding like Angelo.

I know some of you are thinking that maybe poor Ms. Richardson got taken advantage of by some fast-talking REALTOR who encouraged her to buy more house than she could afford.

According to Pete Vilas at L.A. Land <http://latimesblogs.latimes.com/island2/2008/05/us-rep-laura-r.html>, she likes the Realtors, and they like her. She filed financial disclosure forms with the House Ethics Committee reporting the National Assn. of Realtors flew her to Las Vegas in November to help sway the new president of the association, Realtor Dick Gaylord of Long Beach.

In suggested remarks* at the NAR gathering, also filed with the House, Richardson's script read: "I might be one of the newest members of Congress but I am not a new member of the REALTOR Party. When I needed help to win a tough primary, REALTORS stood up and backed me even though I was the underdog."

—Real estate industry professionals have given her $38,500 in campaign contributions in the current election cycle, according to Open Secrets.

No wonder she's blaming the lender.

Sara Gaugl
Home Loans Public Relations

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sara.gaugl@wamu.net

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From: Owen, Jan L.
To: Gaugl, Sara C.
       Baptista, Geri Ann S.
       Thom, Ann
       Woodcock, Wendy A.
       Cook, Don
       Battaglia, Paul J.
       Owen, Jan L.
Cc:
Bcc:
Subject: Update on Richardson
Date: Fri May 23 2008 16:51:11 EDT
Attachments:

When: Tuesday, May 27, 2008 9:00 AM-10:00 AM (CMT-08:00) Pacific Time (US & Canada); Tijuana.
Where: 

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From: Owen, Jan L.
To: Gaujl, Sara C.
Battaglia, Paul J.
Woodcock, Wendy A.
Cool, Don
GSM DTE
Baptista, Geri Ann S.
Thom, Ann
Calkley, Susan B.

Subject: Updated: Richardson update
Date: Thu May 29 2008 10:03:06 EDT
Attachments:
From: Cook, Don
<don.cook@samr.com>
To: Owen, Jan L.
<jan.owen@samr.com>
Cc: 
Subject: Accepted: Updated: Richardson Update
Date: Wed Jun 04 2008 18:00:37 EDT
Attachments:
From: Owen, Jan L
To: Owen, Jan L
Cc: <o=wamui/ou=sea/cn=recipients/cn=u146276>
Subject: Updated: Richardson Update
Date: Wed Jun 04 2008 17:55:12 EDT
Attachments:

When: Thursday, June 05, 2008 4:00 PM-5:00 PM (GMT-08:00) Pacific Time (US & Canada): Tijuana.
Where: [ ]

Proprietary and Confidential Do Not Copy
From: Cook, Don
<o=wamui/ou=sea/cn=recipients/cn=ru679800>
To: Owen, Jan L.
<o=wamui/ou=sea/cn=recipients/cn=ru148278>
Cc:
Bcc:
Subject: Accepted: Richardson Update
Date: Fri May 30 2008 16:05:38 EDT
Attachments:

Proprietary and Confidential - Do Not Copy
From: Owen, Jan L.
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To: Owen, Jan L.
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<br:wamulou=sea/cn=recipients/cn=u967715>; Baptista, Geri Ann
<br:wamulou=sea/cn=recipients/cn=u255251>
Cc: 
Bcc: 
Subject: Update on Congresswomen Richardson
Date: Thu May 22 2008 19:51:01 EDT
Attachments:
From:   Cook, Don
        <oewamnmuou=sea/on=recipients/cn=u576890>
To:     Owen, Jan L.
        </oewamnmuou=sea/on=recipients/cn=u145276>
Cc:     
Subject:   Accepted: Updated: Richardson update
Date:    Thu May 29 2008 12:28:36 EDT
Attachments:  

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I don't know. We need to ask Sara.
I am on other conference calls until 2:00 p.m.
I will only be available for the first 15 minutes or so. Fitch is here today.
As we're discussing,

Sara Gaugl
Home Loans Public Relations

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-----Original Message-----
From: Gaugl, Sara C.
To: Kallner, Brad
Cc: Chamouny, Steven D.; Berens, John; Owen, Jan L.; Elias, Alan
Subject: Research Needed: Congresswoman Richardson's Foreclosure
Importance: High

Brad -
Please see the article embedded below for more detail, but long story short, Congresswoman Laura Richardson appears to have defaulted on her WaMu loan (second home) and on March 16, a notice was filed with the county that her property would be sold at auction.

Congresswoman Richardson initially declined to comment, however, Jan Owen has learned from the Congresswoman that she plans to communicate to The Washington Post that she has established a repayment plan with WaMu.

Would you please look into Congresswoman Richardson's situation as soon as possible so that we understand the facts? Her loan number is __________.

Many thanks,

Sara

Sara Gaugl
Home Loans Public Relations

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CSOC.RICH.003014
Wamu
1301 Second Avenue | WMC4G | Seattle WA 98101
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sara.gaugl@wamu.net

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--- Original Message ---
From: Owen, Jen L.
Sent: Wednesday, May 21, 2006 8:36 AM
To: Riley, Olivia; Gaugl, Sara C.; Gaspard, Scott; Watson, Alison
Subject: Fw: Capitol Weekly – "Foreclosure tale shows that nobody is immune from crisis"

Here we go. I am am in meeting and will call in a minute.

--- Original Message ---
From: Kevin Gould  
To: FSR Meeting Group
Sent: Wed May 21 10:01:35 2006
Subject: Capitol Weekly – "Foreclosure tale shows that nobody is immune from crisis"

Foreclosure tale shows that nobody is immune from crisis

By Anthony York (published Tuesday, May 20, 2006)

As the real estate market softened in 2007, the new owner of a three-bedroom, 1,600-square-foot house in Sacramento’s Curtis Park neighborhood ran into trouble. The house that was purchased for $585,000 in January had lost equity. The owner fell behind in her payments, and eventually, the bank seized the home.

What makes this story different from the thousands like it is that the owner of this house was a member of Congress.

The story of the foreclosure of Long Beach Democrat Laura Richardson’s Sacramento home is a tale of a real estate market gone sour. It is also an illustration of how many candidates will go to seek elected office, even if it means quite literally mortgaging their own financial future.

While being elevated to Congress in a 2007 special election, Richardson apparently stopped making payments on her new Sacramento home, and eventually walked away from it, leaving nearly $650,000 in unpaid loans and fees.

Richardson’s decision to let the house slip into foreclosure was set in motion by an unlikely chain of events, only some of which had to do with Sacramento’s crumbling real estate market. Richardson was elected to the Assembly in November 2006, and purchased her new capital home two months later. But in April 2007, Rep. Juanita Millender-McDonald succumbed to cancer, creating a Congressional vacancy in Richardson’s district.

Richardson declared her candidacy for the seat, and soon found herself locked in a hotly contested, and very expensive race for Congress against state Sen. Jenny O’repez, D-Long Beach.

While her campaign heated up, Richardson’s house slipped intodefault, Richardson fell behind on her mortgage payments as she loaned her Congressional campaign $60,000 - money that has begun to be

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paid back to Richardson personally from her campaign account, according to records from the Center for Responsive Politics.

Richardson’s opponent, Oropeza, loaned herself $115,000 for her run against Richardson. Oropeza’s Congressional committee still shows nearly $200,000 in debt.

Richardson declined to comment for this story.

But tax records at the Sacramento County assessor’s office show that in January 2007, Richardson took out a mortgage for the entire sale price of the house — $535,000. The mortgage amount was equal to the sale price of the home, meaning she was able to buy the house without a down payment, even though the housing market was beginning to turn.

A March 19, 2006 notice of trustee’s sale indicates that the unpaid balance of Richardson’s loan, which is held by Washington Mutual, is more than $576,000 — $40,000 more than the original mortgage.

The Curtis Park house is not Richardson’s primary residence. She also owns a four-bedroom house in Long Beach, in her Congressional district. Real estate records show she purchased that house in 1999 for $116,000. An estimate from Zillow.com puts the current value of that house at $274,000.

Like many homes that have gone through foreclosure, Richardson’s new residence quickly became an eyesore. With Richardson gone, upkeep on the home lapsed, and neighbors began to get angry.

"The neighbors are extremely unhappy with her," said Sharon Helmars, who sold the home to Richardson. "She didn’t mow the lawn or take out the garbage while she was there. We lived there for a long time, 30 years, and we had to hide our hearts whenever we came back to the neighborhood.”

Helmars and her husband, Mark, sold the Curtis Park home to Richardson because Sharon’s arthritis required the couple to move into a one-story house. With the area’s real estate market slowing down, the house remained on the market for months, and the Helmars, who lived in the house for more than 30 years, were getting desperate to sell.

Helmars said that she has never met Richardson personally, but dealt with Richardson through her realtor. The Helmars wound up giving Richardson $15,000 toward closing costs, she said.

And she is still angry over what happened to a home that clearly she never really wanted to leave. "It's kind of silly. You would think people who are making decisions for others would be able to make good decisions for themselves," she said. "She should have known what she could afford and not afford. In this neighborhood, you just don’t do that.”

While Richardson walked away from her loan, she bested Oropeza in a June special election, and moved on to Congress. As a member of Congress, Richardson has been asked to vote on legislation pertaining to the spike in foreclosures around the country.

On the biggest pieces of legislation having to do with government bailouts for people whose homes have entered foreclosure, Richardson has recused herself. She did not vote on legislation by Rep. Barney Frank, D-Mass., which would direct $2.7 billion in government funds to help an estimated 500,000 homeowners who are at risk of foreclosure.

Richardson also did not vote on a measure by Rep. Maxine Waters, D-Los Angeles, that would give local governments $15 billion to purchase, rehab and resell foreclosed properties.

While Richardson walked away from her bank loan, she has begun to pay herself back for the money she personally invested in her initial race. Records show that Richardson spent $587,000 out of her Congressional campaign committee since declaring her Congressional candidacy through March of this year. Of those expenditures, Richardson has spent $18,000 of that money to begin paying herself for
the money Richardson loaned to her campaign.

According to documents at the Sacramento County Clerk's office, Richardson first received a default notice in late 2007. By December 2007, less than a year after Richardson purchased the house, she was behind in her payments by more than $18,000.

Three months later, on March 19, a notice was filed with the county that Richardson's property would be sold at auction. According to the documents, the unpaid balance and other charges Richardson owed the bank was $567,364.
Michelle,

Attachments:
Picture (Metallic) (30298 Bytes)
Document ID: 0.7.1020.23059
Attachment Name: EAS

Location: pmk.ev trochACTIVECASEST Huston Dempsey_2:paul_battaglia_0099440

Reason: This file is empty (i.e., its length is zero bytes)

JPMC-001382
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CSOC.RICH.003019
From: Gaugl, Sara C.
<com:wmuc\ou=sea\cn=recipients\cn=mu192170>

To: Owan, Jan L.
<com:wmuc\ou=sea\cn=recipients\cn=mu140276>; Baptista, Geri Ann
<com:wmuc\ou=sea\cn=recipients\cn=mu578890>; Battaglia, Paul J.
<com:wmuc\ou=sea\cn=recipients\cn=mu209440>; Thorn, Ann
<com:wmuc\ou=sea\cn=recipients\cn=mu604180>; Woodcock, Wendy A.
<com:wmuc\ou=sea\cn=recipients\cn=mu690715>

Cc:
Bcc:
Subject: Media Update: Claim from Richardson
Date: Fri May 23 2008 16:09:29 EDT
Attachments:

All - we just received a call from a reporter indicating that Congresswoman Richardson has said that
she was not properly notified by WMU that her home was going into default.

I'm looking to see if she made an official statement....

Sara Gaugl
Home Loans Public Relations

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sara.gaugl@wmu.net

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error, please advise the sender by reply email and immediately delete the message and any
attachments without copying or disclosing the contents. Thank you.
Larry should join us.

From: Battaglia, Paul J.
Sent: Friday, June 13, 2008 12:44 PM
To: Klein, Jason C.; Martin T. McGuinn; Cook, Don; Parker, Gary L.
Subject: Laura Richardson

I've spoken to Jason and Marty and left a message with Gary. We'd like to have a 4:00 call to discuss the Laura Richardson matter.

Gary, can you come to our floor and you, Don and I will grab a conference room.

Jason and Marty, please dial in to my conference number.

Number: 866-736
Participant Code: ------

Thank you.

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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Excellent. Sorry I didn't use outlook calendaring. The technology is hard.

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1401 2nd Avenue, Suite 3501
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Ph: 206-500-4261
Fax: 206-977-2704

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From: Klein, Jason C.
Sent: Friday, June 13, 2008 12:45 PM
To: Battaglia, Paul J.
Cc: Stevens, Lawrence W.
Subject: Re: Laura Richardson

Larry should join us.

From: Battaglia, Paul J.
Sent: Friday, June 13, 2008 12:44 PM
To: Klein, Jason C.; Martin T. McGuinn; Cook, Don; Parker, Gary L.
Subject: Laura Richardson

I've spoken to Jason and Marly and left a message with Gary. We'd like to have a 4:00 call to discuss the Laura Richardson matter.

Gary, can you come to our floor and you, Don and I will grab a conference room.

Jason and Marly, please dial in to my conference number.

Number: [___-___-___]
Participant Code: [___-___-___]

Thanks.
Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-560-4261
Fax: 206-377-2784

NOTICE: This communication may contain legally privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank You.
I'll meet you on your floor at 4:00.

Gary Parker
Legal Department
Washington Mutual
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Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wamu.net

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From: Battaglia, Paul J.
Sent: Friday, June 13, 2008 12:44 PM
To: Klein, Jason C.; Martin, T. McGuinn; Cook, Don; Parker, Gary L.
Subject: Laura Richardson

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Gary, can you come to our floor and you, Don and I will grab a conference room.

Jason and Marty, please dial in to my conference number.

Number: [---] [---] [---]
Participant Code: [---] [---] [---]

Thanks.

Paul J. Battaglia
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Fax: 206-377-2784

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Good morning,

Embedded below is the article we were expecting from Gene Maddaus. York claims that we've given Ms. Richardson preferential treatment and as reported in the article, plans to file a lawsuit against Richardson and Washington Mutual by the end of the week.

Broker alleges loan favoritism - Press-Telegram (Long Beach)

By Gene Maddaus Staff Writer

June 9, 2008

The real estate broker who bought Rep. Laura Richardson’s house at a foreclosure sale last month is accusing her of receiving preferential treatment because her lender has issued a notice to rescind the sale.

James York, owner of Red Rock Mortgage, said he would file a lawsuit against Richardson and her lender, Washington Mutual, by the end of the week, and has every intention of keeping the house.

"I'm just amazed they've done this," York said. "They never would have done this for anybody else."

York bought the Sacramento home at a foreclosure auction on May 7 for $386,000.

Richardson had not been making payments on the property for nearly a year, and had also gone into default on her two other houses in Long Beach and San Pedro.
Richardson, of Long Beach, has said that the auction should never have been held, because she had worked out a loan modification agreement with her lender beforehand and had begun making payments.

Richardson left nearly $9,000 in unpaid property taxes on the home, which she bought in January 2007 for $535,000, shortly after being elected to the Assembly.

Washington Mutual has declined to comment on the specifics of Richardson’s case, because she has not waived her privacy rights.

In a statement, spokeswoman Sara Gaugl said the company is “committed to treating all of our customers with the same level of consideration and fairness.”

Washington Mutual filed a notice of rescission of the foreclosure sale on June 2.

That puts the bank squarely at odds with York, who has already put money into cleaning up the house and preparing it for resale.

“They owe me the property,” York said. “The sale was a good sale.”

York said an ordinary person would be unlikely to get the kind of consideration that Richardson has received from her bank.

“They wouldn’t even get a phone call back,” he said. “They would laugh at somebody who would call and say, ‘We had some kind of agreement. They wouldn’t give you 10 cents worth of time.”

Leo Nordin, a Hermosa Beach real estate broker who specializes in foreclosed homes, agreed that the rescission was out of the ordinary.

“It’s extremely unusual,” he said.

“Unless (the borrower) filed bankruptcy beforehand, they’d never do it.”
Richardson's staff did not return a call on Monday.

Dustin Hobbs, a spokesman for the California Mortgage Bankers Association, said that while foreclosure settlements are rarely publicized, they are becoming more common as the rate of foreclosures increases.

"Generally it is going to result in a legal battle," he said.

"Basically you're saying, 'We're willing to fight for our borrower.'"

Hobbs said a lender would be unlikely to go to bat for a borrower who has shown no ability to make future payments.

But if the foreclosure was the result of a temporary hardship or a paperwork mix-up, the lender has every incentive to restore the loan.

"Lenders are concerned about keeping borrowers in homes no matter who they are," he said.

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From: Gauthi, Sara C.  
To: Thern, Ann  
<Bcc: Battaglia, Paul J.; Cook, Don; Owen, Jan L.>  
Subject: Richardson Media Update  
Date: Tue Jun 10 2008 21:52:24 EDT  
Attachments:  

All,

In advance of Ann's discussion tomorrow with Ms. Richardson, I wanted to make you aware of the blog posting embedded below (thanks for forwarding, Paul). Unfortunately, some reporters are jumping to the conclusion that Ms. Richardson was able to secure a loan modification agreement with WaMu, despite her current financial standing.

Ann, please let us know how things go tomorrow (if you two are able to connect), and whether Ms. Richardson is expected to qualify for a workout based on the financial information provided. If we hear from Ms. Richardson, I will schedule a call tomorrow mid-day so that we can quickly touch base and discuss next steps.

Best,

Sara

Richardson Update: This Workout Smells - Calculated Risk (Blog)  
by Tanka  
June 10, 2008  
<http://calculatedrisk.blogspot.com/>

Our soberer readers (I know we have them) will remember California Congresswoman Laura Richardson (D-Speculator), who is facing foreclosure proceedings on three homes. The uproar began with the foreclosure of her unoccupied "second home" in Sacramento, which Richardson claimed was an "error" on WaMu's part, since (she claimed) she had worked out a last-minute modification agreement with WaMu the week before the sale.

According to the Daily Dose, WaMu has filed paperwork to rescind the foreclosure sale, and the man who bought the home is not happy:

The real estate broker who bought Rep. Laura Richardson's house at a foreclosure sale last month is accusing her of receiving preferential treatment because her lender has issued a notice to rescind the sale.

James York, owner of Red Rock Mortgage, said he would file a lawsuit against Richardson and her lender, Washington Mutual, by the end of the week, and has every intention of keeping the house.

"I'm just amazed they've done this," York said. "They never would have done this for anybody else."

York bought the Sacramento home at a foreclosure auction on May 7 for $388,000. Richardson had not
been making payments on the property for nearly a year, and had also gone into default on her two
other houses in Long Beach and San Pedro.

Richardson, D-Long Beach, has said that the auction should never have been held, because she had
worked out a loan modification agreement with her lender beforehand and had begun making
payments.

Richardson continues to refuse to authorize WaMu to release any information on her case, although
frankly I'm not sure if I were WaMu I'd want to talk about it. This smells terrible, indeed. Perhaps
reporters could simply ask some general questions of WaMu about its foreclosure workout policies.
Like:
* How often are modifications or repayment plans offered to owners of vacant investment properties with
no or negative equity that have never been listed or rented?
* How often are modifications offered to borrowers with two other properties currently in foreclosure?
* How often are modifications arranged in the week before the scheduled trustee's sale, following nearly
a year of no contact?
* Does WaMu's policy on modifications make any reference to requiring a "commitment to
homeownership" on the borrower's part? How, normally, is that established?
* Does WaMu's policy on modifications make any reference to establishing that the borrower does not
display a "disregard for debt obligations"? How, normally, is that established?

If, for instance, we had some evidence that stifling creditors and getting the taxpayers to subsidize her
financial impecuniosity was, like, a pattern of Richardson's long before the house payments went into
default, would that, like, indicate that her mortgage problems may not have much to do with
"extenuating circumstances"?

WaMu may not be able to read a credit report, but the Press-Telegram ferreted this out:
In 2005, when she was still on the Long Beach City Council, she left one mechanic in a lurch with an
unpaid bill, then later had her badly damaged BMW towed to an auto body shop but didn't pay for any
work and abandoned the car there, owners of the businesses said this week.

The next day, Richardson began using a city-owned vehicle - putting almost 31,000 miles on it in about
a year - and continued driving the car five days after she left the council to serve in the state
Assembly, city records show.

Labreche said he spent months leaving messages on Richardson's cell phone voice mail, then he got a
collection agency involved, but still the bill went unpaid.

In December 2005, Lillegard filed for a mechanic's lien on Richardson's car to pay the towing, storage
and administrative costs, he said. Lillegard said the lien was finalized in February 2006 and he sold the
car to a junkyard, though a few days later - too late - Richardson went him money to put toward the bill.

So in January of 2007, WaMu gave Richardson a 100% loan to purchase a second home, when her
credit report would have shown recent derogations related to the car repair bills, plus the payments on
two other homes, on a State Assembly salary that I can't quite see being equal to her existing debts, let
alone a new house payment. In other words, she got your basic subprime loan that relied on nothing
other than a fervent belief in endless house price appreciation - in January of 2007. Or else she got a
loan because she's a VIP.

I continue to want to know why WaMu is bailing out a deadbeat and a speculator at the expense of a
good-faith buyer of a foreclosed property, and wasting operational capacity on a deal like this instead
of working with struggling owner-occupants who might actually pay back the modified loan. I will leave it
to the citizens of California to explain why you want this woman anywhere near fiscal, budgetary, or
housing policy power.

(Hat tip to Brian)
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From: Gaugi, Sara C. 
To: Battaglia, Paul J. 
Cc: 
Bcc: 
Subject: Richardson / Long Beach Press-Telegram 
Date: Mon Jun 09 2008 20:00:19 EDT 
Attachments: 

FYI, below. The latest Richardson update.....

37th District Rep. Laura Richardson left car bills unpaid - Long Beach Press-Telegram
By Paul Eakins, Staff Writer
LONG BEACH - Car trouble takes on a new meaning when it comes to financially distressed Congresswoman Laura Richardson.

In 2005, when she was still on the Long Beach City Council, she left one mechanic in a lurch with an unpaid bill, then later had her badly damaged BMW towed to an auto body shop but didn't pay for any work and abandoned the car there, owners of the businesses said this week.

The next day, Richardson began using a city-owned vehicle - putting about 31,000 miles on it in about a year - and continued driving the car five days after she had left the council to serve in the state Assembly, city records show.

Richardson, 46, didn't return phone calls seeking comment this week. These are just the newest revelations of Richardson's ongoing financial problems and instances of her unpaid debts.

Last month, it was reported that Richardson's Sacramento home, where she had lived during her brief Assembly stint before moving on to Congress, had fallen into foreclosure and been sold at auction.

Further investigation revealed she had defaulted on that house and two others in Long Beach and San Pedro a total of eight times since 2004.

Meanwhile, Richardson was lending money to her campaigns as she embarked on an unprecedented rise to power from council to Assembly to Congress in one year. On Tuesday, she won the Democratic nomination to serve her first full, two-year term in Congress, and she is unchallenged in the November general election.

Unpaid and abandoned Richardson's car problems all started with a shimmy.

In October 2005, her 1999 four-door BMW had an odd vibration in the front, so she took it to Signal Hill Foreign Auto Service, according to Leo Labreche, the shop owner.

Mechanics there fixed the car and replaced some worn parts, but when Richardson picked up her vehicle, she said she didn't have the money to pay the $735 bill. Labreche said, Because Richardson was a council member, Labreche let her take the car, assuming that she was good for the money, he said.

"She had picked the car up and was going to come back and pay the bill, and she never did," Labreche said.

Labreche said he spent months leaving messages on Richardson's cell phone voice mail, then he got a collection agency involved, but still the bill went unpaid.

"I couldn't get through to her, and then when the collection agency couldn't do anything, I thought, 'There's nothing I'm going to be able to do,'" Labreche said.

But on Tuesday, after the Press-Telegram requested an interview with Richardson to discuss the 2 1/2-year-old unpaid bill, she went to the auto shop and paid Labreche, he said.

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Page 17 of 284

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Similarly, Richardson last week paid off a $150 printing bill owed to a local company following published reports about the debt.

Richardson also settled a bill Tuesday with another mechanic, Alvin's Auto Body in Signal Hill, only this time she came out ahead, in a sense.

About one month after Richardson took her BMW to Labreche for work, she got into a car accident that tore up the front left corner of her car, leaving it undriveable.

She initially had it towed back to Labreche for repairs, even though she still owed him money. But Labreche doesn't do auto body work.

So the car was sent to Alvin's Auto Body, which received the BMW on Nov. 17, 2005, according to owner Bob Lillegard.

But Lillegard never heard from Richardson or her insurance company, he said.

"I'd call her office, and they'd say she was too busy," Lillegard said. "I couldn't get through to her."

The BMW's extensive damage would have cost about $6,000 to repair, Lillegard said, which he suggested might have been more than the car was worth. The "Kelley Blue Book" Web site says a 1999 740IL BMW with standard options and 100,000 miles has a retail value of about $15,000 today.

In December 2005, Lillegard filed for a mechanic's lien on Richardson's car to pay the towing, storage and administrative costs, he said. Lillegard said the lien was finalized in February 2006 and he sold the car to a junkyard, though a few days later - too late - Richardson sent him money to put toward the bill.

The junkyard bought the BMW for $3,500, so Lillegard took the $2,100 he said was owed him, and when Richardson went to the body shop on Tuesday, he paid her the difference, he said.

A city ride

After the accident that led to Richardson abandoning her car, she apparently was without transportation.

So, on Nov. 18, one day after her BMW was towed to Lillegard's shop, she checked out a city-owned Toyota Prius to use for her council business, according to city fleet services bureau records cited by city spokeswoman Meredith Reynolds.

Reynolds said that the Prius was leased to Richardson that day, and that it was returned more than a year later, a few days after Richardson had ousted her council tenure.

In a letter acquired by the Press-Telegram from then-City Manager Jerry Miller to Richardson dated Dec. 4, 2002, Miller asked Richardson to return her city vehicle, identified as a Prius.

According to the letter, Richardson's last day as a council member was Dec. 3, 2006. She was sworn into the Assembly the following day.

City Fleet Services records show that Richardson turned in the car on Dec. 8, 2006, Reynolds said.

During the one-year and almost three weeks that Richardson had the Prius, she drove it 20,920 miles, Reynolds said. That amounts to an average of more than 80 miles per day, or about 2,400 miles per month, for Richardson's part-time council job in a 60-square-mile city.

By comparison, the only other two council members who used city vehicles during part or all of the same time period averaged 800 miles per month in one case and less than 400 miles per month in the other, according to figures provided by Reynolds.

Council members can either use their own vehicles for council business and receive a monthly car allowance from the city, or they may use city vehicles. However, city policy doesn't allow city vehicles to be used for personal use.

Richardson has never been shy about using city cars.

In 2001 and 2002, she had the highest vehicle expenses of any council member, in part by putting nearly 7,000 personal miles on her car in 2002. At the time, she and other council members told the Press-Telegram that they hadn't been aware of the no-personal-use rule.

In 2003, Richardson had been using a gas-guzzling Ford Expedition owned by the city, but switched to a Toyota Solara to save money. She told the Press-Telegram then that she soon would stop using a city vehicle altogether and would switch to a monthly car allowance.

She scrapped that effort in 2005 when she left her BMW at the auto body shop and again got behind the wheel of a city car.

Sara Gaufl
Home Loans Public Relations

WaMu
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FYI, below re: Wells Fargo loan.

Richardson, a Long Beach resident, was able to bring her payments up to date on the Long Beach home relatively quickly, but the San Pedro property lingered in the foreclosure process for almost eight months, and still has a pending auction date.

County records indicate that the San Pedro home went into default in September 2007, at which point Richardson was behind on her payments by $12,410.71, and had made no payments since June. A notice of trustee sale was issued on April 17, and an auction was scheduled for May 14 on the courthouse steps in Huntington Beach. The outstanding loan balance was $397,436, or an original 2005 loan of $360,000.

However, the auction was put on hold.

Richardson produced records from Wells Fargo Bank, which shows the note on her San Pedro home. That document, dated March 21, indicated that Richardson had qualified for a loan modification that would prevent the foreclosure from going forward. Cal西方Mortgage Assurance Corp., which was responsible for collecting the debt, confirmed that a hold had been placed on the auction, and the auction date had been postponed to July 14, pending a workout of the loan.

In September of that year, Richardson also let her San Pedro home slip into default when she fell $12,410 behind on her payments.

In January 2009 Richardson defaulted on the San Pedro home a second time, and in April - with Richardson owing $367,436 on an original loan of $360,000 - Wells Fargo Bank issued a notice of trustee sale of the home. Records indicate that the home is still scheduled to be sold at a July 14 auction.

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All:

As an update, here's another article written by Gene Maddaus, which posted earlier today.

Gene contacted me a moment ago with follow-up questions - I'll update you after I am able to connect with him.

Best,

Sara

Representative had history of missed loan payments
By Gene Maddaus Staff Writer

Article Launched: 08/29/2008

Rep. Laura Richardson, whose housing woes have been national news for the past week, defaulted a total of eight times on three properties since 2004, a thorough review of county records indicates.

Records show she has defaulted five times on her primary residence in Long Beach - including three in the last year, as she diverted her private resources into her campaign for Congress.

Richardson's housing troubles are more extensive than previously reported, and include two defaults from 2004, when she was a Long Beach city councilwoman.

Her habit of missing payments caught up with her earlier this month, when her Sacramento home was sold at a foreclosure auction. Richardson has said she will try to reacquire that property, but the real estate broker who bought it is refusing to give it back, and the law appears to favor his position.

The newly discovered property records indicate that Richardson was already behind on her payments on her Long Beach house before Rep. Juanita Millender-McDonald died in April 2007. The veteran congresswoman's death opened up the seat for Richardson.

Richardson received a default notice on May 10, 2007, indicating she was $12,325.78 behind on her Long Beach home. She had not made a payment since January, when she bought her Sacramento home with no money down for $535,000.

The loan against the Long Beach property was issued the previous summer, when Richardson refinanced for a sum of $148,280.

The original loan, issued in 1999, was for $108,000.

Richardson took $100,000 of the proceeds from the refinancing, and lent it to her 2006 Assembly campaign. After winning the election, she raised some money to pay back the loan, but then turned around and put $77,500 into her congressional campaign.

Richardson made a payment on the Long Beach property in May, and the default was rescinded. But she immediately stopped making payments again and a second default notice, for $15,101, was issued in October.

Once again, Richardson made a payment on the arrange but stopped making further payments. The loan defaulted again in March, at which point she owed $16,921.74.
The default notice was withdrawn again a few days later, and Richardson says she is now current on the Long Beach loan.

Richardson also defaulted twice on the original loan on the Long Beach property in 2004, in the wake of her divorce. She was $3,376.48 behind on her payments in March 2004. She caught up, but quickly fell behind again and by September owed $5,815.73. That arrearage was later repaid, and Richardson was able to stay current on the house until 2007.

Last summer and fall, Richardson defaulted twice on her San Pedro property. The first time, in September 2007, she owed $12,410.71. She made a payment and was able to get that notice rescinded, but stopped making payments again, and a new default notice was issued in January. That default led to a notice that an auction would be held on May 14. Before that point, Richardson said she was able to negotiate a loan modification, and that auction has been put on hold until July.

Richardson has also stiff-armed smaller creditors.

In August 2007, she walked into Sir Speedy Printing in Signal Hill, and made a rush order for 380 invitations announcing her election to Congress.

The print shop dropped other orders and staffers put in overtime to meet the request. The order was filled on time the next day, but Richardson never paid the $150 invoice, said the print shop's owner, Allen McClain.

McLean said he and his wife call about once a month to try to collect the debt, but are always told by staffers that Richardson doesn't have the money.

"It's just irritating," he said. "She's not just doing this to the big guys. She's doing it to the small guys, too."

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From: Gaugi, Sara C. 
To: Schneider, David C. 
Cc: Cook, Don; Batlagia, Paul J.; Elies, Alan; Owen, Jan L. 
Bcc: 
Subject: Confidential: Richardson Update 
Date: Fri May 23 2008 23:48:24 EDT 
Attachments: 

David, John and Steve:

So you are aware, earlier this evening Congresswoman Richardson talked with a number of media outlets including the Associated Press. As outlined in the AP article embedded below, she's claiming that the foreclosure auction of her Sacramento home was "improper" and contrary to a written agreement she had with WaMu. She also said that we've taken initial steps to rescind the foreclosure action given that she had an "agreement."

Legal, HL PR, Corp. Comm., Servicing and GIR will stay closely aligned as this situation continues to evolve. After discussing this afternoon, we unfortunately are still limited on what we can disclose about Ms. Richardson's loan situation (outside of public record) given that she won't provide her consent. We have and will continue to emphasize that fact to the media, and will point them back to the public record, which indicates a history of default.

We'll continue to update you on new developments, however in the interim, please let us know if you have any questions.

Best,

Sara

********

"Please note that this article is in draft form - the reporter provided it to me in advance of publication.

AP Interview: Gefr. congresswoman says home sale 'improper'

By ERICA WERNER Associated Press Writer

WASHINGTON (AP) _ Rep. Laura Richardson claimed Friday that her Sacramento home was sold into foreclosure without her knowledge and contrary to an agreement with her lender.
She said that she is like any other American suffering in the mortgage crisis and wants to testify to Congress about her experience as lawmakers craft a foreclosure-prevention bill.

In a lengthy interview with The Associated Press on Friday night, the Southern California Democrat struck back against several days of negative publicity over reports she defaulted on her mortgage, allowing the house to be sold at auction.

Richardson, elected in a special election last August, acknowledged turmoil in her life in the months after an incumbent's death in April opened up the Los Angeles-area House seat.

She used her money to finance her campaign and fell behind in mortgage payments. But Richardson said that makes her like other Americans who have to deal with a sudden death or birth that throws a wrench into their finances.

Now, Richardson said, she has renegotiated her loan to pay it off and promised to fully comply with all its terms. She also said she will pay nearly $3,000 in delinquent property taxes.

She insisted she's not getting special breaks because she's a congresswoman.

"I'm Laura Richardson. I'm an American, I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Richardson was a member of the Long Beach City Council when she won a California state Assembly seat in November 2005, months before she bought the three-bedroom, 1½-bath Sacramento home.

She won the congressional seat the next year in the special election to replace the late Juanita Millender-McDonald.

The problem is that the 1,600-square-foot home she bought for $555,000 in January 2006 was sold at auction earlier this month to a Sacramento mortgage lender, who paid $369,000. The sale was officially recorded on Monday, according to documents on file with the Sacramento County Recorder's Office.

A default notice sent to Richardson in March put her unpaid balance at $678,384.

Richardson, 46, makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.
Although others struggling with mortgages make far less, Richardson said it was "very misleading" to compare her earnings to the national median household income of around $50,000. The reason: Legislators are required to maintain two residences while other people don't have to, she said.

"Others also don't have to depend on winning an election to ensure their livelihood," she said.

Richardson provided AP with an April letter that appeared to be from Washington Mutual Home Loans telling her there was a hold on foreclosure sales on her property until June 4 of this year.

She said she got another letter asking for payments May 2 and paid them, but did not know the sale was going to happen five days later.

Richardson also provided an e-mail dated Thursday she said was from Washington Mutual that appeared to acknowledge an agreement "to facilitate the recision of foreclosure sale."

She did not provide documentation of the structure of her new loan.

A Washington Mutual spokeswoman, Sara Gaagi, told AP earlier in the day that the company had "not received consent from Ms. Richardson that would allow us to discuss her loan situation."

Washington Mutual did not respond to a later inquiry seeking comment on Richardson's claims.

Meanwhile, the current owner of the property told AP that his ownership of the house is not in doubt.

James York, owner of Red Rock Mortgage Inc. of Sacramento, declined to discuss any possible negotiations that might be ongoing.

"I've taken possession on the home," York said. "I've been working on it, fixing it up. It had been vacant, it was in cleaner and in better repair than most foreclosures."

The home, built in 1926, is in Sacramento's Curtis Park, a desirable, upper middle-class neighborhood near downtown that sits under a canopy of decades-old trees.
Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosure.

Richardson was absent earlier this month for votes on the Foreclosure Prevention Act, which she said was because of her father's funeral. But she could have another opportunity to vote on the foreclosure package as the House is expected to bring it back up in June once agreement is reached in the Senate.

In most cases, congressional ethics rules don't prevent lawmakers from voting on legislation that might affect or help them economically. Such votes are essentially impossible to avoid.

Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don't experience what she did. For example, she sees a need to add steps to inform property owners before their property can go to auction.

"We have to ensure that lenders and lenders have the tools with proper timing to resolve this," she said.

Melanie Sloan, executive director of the Washington-based Citizens for Responsibility and Ethics, criticized Richardson for falling deeper into debt while choosing to spend more than $75,000 of her own money on her campaign, suggesting that it's more important to win a seat in Congress than to be fiscally responsible, a point Richardson disputed.

Sloan also said Richardson should not be in the situation she is while making a congressional salary, when homeowners around the country making $50,000 or less are struggling to pay their debts.

"Truthfully, it's appalling," Sloan said.

Sara Gruhl
Home Loan Public Relations

WaMu
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attachments without copying or disclosing the contents. Thank you.
Hi team -
FYI, below.

From: Verdin, Tom
Sent: Fri 05/23/2008 7:02 PM
To: Gaugl, Sara C.
Subject: RE: Laura Richardson

Sara, here’s our first take on the Laura Richardson story tonight. Subsequent versions will have greater detail. Please let me know if WeMu wants to issue an updated statement.

Tom

1 BC-CA-Congresswoman’s House
1 UrgENT
1 AP Interview: Calif. congresswoman says home sale ‘improper’
1 AP Interview: Calif. congresswoman claims sale of her Sacramento house shouldn’t have happened
1 Ed: AMNEWNOW. WILL BE EDIT.
1 wnr/4/11-3/6
1 By ERICA WERNER
1 Associated Press Writer
1 06-29-2006 16:36
1 WASHINGTON (AP) - California Congresswoman Laura Richardson claims the foreclosure auction of her Sacramento house was improper and contrary to a written agreement she had with her lender.

1 In a lengthy interview with The Associated Press on Friday, the Southern California Democrat struck back against several days of negative publicity over reports she defaulted on her mortgage. Her house was sold at auction earlier this month.
1 Richardson said that sale never should have happened and that she has renegotiated her loan to pay it off.
1 She insisted that she is not getting special terms because she’s a congresswoman.
1 In fact, Richardson said the experience has allowed her to relate to the thousands of other Americans _ including many in her Los Angeles-area district _ confronted with foreclosures. She even
wants to testify before Congress about it.

From: Verdin, Tom
Sent: Friday, May 23, 2008 6:27 PM
To: sara.gaugl@wsjmu.net
Subject: Laura Richardson

Sara, thank you for calling us back earlier this evening.

As it happens, our reporter in Washington who covers California's congressional delegation was on the phone with Laura Richardson while you and I were talking. In brief, Richardson is blaming WaMu. She claims she did not know her Sacramento house was being sold at auction and says WaMu told her no action would be taken on it until sometime next month.

She also claims to have documentation to support this claim but has yet to provide it to us.

We'll be moving a story based on Richardson's comments shortly.

Because AP did not have her statement when we spoke previously, I wanted to give WaMu an opportunity to respond.

We'll be sending our story in late 1st (individual bites will move before the final writeup), and I can send you those so you can see exactly what Richardson claims.

Regards,

Tom Verdin
Correspondent
Sacramento bureau
916-448-8555

<< OLE Object: Picture (Metafile) >>

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[EP_US_DISC]
msk.docd0cdd2c3a6438f0cf467d9ae4938

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Good evening -

As an update to our call late this afternoon, Gene Maddaus, the reporter with the Daily Breeze, said he just finished a 90-minute interview with the Congresswoman and wanted to provide us with the opportunity to clear up some statements Ms. Richardson made with regard to her loan and WaMu.

I informed Gene that we have not received consent from Ms. Richardson that would allow us to discuss the specifics of her loan situation, and I expect to be quoted as such.

Gene then shared a few comments made by the Congresswoman. Her position appears to be that she had been in contact with WaMu representatives both verbally and via email and believes she worked out an agreement that would bring her loan current.

She also mentioned that she was 'taken aback' to learn that the house had been sold "right from under her" because she had made an arrangement to prevent the foreclosure sale. She then went on to say that WaMu has taken action to attempt to rescind the foreclosure action, presumably because there was an agreement in place and foreclosure sale proceedings were improperly held.

Though the reporter said he understood our position in terms of providing specifics, he asked if there was any information we could provide about WaMu's process around rescinding foreclosed properties. Given that we haven't yet moved forward with that process (to my knowledge), and that we haven't received consent from Ms. Richardson, I don't believe there is much more we can disclose at this time.

Paul/Don - please let me know otherwise.

I believe the story will run tonight the reporter indicated that he will be finishing up shortly.

- Sara

Sara Gaugl
Home Loans Public Relations

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Paul J. Battaglia
First Vice President and Senior Counsel
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Phone: 206-500-4261
Fax: 206-377-2784

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Can you let me know when you have a soc?

Jason Wilson-Aguilar
Vice President and Counsel
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Home Loans and Consumer Lending Division
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jason.wilson-aguilar@wm.com

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From: Thor, Ann
To: Caugl, Sara C.
       Owen, Jan L.
       Battaglia, Paul J.
       Cook, Don
Cc:  
Bcc:  
Subject: Richardson
Date: Fri Jun 06 2008 12:27:38 EDT
Attachments:

She was not prepared to discuss financials today. We sent her the financial package via email and she said she will have it done by Tuesday or Wednesday.

Moving onto Evander......

Ann Thor, FVP
Washington Mutual
National Asset Recovery Manager
904-886-5844

For Internal Use Only
FYI, only. Gene Maddaus is at it again.

Rep’s got expensive wheels
By Gene Maddaus, Staff Writer
Article Launched: 06/29/2009

Taxpayers pay for Rep. Laura Richardson’s car lease.

When she arrived in Congress last fall, Rep. Laura Richardson sought out a vehicle that would match her new-found status. She settled on a 2007 Lincoln Town Car - the choice of many representatives who lease their vehicles at taxpayers' expense, but hers was distinct: at $1,300 a month, it was the most expensive car in the House of Representatives.

Richardson, a Democrat who represents Carson, has since become known for defaulting on two home loans and losing a third house - in an upscale neighborhood in Sacramento - at a foreclosure auction. But her history with vehicles has been similarly fraught. When she was a councilwoman in Long Beach, she crashed her BMW, abandoned it at a body shop, failed to pay a prior repair bill, and then racked up $9,000 in bills on a city-owned hybrid in one year - apparently violating a policy against personal use of city cars.

In her brief stint in the Assembly, she leased a 2002 Lincoln LS for $304 a month - all but $36 of it paid for by the state. So Richardson was already well versed in the use of government vehicles when she got to Washington.

A protege of Rep. Maxine Waters - she calls Waters "Big Mama" and herself "Little Mama" - Richardson has worked to cultivate an image of success since arriving in Congress last fall. That effort evidently included a major upgrade of her publicly funded car.

About 130 representatives leased cars last year, according to a report compiled earlier this year by Taxpayers for Common Sense. Most were in the range of $400 to $800 per month.

Richardson’s 2007 lease costs show up on a more recent congressional spending report, because she did not pay the bill until February. According to the report, her first bill was for $1,200, and covered a one-month period from mid-October to mid-November. She then paid a prorated amount of $2,035 for the 45-day period from mid-November to the end of the year.

That makes her lease $300 more expensive than the cheapest car in the Taxpayers for Common Sense report. As of last winter, the newest member of Congress had far and away the most expensive car in the House of Representatives.

"A $1,300 lease is a gold-plated lease," said Keith Ashdown, chief investigator for the watchdog group. "Because it’s federal money and not their personal money, they’re not looking for the best value." Rep. Diane Watson, D-Los Angeles, also leases a 2007 Lincoln Town Car, but she pays only $65 per month for it.

According to a former staff member, Richardson insisted that her Lincoln be speciality customized, which may explain the high cost.

Richardson’s spokesman, William Marshall, initially stated that Richardson is paying only $940 per
month for her Town Car, but gave no documentation of that. After he was presented with the expense report showing the $1,300 lease amount, he declined to answer further questions.

"No comment," he said.

Richardson got the car from a local Enterprise Rent-a-Car office for her use when she needed to travel around her congressional district. The cost would not have been affected by her personal credit history, because it was paid for by the federal government. The price tag also did not include insurance, which Richardson agreed to pay for on her own.

At 6:30 p.m. April 3, a staff member was driving the car on the San Diego (405) Freeway, when he got into a crash. According to a California Highway Patrol report, the staffer, Harry Rogers, reported being struck in the rear by a white sport utility vehicle. The impact caused him to spin out and hit the center median and left major damage to the left rear of the Town Car.

The CHP report gives no information about the insurance on the car, other than to say that it was a "rental." But Richardson's subsequent actions suggest that Rogers may not have been listed as an eligible driver on her insurance policy.

According to the former staffer, after the crash Richardson required her district employees to buy additional insurance so they could legally drive the Lincoln. The former staffer said she did not want to be identified out of fear of jeopardizing future employment prospects.

Another former staffer said Rogers was not forced to pay for the damage to the car, but did not know how the issue was resolved.

Rogers referred questions about the crash to Richardson's spokesman, who did not return a call about the crash on Friday.

Richardson did not report the crash to Enterprise, but it is not clear that she was required to, given that she was self-insured.

Records also indicate that Richardson owes $183 for illegally parking the Town Car in Long Beach. The ticket was issued Jan. 23, in the amount of $40, but has since doubled because it was not paid on time. Richardson also owes $9,000 in property taxes on the Sacramento home, which she is trying to get back. The new owner of the home has sued her and her lender, Washington Mutual, after the bank moved to rescind the foreclosure sale.

"She's got bigger problems than what she's leasing," said Ashdown of the Taxpayers for Common Sense.

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Paul--I received Marty McGuinn's bill on this matter. Do you want me to sign off on it, or forward to you? Thanks.

Lawrence W. Stevens
First Vice President and Senior Counsel
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415-276-6012 (Fax)
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Thanks for forwarding, Geri Ann.

Team, FYI below.

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From: Baptista, Geri Ann S.
Sent: Thursday, June 12, 2008 1:20 PM
To: Gaugl, Sara C.; Strom, Erik E.
Subject: Pelosi comments on Laura Richardson defaults

Pelosi comments on Laura Richardson defaults
by Erica Werner The Associated Press
[http://www.dailybreeze.com/dl_9564107>]

WASHINGTON - House Speaker Nancy Pelosi, asked Thursday about fellow California Democratic Rep. Laura Richardson's multiple home defaults, said that "every member of Congress is responsible for living up to the highest ethical standards." Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a special election last year to replace the late Rep. Juanita Millender-McDonald in the 37th Congressional District in Long Beach.

But every lawmaker must make "the fullest disclosure of his or her assets as is required by law," Pelosi
said. “Many people in our country are caught in the foreclosure crisis. Members of Congress maybe are as well,” she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in Southern California that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also let car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she’d worked out a deal with her lender to buy it back. However, the purchaser of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she’s a congresswoman and that he planned to sue her over the issue.

Richardson’s spokesman, William Marshall, had no immediate comment Thursday. California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington. Bass and other Assembly leaders had endorsed Richardson’s congressional bid but Bass told reporters she’d had no idea about Richardson’s financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2008 and to Congress the next year.

“Given the rapid pace of all of that I can understand the financial difficulties, but now more is coming out,” Bass said. She said she’d hoped while in Washington to talk to Richardson about the situation but hadn’t had the opportunity.

Gerri Ann S. Baptiste, VP
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Good afternoon,

I just received the check for $319,109.05 back from Donna Parkinson along with a letter that I have attached. Please advise what I should do with the check.

Thank you.

Huey-Jan Chiu, Vice President
Department Manager
California Reconveyance Company
Home Loans

California Reconveyance Company
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Chatsworth, CA 91311

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huuy-jan.chiu@wwmu.net

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Check has been sent out via FedEx, 7910-7974-6662 along with a conformed copy of the rescission of trustee deed, which I am enclosing to this email.

Attachments:
Document.pdf (629068 Bytes)
This file is empty (i.e., its length is zero bytes)
From: Thom, Ann
To: Gaugl, Sara C.
Cc: Battaglia, Paul J.; Cook, Don; Owen, Jon L.

Subject: RE: Richardson / Long Beach Press-Telegram
Date: Mon Jun 09 2008 20:34:54 EDT

Attachments:

Oh my......... how is she still in office?

FYI, below. The latest Richardson update.....

57th District Rep. Laura Richardson left car bill unpaid - Long Beach Press-Telegram

By Paul Eakins, Staff Writer

LONG BEACH - Car trouble takes on a new meaning when it comes to financially distressed Congresswoman Laura Richardson.

In 2006, when she was still on the Long Beach City Council, she left one mechanic in a lurch with an unpaid bill, then later had her badly damaged BMW towed to an auto body shop but didn't pay for any work and abandoned the car there, owners of the businesses said this week.

The next day, Richardson began using a city-owned vehicle - putting almost 31,000 miles on it in about a year - and continued driving the car five days after she had left the council to serve in the state Assembly, city records show.

Richardson, 46, didn't return phone calls seeking comment this week.

These are just the newest revelations of Richardson's ongoing financial problems and instances of her unpaid debts.

Last month, it was reported that Richardson's Sacramento home, where she had lived during her brief Assembly stint before moving on to Congress, had fallen into foreclosure and been sold at auction. Further investigation revealed she had defaulted on that house and two others in Long Beach and San Pedro a total of eight times since 2004.

Meanwhile, Richardson was lending money to her campaigns as she embarked on an unprecedented
rise to power from council to Assembly to Congress in one year. On Tuesday, she won the Democratic nomination to serve her first full, two-year term in Congress, and she is unchallenged in the November general election.

Unpaid and abandoned

Richardson's car problems all started with a shimmy.

In October 2005, her 1000 four door 740iL BMW had an odd vibration in the front, so she took it to Signal Hill Foreign Auto Service, according to Leo Labreche, the shop owner.

Mechanics there fixed the car and replaced some worn parts, but when Richardson picked up her vehicle, she said she didn't have the money to pay the $735 bill, Labreche said. Because Richardson was a council member, Labreche let her take the car, assuming that she was good for the money, he said.

"She had picked the car up and was going to come back and pay the bill, and she never did," Labreche said.

Labreche said he spent months leaving messages on Richardson's cell phone voice mail, then he got a collection agency involved, but still the bill went unpaid.

"I couldn't get through to her, and then when the collection agency couldn't do anything, I thought, 'There's nothing I'm going to be able to do,'" Labreche said.

But on Tuesday, after the Press-Telegion requested an interview with Richardson to discuss the 2 1/2-year-old unpaid bill, she went to the auto shop and paid Labreche, he said.

Similarly, Richardson last week paid off a $150 printing bill owed to a local company following published reports about the debt.

Richardson also settled a bill Tuesday with another mechanic, Alvin's Auto Body in Signal Hill, only this time she came out ahead, in a sense.

About one month after Richardson had taken her BMW to Labreche for work, she got into a car accident that tore up the front left corner of her car, leaving it undriveable.

She initially had it towed back to Labreche for repairs, even though she still owed him money. But Labreche doesn't do auto body work.

So the car was sent to Alvin's Auto Body, which received the BMW on Nov. 17, 2005, according to owner Bob Lillegard.

But Lillegard never heard from Richardson or her insurance company, he said.

"I'd call her office, and they'd say she was too busy," Lillegard said. "I couldn't get through to her."

The BMW's extensive damage would have cost about $8,000 to repair, Lillegard said, which he suggested might have been more than the car was worth. The "Kelley Blue Book" Web site says a 1999 740iL BMW with standard options and 100,000 miles has a retail value of about $15,000 today.

In December 2005, Lillegard filed for a mechanic's lien on Richardson's car to pay the towing, storage and administrative costs, he said. Lillegard said the lien was finalized in February 2006 and he sold the car to a junkyard, though a few days later - too late - Richardson sent him money to put toward the bill.

The junkyard bought the BMW for $3,600, so Lillegard took the $2,100 he said was owed him, and
when Richardson went to the body shop on Tuesday, he paid her the difference, he said.

A city ride

After the accident that led to Richardson abandoning her car, she apparently was without transportation.

So, on Nov. 16, one day after her BMW was towed to Lillegard’s shop, she checked out a city-owned Toyota Prius to use for her council business, according to city Fleet Services Bureau records cited by city spokeswoman Meredith Reynolds.

Reynolds said that the Prius was issued to Richardson that day, and that it was returned more than a year later, a few days after Richardson had ended her council tenure.

In a letter acquired by the Press-Telegram from then-City Manager Jerry Miller to Richardson dated Dec. 5, 2006, Miller asks Richardson to return her city vehicle, identified as a Prius.

According to the letter, Richardson’s last day as a council member was Dec. 3, 2006. She was sworn into the Assembly the following day.

City Fleet Services records show that Richardson turned in the car on Dec. 8, 2006, Reynolds said.

During the one year and almost three weeks that Richardson had the Prius, she drove it 30,920 miles, Reynolds said. That amounts to an average of more than 80 miles per day, or about 2,400 miles per month, for Richardson’s part-time council job in a 50-square-mile city.

By comparison, the only other two council members who used city vehicles during part or all of the same time period averaged 500 miles per month in one case and less than 400 miles per month in the other, according to figures provided by Reynolds.

Council members can either use their own vehicles for council business and receive a monthly car allowance from the city, or they may use city vehicles. However, city policy doesn’t allow city vehicles to be used for personal use.

Richardson has never been shy about using city cars.

In 2001 and 2002, she had the highest vehicle expenses of any council member, in part by putting nearly 7,000 personal miles on her car in 2002. At the time, she and other council members told the Press-Telegram that they hadn’t been aware of the no-personal-use rule.

In 2003, Richardson had been using a gas-guzzling Ford Expedition owned by the city, but switched to a Toyota Solara to save money. She told the Press-Telegram then that she soon would stop using a city vehicle altogether and would switch to a monthly car allowance.

She scrapped that effort in 2005 when she left her BMW at the auto body shop and again got behind the wheel of a city car.

Sara Gruj

Home Loans Public Relations

Wamu

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I just wanted to let you know that I have sent a copy of the rescission to Congresswoman this morning. Once it is recorded, we will get the trust Mit package out.

Ann Thor, FVP
Washington Mutual
National Asset Recovery Manager
904-885-5544

For Internal Use Only
From: Battaglia, Paul J.
To: Gaugl, Sara C.
Cook, Don
Owens, Jan L.
Thom, Ann
Cc: Laura Richardson
Date: Tue Jun 10 2008 16:31:57 EDT

FV regarding the Calculated Risk blog and Laura Richardson

Paul J. Battaglia
First Vice President and Senior Counsel
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Fax: 206-377-2784

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Good morning.

As an update to my note from earlier this morning, Gene Maddaus is in the process of writing yet another story on Ms. Richardson's financial situation. His questions are outlined below and his deadline is 5 p.m. on Monday.

Here is a first cut at a draft (and brief) response to Gene's questions. Looking forward to your thoughts/edits/revisions.

My preference continues to be that we attempt to limit WaMu's inclusion in the coverage to the extent possible. However, given that the Notice of Rescission has been sent for reporting, it is likely that we'll receive additional media inquiries related to that action on Monday or Tuesday. And at that point, I think we should be prepared to expand our current statement (as appropriate).

Response:

We aren't in a position to discuss the specifics of Ms. Richardson's loan situation as we have not received any authorization from her to do so.

More broadly, if a loan has gone to foreclosure sale in error, we will honor commitments made to the customer and take appropriate measures to rectify the situation.

As a matter of policy, we don't comment on litigation. However, as you would expect, the conditions in which a lender would seek to resolve a foreclosure sale are driven by the specific facts of each case.

Best,

Sara

Sara Gaugi

Hunting Public Relations

WaMu

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--- Original Message ---

From: Gene Maddaus
Sent: Friday, May 30, 2006 10:28 AM
To: Gaugi, Sara C.
Subject: RE: follow-up

1. Is WaMu aware of situations in which WaMu loans have been foreclosed improperly, either because a loan modification was signed prior to the auction or for some other reason, and if so, what steps is WaMu taking to correct that problem? Would a borrower in that situation be entitled to a refund of any payments made on the loan modification?

2. If WaMu determines that a WaMu loan was foreclosed improperly, will WaMu, as a general practice, sue to overturn the foreclosure? Has that ever happened, and if so what was the outcome?

3. Without violating Congresswoman Laura Richardson's privacy rights, can WaMu state unequivocally that Ms. Richardson has received no preferential treatment in the handling of her loan, and will not receive any preferential treatment in the future?

4. Has Ms. Richardson allowed WaMu to discuss her case publicly? (If yes, there will be some other questions.)

Gene
Richardson mum in the face of mounting pressure

By Jared Allen
Posted: 06/13/08 11:59 AM [ET]
Embattled Rep. Laura Richardson (D-Calif.) remained mum on Friday following more news about her personal housing crisis and a warning from House Speaker Nancy Pelosi (D-Calif.) to put her fiscal houses in order. Richardson, who has dodged repeated calls for information regarding her multiple defaults on three home mortgages and her financial disclosure reports, failed to report a heavily indebted mortgage on her initial 2007 financial statement. Official financial reports for House members will be released on Monday, and it remains to be seen if Richardson’s official report will have been amended from the one she previously filed. However, Pelosi issued a warning to Richardson on Thursday that she risks whatever repercussions may come from failing to disclose her assets and liabilities to the letter of the law. "Every member of Congress is responsible for living up to the highest ethical standard, to having the fullest disclosure of his or her assets, as is required by law," Pelosi said at her weekly news conference. "And many people in our country are caught in a foreclosure crisis. Members of Congress maybe are as well." After falling too far behind on mortgage payments on a home she purchased in Sacramento in January 2007, Richardson was forced to watch the home sold at auction last month. In the aftermath, it was revealed that Richardson has defaulted on mortgages for three California homes since 1999. According to records pulled from Los Angeles and Sacramento counties, Richardson has defaulted five separate times on her primary residence in Long Beach, a home she purchased in 1999 and refinanced in the summer of 2006 for a new $448,250 mortgage. The prior summer, Richardson took out a loan from Wells Fargo, in the amount of $358,000, to purchase a second home in San Pedro. After defaulting twice - in September 2007 and again in January - and owing $367,426 on an original loan of $359,000, Richardson received notice from her lender in April that her San Pedro home was going to be sold at auction. According to reports, that auction is scheduled for July 14. But it is Richardson's Sacramento home that has garnered the most attention, and pieces her in the most immediate risk as a member of Congress who is bound by federal law to disclose certain assets and liabilities. According to Richardson’s 2007 financial disclosure statement - which she filed in February - she failed to report her Sacramento home mortgage as a liability even though she owed $40,000 more than she paid for the home, which was purchased in January of that year. By the end of 2007 - which marks the end of the 2007 financial disclosure reporting period - Richardson had accumulated $575,000 in total debt after failing to make payments on her original $656,000 mortgage, according to Sacramento County records. Financial disclosure laws require members of Congress to report home mortgages as liabilities if insolvency exceeds the purchase price.
prices of the item, and congressional ethics and finance experts have said that, on a plain reading of the law, Richardson was required to disclose such an indebted mortgage as a liability. Under the section of the report for liabilities, Richardson simply lists, "N/A." A senior House Democrat close to leadership on Thursday afternoon said he had spoken to Richardson about the matter and she had assured him that, with regard to her Sacramento home, the "bank screwed up." On Wednesday the Los Angeles Times reported that James York, the real estate investor who bought Richardson's Sacramento home at a May auction for $395,000, is now claiming that Richardson's lender, Washington Mutual, repossessed the property on behalf of Richardson. York had recorded the deed on May 10 and had begun renovations, the Times reported. "They took the property back, and they didn't even send back the money," York was quoted in the Times. "It's clear what's happening is Ms. Richardson is abusing her political power and using it for her own political needs."

Geri Ann S. Baptista - VP, WeMu Corporate Communications
206.500.2875 direct | 206.377.2023 cell | geriann.baptista@wamu.net

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From: Gaugi, Sara C.
Sent: Thursday, June 12, 2006 2:15 PM
To: Baptista, Geri Ann S.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Don; Thom, Ann
Subject: RE: Pelosi comments on Laura Richardson defaults

Sensitivity: Confidential

Thanks for forwarding, Geri Ann.

Team, FYI below.

Sara Gaugi
Home Loans Public Relations

WeMu
1301 Second Avenue | WMC46 | Seattle WA 98101
206.500.2822 direct | 206.377.2023 cell
sara.gaugi@wamu.net

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From: Baptista, Geri Ann S.
Sent: Thursday, June 12, 2006 1:20 PM
To: Gaugi, Sara C.; Strom, Erik E.
Subject: Pelosi comments on Laura Richardson defaults

Sensitivity: Confidential

Pelosi comments on Laura Richardson defaults
By Erica Werner The Associated Press

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JPMC-001431
CONFIDENTIAL
Page 104 of 223

CSOC.RICH.003068
WASHINGTON - House Speaker Nancy Pelosi asked Thursday about fellow California Democratic Rep. Laura Richardson's multiple home defaults, said that "every member of Congress is responsible for living up to the highest ethical standards."

Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a special election last year to replace the late Rep. Juanita Millender-McDonald in the 37th Congressional District in Long Beach. But every lawmaker must make "the fullest disclosure of his or her assets as is required by law," Pelosi said.

"Many people in our country are caught in the foreclosure crisis. Members of Congress maybe are as well," she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in Southern California that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also left car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she'd worked out a deal with her lender to buy it back. However the purchaser of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she's a congresswoman and that he planned to sue over the issue.

Richardson's spokesman, William Marshall, had no immediate comment Thursday.

California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington. Bass and other Assembly leaders had endorsed Richardson's candidacy but Bass told reporters she'd had no idea about Richardson's financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2006 and to Congress the next year.

"Given the rapid pace of all of that I can understand the financial difficulties, but now more is coming out," Bass said. She said she'd hoped while in Washington to talk to Richardson about the situation but hasn't had the opportunity.
From: Battaglia, Paul J.  
To: Parker, Gary L.  

Subject: RE: Richardson  
Date: Wed Jun 25 2008 16:06:18 EDT  

Attachments:

Sorry Gary, you had asked for this earlier and it slipped my mind.

My file # is [file number]

Paul J. Battaglia  
First Vice President and Senior Counsel  
Washington Mutual Bank  
1301 2nd Avenue, WMC 5501  
Seattle WA 98101  
Phone: 206-500-4261  
Fax: 206-377-2784  

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From: Parker, Gary L.  
Sent: Wednesday, June 25, 2008 1:53 PM  
To: Battaglia, Paul J.  
Subject: Richardson  

Hi Paul-

Do you have the file number for the Richardson case that I can forward to our outside outside counsel?  
Thanks.

Gary Parker  
Legal Department  
Washington Mutual  
1301 Second Ave.  
Seattle, WA 98101  
206.500.4355 direct, 206.377.2840 fax  
gary.parker@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosin the contents. Thank you.
From: Mama, Julie A. 
To: Thorn, Ann 
Cc: Gaugi, Coco C. 
Bcc: Richardson, Paul J. 
Date: Mon Jun 23 2008 16:22:30 EDT 
Subject: Richardson

Savannah and I just spoke to Ms. Richardson, she agrees to the modification terms. I advised her the team will not reflect current until we receive the signed documents.

Ms. Richardson wants to know if her rights to the property have been restored and if the locks were changed how she can get into the property. She also wants to coordinate a press release with Sara, I provided her with Sara’s phone number.

Thanks,

Julie
From: Battaglia, Paul J.
  <o=warnquotes=sea/cn=s=cn=209440>
To: Klein, Jason C.
  <o=warnquotes=sea/cn=s=cn=164802>; Martin T. McGuinn
  <mmcguinn@kirbymac.com>; Cook, Don
  <o=warnquotes=sea/cn=s=cn=578990>; Parker, Cary L.
  <o=warnquotes=sea/cn=s=cn=142170>
Cc: 
Bcc: 
Subject: Laura Richardson
Date: Fri Jun 13 2008 15:44:10 EDT
Attachments: 

I've spoken to Jason and Marty and left a message with Cary. We'd like to have a 4:00 call to discuss
the Laura Richardson matter.

Cary, can you come to our floor and you, Don and I will grab a conference room.

Jason and Marty, please dial in to my conference number.

Number: [_______]
Participant Code: [_______]

Thanks.

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

NOTICE: This communication may contain legally privileged or other confidential information. If you
have received it in error, please advise the sender by reply e-mail and immediately delete the message
and any attachments without copying or disclosing the contents. Thank You.
Okay good. I looked at Savannah’s numbers and the math adds up, so you’re good to go forward and prepare the mod documents based on these numbers. If not already done, I recommend someone make a call to Richardson to inform her that the taxes are included (capitalized) in the MOD and documents are on the way. From her e-mail to Julie and Ann yesterday she is inquiring about the taxes.
From: Thorn, Ann
To: Lyman, Daryl W., Rogers, Savannah L., Babayigit, Paul J.
Cc: Coker, Darlene
Subject: REL - Richardson
Date: Wed Jul 09 2008 13:31:05 EDT
Attachments:

Taxes are included and new mod tips need to be communicated to Richardson to let her know that taxes are now included, but we amended the interest and maturity to keep payments the same as originally communicated.
Ann: Yes. Per my voice mail message, I'm trying to understand the MOD terms as they were communicated to Richardson. Are the terms the same as listed below by Savannah? Or does the recently discovered tax advance create an issue?
Sent from my BlackBerry Wireless Handheld

--- Original Message ---
From: Mathis, Julie A.
To: Thorn, Ann
Sent: Tue Jun 24 06:53:52 2008
Subject: FW: 9728942433 Richardson

FYI

From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:39 AM
To: Johnson, Wonza L.
Cc: Heywood, Olujo S.; Mathis, Julie A.
Subject: Richardson

Hi Wonza,
There were two checks returned 4/21/08 for delinquent property taxes $9109.81 + $405.49. This loan went to foreclosure which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 920 0307
Direct fax 406 549 5678

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From: Thorn, Ann
To: Rapòsta, Geri Ann S.
   Gaugl, Sara C.
   Elías, Alan
   Cook, Don
   Potashnick, Barbara A.
   Battaglia, Paul J.
   Owen, Jan L.
Cc: Boc
Subject: RE: Richardson Update
Date: Thu Jun 19 2008 07:36:27 EDT
Attachments:

I will only be available for the first 15 minutes or so......Fitch is here today.

From: Rapòsta, Geri Ann S.
Sent: Wed 06/18/2008 07:10 PM
To: Gaugl, Sara C.; Elías, Alan; Cook, Don; Potashnick, Barbara A.; Battaglia, Paul J.; Thorn, Ann; Owen, Jan L.
Subject: Richardson Update

When: Thursday, June 19, 2008 9:30 AM-9:30 AM (GMT-07:00) Pacific Time (US & Canada); Tijuana.
Where: [\—————]

Proprietary and Confidential - Do Not Copy
From: Gaugi, Sara C.
To: Elias, Alan
Elias, Alan
Thorn, Ann
Thorn, Ann
Battaglia, Paul J.
Battaglia, Paul J.
Cook, Ponn
Cook, Ponn
Owen, Jan L.
Owen, Jan L.

Subject: LA Times Blog: Richardson
Date: Tue Jun 17 2006 20:52:24 EDT
Attachments:

This should be interesting....


Ask the congresswoman: Your questions for U.S. Rep. Laura Richardson
I'm overdue for a session of "Ask the blogger," so here goes. Today, something completely different:
Instead of your questions for me, I'd like to hear your questions for U.S. Rep. Laura Richardson, the
typical Democrat from Long Beach.
I sent her office a list of questions in late May (you can see my questions by clicking at the bottom of
this post) and haven't heard back, so I'm giving up and turning to you: submit your best (serious)
questions for U.S. Rep. Laura Richardson, I'll sort through them and send them along to her
congressional office. Fire away.

(Sent by e-mail on June 10 to Kimberly Parker, chief of staff to U.S. Rep. Laura Richardson)
Kimberly: I'm still interested in answers to the questions below, which I first submitted to the
congresswoman's office on May 22:
Questions from Peter Viles at the Los Angeles Times:
What kind of mortgage did the congresswoman take on the Sacramento home? (Adjustable Rate
Mortgage, Option ARM, 30-year-fixed, etc.)
What was the amount of the loan and the interest rate?
Who was the original lender?
Did she take out one loan or more than one loan?
Did she make a down payment? If so, how much?
A published report quotes the seller of the house saying that Ms. Richardson received $15,000 from the
seller for closing costs. Is this accurate?
What were her monthly payments on the mortgage?
How many payments did she make on the mortgage?
When did she begin missing payments on the mortgage, and why?
When and how did she contact the lender to discuss a loan modification?
Did she contact the lender herself, or did a member of her staff contact the lender?
Documents indicate the amount she owed on the loan was eventually greater than the initial value of
the loan itself. Can you explain why the amount she owed increased?
When did she and the lender agree to a loan modification? And what is the exact nature of the loan
modification? What is the new interest rate, the new principal amount, and the new monthly payment?
How many payments has the congresswoman made on the loan modification?
Thanks,
Peter Viles
Sara Gaugl
Home Loans Public Relations

WauMu
1301 Second Avenue I WMC40 I Seattle WA 98101
206.500.2822 direct I 206.500.2822 cell
sara.gaugl@wamu.net

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From: Owen, Jan L. 
To: Baptista, Gari Ann S. 
   Gaugl, Sara C. 
   Cok, Don 
   Battaglia, Paul J. 
   Thorn, Ann 
Cc: 
Bcc: 
Subject: RE: Richardson Disclosure 
Date: Mon Jun 16 2008 17:04:13 EDT 
Attachments: 

So, do we think having our calls again are in order? I can set them up - let me know. Thanks, Jan 

---

From: Baptista, Gari Ann S. 
Sent: Monday, June 16, 2008 1:56 PM 
To: Strom, Erika E.; Owen, Jan L., 
Cc: Gaugl, Sara C. 
Subject: Richardson Disclosure 
Sensitivity: Confidential 

---

June 16, 2008, 9:34 pm 

Disclosure Offers No Insight on Lawmaker’s Home Woes 

Sarah Lucek reports on Congress. 

Trackback URL: <http://blogs.wsj.com/washwire/2008/06/16/disclosure-offers-no-insight-on-lawmakers-home-woes/trackback/> 

House members' annual financial-disclosure forms were released Monday, but the one submitted by California Democratic Rep. Laura Richardson provided no information about her recent mortgage woes. 

---
Multiple accounts have been reported recently <http://www.latimes.com/news/local/politics/california/macarthur11-20080511103076049.story> on Richardson's financial troubles, which includes a foreclosure on one of her California homes and defaults on two others.

On the section labeled "Liabilities," Richardson's form says only "NA." There's no mention of the balance of $578,384 that Richardson reportedly owes on a Stavrosmanto home she purchased in January 2007. It was sold at auction to a mortgage lender for $388,000, according to the Associated Press.

Members of Congress are not required to report mortgages on their residences, unless the property is the source of rental or investment income. They are, however, required to disclose a mortgage debt or other type of loan when it exceeds the purchase price of the item.

Richardson's form is dated May 19 and covers calendar year 2007. She is among dozens of lawmakers who requested extra time to file information on their assets, debts, travel and income-possibly a sign that more details are on the way. Her new deadline is Monday, June 16. A spokesman didn't immediately return calls for comment.

Richardson told the AP in a May interview that her financial trouble was partly the result of using her own money for her recent run for her House seat. She said she renegotiated her loan and will pay it off, along with nearly $9,000 in delinquent property taxes. "I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Gerl Ann S. Baptista - VP, WaMu Corporate Communications
206.500.2575 direct | 206.512- _ Cell | 206.377.2023 fax | gerlann.baptista@wamu.net

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From: Gagli, Sara C.
Sent: Saturday, June 14, 2008 4:30 PM
To: Baptista, Gerl Ann S.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Don; Thom, Ann; Potashnick, Barbara A.
Subject: Covington on Richardson Loan Term
Sensitivity: Confidential

FYL

Richardson's loan was subprime - Press Telegram (Long Beach)

By Gail Maddox, Staff Writer
Rep. Laura Richardson took out a subprime loan to buy her Sacramento house, suggesting she probably was a poor credit risk even before her recent string of loan defaults.

Richardson, D-Long Beach, has defaulted on all three of her homes, and lost the one in Sacramento in a foreclosure auction. She is now engaged in a legal battle with the new owner of the home, after her lender, Washington Mutual Bank, filed to rescind the sale.

James York, owner of Red Rock Mortgage Inc., filed a lawsuit on Thursday against Richardson and Washington Mutual, contesting the foreclosure rescission.

Included in the suit was Richardson’s deed of trust, which contains the terms of her home loan. The no-money-down loan was issued for $535,000 in January 2007. It was adjustable after two years, with an introductory rate of 8.8 percent.

“That’s a subprime loan,” said Jon Nastro, a real estate broker in nearby Elk Grove. “Those are the ones we’re taking back now.”

Richardson previously declined to disclose her loan terms.

The average prime mortgage rate at the time was 6.22 percent, according to Freddie Mac.

Without further information, it is difficult to tell whether Richardson’s subprime loan terms were the result of a poor credit history, lack of income documentation, or both.

Richardson was an assemblywoman at the time the loan was issued, with an annual salary of $113,000. She also collected $28,365 in per diem for living expenses in Sacramento during the nine months she served in the Legislature. She now earns $189,300 as a member of Congress and rents an apartment in Washington, D.C.

Before her election in 2006, Richardson earned $80,000 as a legislative director for L.A. Gov. Cruz Bustamante and $28,000 as a Long Beach city councilwoman, according to a congressional financial disclosure form.

Richardson also owns two homes in San Pedro and Long Beach. In 2006, she took out an equity loan
against the Long Beach home to finance her run for the Legislature.

Richardson has defaulted at least eight times on the three properties since 2004—six times in the last 14 months. She had also failed to pay smaller debts to a mechanic and a printing shop until reporters began inquiring about them.

Richardson's staffers were unavailable for comment on Friday.

From: Baptista, Geri Ann S.  
Sent: Sat 06/14/2008 2:22 PM  
To: Gougl, Gene C.; Strom, Erik E.; Owen, Jan L.; Bertaglia, Paul J.; Elise, Alan; Cook, Don; Thom, Ann; Petashnick, Barbara A.  
Subject: Coverage on Richardson Lawsuit  
San Jose Mercury News and AP stories (AP story picked up by some online syndication outlets).  
<http://www.mercurynews.com/breakingnews/ci_8579899?noclick_check=1>  
Buyer sues Calif. congresswoman over foreclosure  
By JULIET WILLIAMS Associated Press Writer  
Article Launched: 06/13/2008 05:40:18 PM PDT

SACRAMENTO-A Sacramento Investor who bought the foreclosed home of Rep. Laura Richardson has filed a lawsuit against the congresswoman and her bank for rescinding the sale.

James York claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to back out of the sale.

York, who operates Red Rock Mortgage Inc., bought the foreclosed home in an upper-middle class Sacramento neighborhood at auction in May for $385,000 after Richardson failed to make her mortgage payments.

In the lawsuit filed in Sacramento County Superior Court, York is seeking to have the house returned to him, as well as punitive damages and costs. He also claims the bank acted with malice after the legitimate sale of the house.

The Associated Press obtained a copy of his lawsuit on Friday, the day the defendants were served.

Richardson, a Democrat from Long Beach, previously told the AP that the house was sold without her knowledge and after the bank agreed to hold off on any action until at least June.

She bought the house in January 2007 for $535,000, a few months after she was elected to the state Assembly. She took out an adjustable-rate mortgage with an interest rate that could vary between 8.6 percent and 14 percent, according to documents filed with York's lawsuit.
Richardson's spokesman, William Marshall, said the congresswoman had not been notified of the lawsuit. He declined further comment.

In an interview Friday with the AP, York said he believes Washington Mutual's trustee responded the way he did because Richardson is a member of Congress. He said the savings and loan would not have done that for an average person.

York said he tried to negotiate a settlement but was rebuffed.

"They received the notice of trustee sale and put it back in her name before even telling me," he said. "It's not a difficult case. It's a valid sale."

A spokeswoman for Washington Mutual, Sara Gaugl, said the company would have no comment because Richardson had not authorized it to speak about her case.

Richardson, 48, was a member of the Long Beach City Council when she won the Assembly seat in November 2006, months before she bought the three-bedroom, 1 1/2 bath Sacramento home. She won the congressional seat the next year in a special election to replace the late Juanita Millender-McDonald.

Richardson has acknowledged turmoil in her life during the short time she went from the city council to the state Assembly to Congress. She said she used her own money to finance her campaigns and fell behind in mortgage and property tax payments.

A default notice sent in March put her unpaid balance on the 1,600-square-foot home at $579,184.

Richardson's financial troubles appear to run deeper, however. The Long Beach Press-Telegram has reported that Richardson has two other homes in San Pedro and Long Beach that have fallen into default six times. Five of the defaults, totaling nearly $71,000, occurred in the last 13 months.

The newspaper also reported that Richardson has a history of not paying other bills, including failure to pay for car repairs and campaign fliers.

The congresswoman told the AP she believed she had worked out a deal with Washington Mutual to renegotiate her loan on the Sacramento home and pay it off. She also said she intended to pay the nearly $9,000 in delinquent property taxes.

In the notice of rescission filed as an exhibit in York's lawsuit, the trustee company acknowledges it "had previously agreed to postpone the foreclosure sale until June 4, 2008."

Meanwhile, York said in the lawsuit that he has already started making repairs to the house, including painting, restoring the floors, landscaping and general clean-up that have "significantly increased its value."

He argues it would be unfair to give the house back to Richardson in better condition than she lost it. The amount of money he has spent on the repairs was not specified.

Richardson makes nearly $170,000 as a member of Congress and was paid $13,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filled with the House of Representatives clerk.

The home, built in 1928, is in Sacramento's Curtis Park, a desirable, upper middle-class neighborhood near downtown that sits under a canopy of decades-old trees.
Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosure. She has said she would like to testify before Congress as someone victimized by the nation's mortgage crisis.

York notes in his lawsuit that the house now has a cloud over it-making it more difficult to sell if it is eventually returned to him.

"If I had known it was this congresswoman's house, I probably never would have bought it," York said in the telephone interview.

Associated Press Writer Erica Werner in Washington, D.C., contributed to this report.

Buyer sues Calif. congresswoman over foreclosure

SACRAMENTO, Calif. (AP) - An investor who bought a congresswoman's foreclosed home filed a lawsuit against the legislator and her bank for rescinding the sale.

James York had purchased the home at auction in May for $388,000 after Rep. Laura Richardson failed to make her mortgage payments. He claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to later back out of the sale.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," York said. "It's not a difficult case. It's a valid sale."

His lawsuit in Sacramento County Superior Court seeks to have the house returned to him, as well as punitive damages and costs.

Richardson, a Democrat from Long Beach, bought the house in January 2007 for $335,000. She previously told The Associated Press that it was sold without her knowledge and after the bank agreed to delay action.

The lawsuit was served to the defendants Friday.

Richardson's spokesman, William Marshall, said the congresswoman had not seen it and declined to comment. A spokeswoman for Washington Mutual, Sara Gaugl, said the company would have no comment because Richardson had not authorized it to speak about her case.

From: Bartlotta, Geri Ann S.
Sent: Fri 06/13/2008 10:13 AM
To: Gaugl, Sara C.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Don; Thorn, Ann
Subject: Richardson liability report and comment to senior Democrat

Richardson in the face of mounting pressure

By Jared Allen
Posted: 08/13/08 11:50 AM [ET]
Embattled Rep. Laura Richardson (D-Calif.) remained mum on Friday following more news about her personal housing crisis and a warning from House Speaker Nancy Pelosi (D-Calif.) to put her fiscal house in order.

Richardson, who has dodged repeated calls for information regarding her multiple defaults on three home mortgages and her financial disclosure reports, failed to report a heavily indebted mortgage on her initial 2007 financial statement.

Official financial reports for House members will be released on Monday, and it remains to be seen if Richardson's official report will have been amended from the one she previously filed.

However, Pelosi issued a warning to Richardson on Thursday that she risks whatever repercussions" may come from failing to disclose her assets and liabilities to the letter of the law.

"Every member of Congress is responsible for living up to the highest ethical standard, to having the fullest disclosure of his or her assets, as is required by law," Pelosi said at her weekly news conference. "And many people in our country are caught in a foreclosure crisis. Members of Congress maybe are as well."

After failing too far behind on mortgage payments on a home she purchased in Sacramento in January 2007, Richardson was forced to watch the home sold at auction last month.

In the aftermath, it was revealed that Richardson has defaulted on mortgages for three California homes since 1999.

According to records pulled from Los Angeles and Sacramento counties, Richardson has defaulted five separate times on her primary residence in Long Beach, a home she purchased in 1999 and refinanced in the summer of 2006 for a new $445,290 mortgage.

The prior summer, Richardson took out a loan from Wells Fargo, in the amount of $350,000, to purchase a second home in San Pedro.

After defaulting twice - in September 2007 and again in January - and owing $367,436 on an original loan of $350,000, Richardson received notice from her lender in April that her San Pedro home was going to be sold at auction. According to reports, that auction is scheduled for July 14.

But it is Richardson's Sacramento home that has garnered the most attention, and places her in the most immediate risk as a member of Congress who is bound by federal law to disclose certain assets and liabilities.

According to Richardson's 2007 financial disclosure statement - which she filed in February - she failed to report her Sacramento home mortgage as a liability even though she owed $40,000 more than she paid for the home, which was purchased in January of that year.

By the end of 2007 - which marks the end of the 2007 financial disclosure reporting period - Richardson had accumulated $575,000 in total debt after failing to make payments on her original $535,000 mortgage, according to Sacramento County records.

Financial disclosure laws require members of Congress to report home mortgages as liabilities if indebtedness exceeds the purchase prices of the item, and congressional ethics and finance experts
have said that, on a plain reading of the law, Richardson was required to disclose such an indebted mortgage as a liability.

Under the section of the report for liabilities, Richardson simply lists, "N/A."

A senior House Democrat close to leadership on Thursday afternoon said he had spoken to Richardson about the matter and she had assured him that, with regard to her Sacramento home, the "bank screwed up."

On Wednesday the Los Angeles Times reported that James York, the real estate investor who bought Richardson's Sacramento home at a May 7 auction for $388,000, is now claiming that Richardson's lender, Washington Mutual, reclaimed the property on behalf of Richardson. York had recorded the deed on May 19 and had begun renovations, the Times reported.

"They took the property back, and they didn't even sends back the money," York was quoted in the Times. "It's clear what's happening is Miss. Richardson is abusing her political power and using it for her own political needs."

Geri Ann S. Baptista - VP, WaMu Corporate Communications

206.500.2875 direct | 206.614-7107 cell | 206.377.2203 fax | geriann.baptista@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Gaugl, Sara C.
Sent: Thursday, June 12, 2008 2:15 PM
To: Baptista, Geri Ann S.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Don; Thorn, Ann
Subject: RE: Pelosi comments on Laura Richardson debate

Thanks for forwarding, Geri Ann.

Team, FYI below.

Sara Gaugl
Home Loans Public Relations
WaMu
1301 Second Avenue I WMC40 I Seattle WA 98101
206.500.2822 direct I 206.223-5216 cell
sara.gaugl@wamu.net

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From: Baptista, Geri Ann S.
Pelosi comments on Laura Richardson default

By Erica Werner The Associated Press

<http://www.dailybreeze.com/ci_9564107>

WASHINGTON - House Speaker Nancy Pelosi, asked Thursday about fellow California Democratic Rep. Laura Richardson’s multiple home defaults, said that "every member of Congress is responsible for living up to the highest ethical standards."

Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a special election last year to replace the late Rep. Julia Miler-McDonald in the 37th Congressional District in Long Beach.

But every lawmaker must make "the fullest disclosure of this or her assets as is required by law," Pelosi said.

"Many people in our country are caught in the foreclosure crisis. Members of Congress must see all they can, as well," she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in Southern California that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also left car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she’d worked out a deal with her lender to buy it back. However the purchase of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she’s a congresswoman and that he planned to sue over the issue.

Richardson’s spokesman, William Marshall, had no immediate comment Thursday.

California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington. Bass and other Assembly leaders had endorsed Richardson’s congressional bid but Bass told reporters she’d had no idea about Richardson’s financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2006 and to Congress the next year.

"Given the rapid pace of all that I can understand the financial difficulties, but now more is coming out," Bass said. She said she’d hoped while in Washington to talk to Richardson about the situation but hadn’t had the opportunity.

Gerri Ann R. Rayfield, VP
Corporate Communications

Washington Mutual
1301 Second Avenue, WM/C2103
Seattle, WA 98101

206.500.2875 direct, 206.377.2023 fax
gerlenn.baptista@wmcu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.
From: Thorn, Ann
<ann.thorn@wamu.com>

To: Battaglia, Paul J.
<bpattaglia@wamu.com>
Owen, Jan L.
<jloewn@wamu.com>
Gaugl, Sara C.
<sgaugl@wamu.com>

Cc: 

Subject: FW: Richardson Rescission Notice

Date: Tue Jun 03 2008 16:28:29 EDT

Attachments:

FYI

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-896-6544

For Internal Use Only

---

From: Laura Richardson

Sent: Tuesday, June 03, 2008 3:23 PM
To: Thorn, Ann
Subject: Re: Richardson Rescission Notice

Thank you for the email...today is election day and I will follow up with you tomorrow.

--- Original Message ---

From: "Thorn, Ann" <ann.thorn@wamu.com>
To: Laura Richardson

Sent: Tuesday, June 03, 2008 8:00:10 AM
Subject: FW: Richardson Rescission Notice

Congresswoman Richardson, as requested attached is the copy of the rescission notice that should be filed today or tomorrow.

Thank you

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-896-6544

Proprietary and Confidential - Do Not Copy
Thanks, Ann. I realize you are gone but appreciate the forwarded email. J

Jan Lynn Owen
First Vice President
State and Local Government and Industry Relations Manager
801 K Street Suite 110
Sacramento, CA 95814
916-553-4061
916-525-4717 fax
jen.owen@warwick.com

From: Thorn, Ann
Sent: Tuesday, June 03, 2008 1:28 PM
To: Battaglia, Paul J.; Owen, Jan L.; Goug, Sara C.
Subject: FW: Richardson Rescission Notice

fyl

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-886-5644

For Internal Use Only

From: Laura Richardson [mailto:laurarichardson55assembly@yahoo.com]
Sent: Tuesday, June 03, 2008 3:23 PM  
To: Thorn, Ann  
Subject: Re: Richardson Rescission Notice  

Thank you for the email...today is election day and I will follow up with you tomorrow.

--- Original Message ---  
From: "Thorn, Ann" <ann.thorn@wmub.net>  
To: Laura Richardson <Laura.Richardson@wmub.net>  
Sent: Tuesday, June 3, 2008 8:06:10 AM  
Subject: FW: Richardson Rescission Notice  

Congresswoman Richardson, as requested attached is the copy of the rescission notice that should be filed today or tomorrow.

Thank you  
Ann Thorn, FVP  
Washington Mutual  
National Assct Recovery Manager  
904-899-6644  

For Internal Use Only

<<Document.pdf>>
From: Thorn, Ann
To: Gaugl, Sara C.
Owen, Jan L.
Cook, Don
Battaglia, Paul J.
Cc:
Bcc:
Subject: FW: Communications regarding Richardson Loan
Date: Thu May 22 2008 16:39:50 EDT
Attachments:

Sara, need you to call the Congresswoman

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-000-0044
For Internal Use Only

From: Richardson, Laura [mailto]
Sent: Thursday, May 22, 2008 4:20 PM
To: Thorn, Ann
Cc: Woodcock, Wendy A.
Subject: Communications regarding Richardson Loan
Importance: High

Ann/Wendy,

Could you please forward ASAP your communications contact? Channel 9 and 2 (CBS) has shown up firm at the district office and we have received numerous calls from other affiliates; therefore a response is required.

Sincerely,
Laura Richardson
From: Thorn, Ann
To: Baltaglia, Paul J.
Cc: Caugl, Sara C.
Owen, Jan L.
Subject: FW: Loss Mit
Date: Thu Jun 12 2008 13:07:00 EDT
Attachments:

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-886-5644

For Internal Use Only

From: Mathis, Julie A.
Sent: Thursday, June 12, 2008 1:05 PM
To: Thorn, Ann; Woodcock, Wendy A.
Subject: FW: Loss Mit

Please see below.

Thanks,

Julie

From: Laura Richardson [mailto: ]
Sent: Thursday, June 12, 2008 10:20 AM
To: Mathis, Julie A.
Subject: Re: Loss Mit

Please advise Ann Thorn that I will work on this during the weekend. I apologize for the delay I did not recognize your email name. I was looking for something from Ann or Ms. Woodcock, so I missed it.

I will be in touch.
Laura

---- Original Message ----
From: "Mathis, Julie A." <julie.mathis@wamu.net>
To: [Redacted]
Cc: "Thorn, Ann" <ann.thorn@wamu.net>; "Woodcock, Wendy A." <wendy.woodcock@wamu.net>
Sent: Friday, June 6, 2008 12:10:05 PM
Subject: Loss Mit

<<Borrower Assistance Form 5.08.pdf>>

Thank you,

Julie

Julie Mathis, VP
Department Manager
Homeownership Preservation
Washington Mutual
904 886-1305
904 000-1232 fax
From: Thorn, Ann
To: Battaglia, Paul J.
Cc: Gaugl, Sara C.; Owen, Jan L.
Subject: FW: Follow-up on Loss Mit
Date: Tue Jun 17 2008 03:14:57 EDT
Attachments: EAS

Paul, per our conversation.

Sara, Jan, fyi

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
804-886-6844

For Internal Use Only

-------- Original Message --------
From: Thorn, Ann
Sent: Tuesday, June 17, 2008 3:14 PM
To: "Laura Richardson"
Subject: Follow-up on Loss Mit

Congresswoman,

Please see attached.

Thank you,

Ann Thorn

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
804-886-6844

For Internal Use Only

Attachments:
Scan001.PDF (27301 Bytes)
From: Gaugl, Sara C.
To: Cook, Don
Owen, Jan L.
Elías, Alan
Rantieta, Geri Ann S.
Thorn, Ann
Battaglia, Paul J.

Subject: Email from Richardson
Date: Fri May 23 2008 23:38:51 EDT
Attachments:

I will limit my comments....
FYI, below.

Sara Gaugl
Home Loans Public Relations

Web
1301 Second Avenue, Seattle WA 98101
206.500.2822 direct
sara.gaugl@wamu.net

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From: RichardsonMC, Laura
Sent: Fri 05/23/2008 8:34 PM
To: Gaugl, Sara C.; Thorn, Ann; Woodcock, Wendy A.
Cc: RichardsonMC, Laura; Hernandez, Rosa (Rep. Richardson)
Subject: RE: Wamu Consent Form Attached

Sara,

Thank you for your response. At this point I think the communication with the media has been adequate. We covered print, up and television outlets today, I provided the letter of April 17th and my consent to release that letter which addresses the questions we received. If any further information is needed I will contact you. If I can be of assistance or clarify any questions feel free to contact me on my cell phone @ 562-706-....

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JPMC-001462
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CSOC.RICH.003099
Sincerely,

Laura Richardson
Jan -
As discussed on this morning's call, embedded below are links to articles that include comments made by both Mathews and Davis.

http://latimesblogs.latimes.com/land/2008/05/richter.html

http://latimesblogs.latimes.com/land/2008/05/richter-oppo.html

http://www.prnewswire.com/news/pr3442767

http://www.sfgate.com/cgi-bin/article.cgi?f=/nla/2008/05/31/politics/p105208812.DTL&type=politics

Additionally, here are a few statements Congresswoman Richardson issued on Saturday rather than interviewing for the LA Times article:

"As noted in my comments earlier this week, due to multiple job changes, divorce, illness/death, and nine campaigns over the last ten years, these major life-changing moments have come at great personal expense and at challenging financial strain," Richardson said in a statement Saturday.

"Instead of politicizing a personal housing crisis (two personal properties that are current and the third that is being challenged by my lender questioning the validity of its sale), I have been transparent with this matter and share with my constituents the anguish that the housing industry is in a severe crisis," Richardson said.

"(Other commentary) Richardson has acknowledged using her money to finance her campaigns and falling behind in mortgage payments. She claimed her Sacramento house was sold into foreclosure without her knowledge, contending she had renegotiated her loan to pay it off."

Sara Gaugl
Home Loans Public Relations

1301 Second Avenue | WMAC | Seattle WA 98101
206.500.2822 direct | 206.500.2822 cell
sara.gaugl@warum.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.
Hi - I understand that Mr. Richardson qualified for and agreed to a loan modification, but we're awaiting signed paperwork.

Sara Gaugi
Home Loans Public Relations

WAMU
1301 Second Avenue | WMC401 | Seattle WA 98101
206.500.2822 direct | cell
sara.gaugi@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Baptista, Geri Ann S.
To: Gaugi, Sara C.; Owen, Jan L.
Subject: Richardson
Date: Tue Jun 24 2008 12:33:38 EDT

FYI Re: A fundraiser for Richardson. Any update on the loan matter?

Geri Ann

A House Set Won, a House I Net, and a House I Earlier Divided
By Jeffrey H. Birnbaum
Tuesday, June 24, 2008; A15

Every once in a while, events move fast in the nation's capital.

Last week, Error! Hyperlink reference not valid. through a spokeswoman, said it might be a good idea for the ethics committee to look into some financial missteps by Rep. Laura Richardson (D-Calif.) that have been highlighted in the press.

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This week — tomorrow, in fact — Hoyer is scheduled to host a fundraising reception for Richardson to help pay her campaign's substantial debt.

What! Richardson was elected to the House last August in a special election to replace the late Democratic Rep. Enrol Hyperlink reference not valid. <http://www.washingtonpost.com/ac2/related/topic/Juanita+Millender-McDonald?tid=informline>. Subsequently, Richardson lost her affluent lifestyle in 2001 to foreclosure after failing to make payments. She also reportedly owed Enrol Hyperlink reference not valid. <http://www.washingtonpost.com/ac2/related/topic/Sacramento+County?tid=informline> about $9,000 in property taxes and defaults on loans six times on two other California homes.

On top of that, according to the Long Beach Press-Telegram, Richardson failed to pay an auto mechanic for hundreds of dollars' worth of car repairs and then abandoned the car at another body shop. None of this was detailed — as some of it probably should have been, according to critics — on Richardson's legally mandated financial disclosure forms.


"Mr. Hoyer has always said that ethics committees should look at anything that's raised in the public sphere," Hoyer spokeswoman Stacey Farnen Bernard said last week. "That gives people the confidence that the House is policing itself."

But Hoyer's policy favorite does not deter him from going ahead with the fundraiser to help his beleaguered colleague pay off the $350,000 she owes as of last month. The event is scheduled from 6:30 to 7 tomorrow evening, in rented space at a private residence on Enrol Hyperlink reference not valid. <http://www.washingtonpost.com/ac2/related/topic/Capitol+Hill?tid=informline>. Hoyer's invitation seeks contributions of between $1,000 and $5,000 from political action committees, which are pools of money filled by individuals and used by corporations, industries and labor unions to donate to the coffers of lawmakers they wish to assist. Probably a lot of PACs will pay up. Pleasing the House's majority leader is something political action committees are usually eager to do.

But help for Richardson? CREW's executive director, Enrol Hyperlink reference not valid. <http://www.washingtonpost.com/ac2/related/topic/Mike+Macle+Michael+Sloan?tid=informline>, thinks Hoyer's effort takes him in the wrong direction. "I'd prefer to see a member file an ethics complaint against Richardson rather than help retire her campaign debt," Sloan said in an e-mail. Richardson's office did not return a telephone call seeking comment. Hoyer is not deferred and defends his decision to help Richardson. "There is no allegation of wrongdoing," Bernard said. "Mr. Hoyer feels comfortable supporting Representative Richardson as a fellow House Democrat."

Garl Ann S. Baptista, VP
Corporate Communications
Washington Mutual
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Seattle, WA 98101
206.600.2875 direct, 206.377.2023 fax
garlann.baptista@wamu.net

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Page 28 of 223

CSOC.RICH.003104
Richardson’s loan was subprime - Press Telegram (Long Beach)

By Gene Maddaus, Staff Writer

Rep. Laura Richardson took out a subprime loan to buy her Sacramento house, suggesting she probably was a poor credit risk even before her recent string of loan defaults.

Richardson, D-Long Beach, has defaulted on all three of her homes, and lost the one in Sacramento in a foreclosure auction. She is now engaged in a legal battle with the new owner of the home, after her lender, Washington Mutual Bank, filed to rescind the sale.

James York, owner of Rod Rock Mortgage Inc., filed a lawsuit on Thursday against Richardson and Washington Mutual, contesting the foreclosure rescission.

Included in the suit was Richardson’s deed of trust, which contains the terms of her home loan. The no-money-down loan was issued for $535,000 in January 2007. It was adjustable after two years, with an introductory rate of 8.8 percent.

“That’s a subprime loan,” said Jon Nasiro, a real estate broker in nearby Elk Grove. “Those are the ones we’re taking back now.”
Richardson previously declined to disclose her loan terms.

The average prime mortgage rate at the time was 6.22 percent, according to Freddie Mac.

Without further information, it is difficult to tell whether Richardson's subprime loan terms were the result of a poor credit history, lack of income documentation, or both.

Richardson was an assemblywoman at the time the loan was issued, with an annual salary of $113,000. She also collected $28,365 in per diem for living expenses in Sacramento during the nine months she served in the Legislature. She now earns $199,300 as a member of Congress and rents an apartment in Washington, D.C.

Before her election in 2006, Richardson earned $80,000 as a legislative director for Lt. Gov. Cruz Bustamante and $28,000 as a Long Beach city councilwoman, according to a congressional financial disclosure form.

Richardson also owns two homes in San Pedro and Long Beach. In 2006, she took out an equity loan against the Long Beach home to finance her run for the Legislature.

Richardson has defaulted at least eight times on the three properties since 2004 - six times in the last 14 months. She had also failed to pay smaller debts to a mechanic and a printing shop until reporters began inquiring about them.

Richardson's staffers were unavailable for comment on Friday.

From: Baptista, Gori Ann S.
Sent: Sat 06/14/2008 2:22 PM
To: Gaugl, Sara C.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Don; Thorn, Ann; Poleshnick, Barbara A.
Subject: Coverage on Richardson Lawsuit

San Jose Mercury News and AP stories (AP story picked up by some online syndication outlets).

<http://www.mercurynews.com/breakingnews/id-95798969/ SITE CHECK #1>

Buyer sues Calif. congresswoman over foreclosure
By JULIET WILLIAMS Associated Press Writer
Article Launched: 06/13/2008 05:40:18 PM PDT

SACRAMENTO—A Sacramento investor who bought the foreclosed home of Rep. Laura Richardson has filed a lawsuit against the congresswoman and her bank for rescinding the sale.

James York claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to back out of the sale.

York, who operates Red Rock Mortgage Inc., bought the foreclosed home in an upper-middle class Sacramento neighborhood at auction in May for $385,000 after Richardson failed to make her mortgage payments.

In the lawsuit filed in Sacramento County Superior Court, York is seeking to have the house returned to him, as well as punitive damages and costs. He also claims the bank acted with malice after the legitimate sale of the house.

The Associated Press obtained a copy of his lawsuit on Friday, the day the defendants were served.

Richardson, a Democrat from Long Beach, previously told the AP that the house was sold without her knowledge and that the bank agreed to hold off on any action until at least June.

She bought the house in January 2007 for $535,000, a few months after she was elected to the state Assembly. She took out an adjustable-rate mortgage with an interest rate that could vary between 6.0 percent and 14 percent, according to documents filed with York's lawsuit.

Richardson's spokesman, William Marshall, said the congresswoman had not been notified of the lawsuit. He declined further comment.

In an interview Friday with the AP, York said he believes Washington Mutual's trustee rescinded the sale solely because Richardson is a member of Congress. He said the savings and loan would not have done that for an average person.

York said he tried to negotiate a settlement but was rebuffed.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," he said. "It's not a difficult case. It's a valid sale."

A spokeswoman for Washington Mutual, Sara Gaugi, said the company would have no comment because Richardson had not authorized it to speak about her case.

Richardson, 46, was a member of the Long Beach City Council when she won the Assembly seat in November 2006, months before she bought the three-bedroom, 1 1/2-bath Sacramento home. She won the congressional seat the next year in a special election to replace the late Juanele Millinder McDonald.

Richardson has acknowledged turmoil in her life during the short time she went from the city council to the state Assembly to Congress. She said she used her own money to finance her campaigns and fell behind in mortgage and property tax payments.

A default notice sent in March put her unpaid balance on the 1,600-square-foot home at $578,354.

Richardson's financial troubles appear to run deeper, however. The Long Beach Press-Telegram has reported that Richardson has two other homes in San Pedro and Long Beach that have fallen into default six times. Five of the defaults, totaling nearly $71,000, occurred in the last 13 months.
The newspaper also reported that Richardson has a history of not paying other bills, including failure to pay for car repairs and campaign files.

The congresswoman told the AP she believed she had worked out a deal with Washington Mutual to renegotiate her loan on the Sacramento home and pay it off. She also said she intended to pay the nearly $9,000 in delinquent property taxes.

In a notice of residential filed as an exhibit in York's lawsuit, the trustee company acknowledges it "had previously agreed to postpone the foreclosure sale until June 4, 2009."

Meanwhile, York said in the lawsuit that he has already started making repairs to the house, including painting, repairing the floors, landscaping, and general clean-up that have "significantly increased its value."

He argues it would be unfair to give the house back to Richardson in better condition than she lost it. The amount of money he has spent on the repairs was not specified.

Richardson makes nearly $170,000 as a member of Congress and was paid $13,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives.

The home, built in 1926, is in Sacramento's Curtis Park, a desirable, upper middle-class neighborhood near downtown that also includes a number of decades-old trees.

Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosures. She has said she would like to testify before Congress as someone victimized by the nation's mortgage crisis.

York notes in his lawsuit that the house now has a cloud over it making it more difficult to sell if it is eventually returned to him.

"If I had known it was this congresswoman's house, I probably would have bought it," York said in the telephone interview.

Associated Press Writer Erica Werner in Washington, D.C., contributed to this report.

http://ap.google.com/article/ALeqM5q5j2vKwhu_mgDQ36mxohh6oU2gQD9192QGO

http://ap.google.com/article/ALeqM5q5j2vKwhu_mgDQ36mxohh6oU2gQD9192QGO

Buyer sues Calif. congresswoman over foreclosure

By JULIET WILLIAMS - 18 hours ago

SACRAMENTO, Calif. (AP) - An investor who bought a congresswoman's foreclosed home filed a lawsuit against the legislator and her bank for rescinding the sale.

James York had purchased the home at auction in May for $388,000 after Rep. Laura Richardson failed to make her mortgage payments. He claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to later back out of the sale.
"They rescinded the notice of trustee sale and put it back in her name before even telling me," York said. "It's not a difficult case. It's a valid sale."

His lawsuit in Sacramento County Superior Court seeks to have the house returned to him, as well as punitive damages and costs.

Richardson, a Democrat from Long Beach, bought the house in January 2007 for $335,000. She previously told The Associated Press that it was sold without her knowledge and after the bank agreed to delay action.

The lawsuit was served to the defendants Friday.

Richardson's spokesman, William Marshall, said the congresswoman had not seen it and declined to comment. A spokeswoman for Washington Mutual, Sara Gauigl, said the company would have no comment because Richardson had not authorized it to speak about her case.

From: Baptista, Geri Ann S.
To: Gauigl, Sara C.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Don; Thorn, Ann
Subject: Richardson liability report and comment to senior Democrat


Richardson mum in the face of mounting pressure

By Jared Allen

Posted: 05/13/2008 11:50 AM [ET]

Embattled Rep. Laura Richardson (D-Calif.) remained mum on Friday following more news about her personal housing crisis and a warning from House Speaker Nancy Pelosi (D-Calif.) to put her fiscal house back in order.

Richardson, who has dodged repeated calls for information regarding her multiple defaults on three home mortgages and her financial disclosure reports, failed to report a heavily indebted mortgage on her initial 2007 financial statement.

Official financial reports for House members will be released on Monday, and it remains to be seen if Richardson's official report will have been amended from the one she previously filed.

However, Pelosi issued a warning to Richardson on Thursday that she risks whatever repercussions may come from failing to disclose her assets and liabilities to the letter of the law.

"Every member of Congress is responsible for living up to the highest ethical standard, to having the fullest disclosure of his or her assets, as is required by law," Pelosi said at her weekly news conference. "And many people in our country are caught in a foreclosure crisis. Members of Congress maybe are as well."

After failing too far behind on mortgage payments on a home she purchased in Sacramento in January 2007, Richardson was forced to watch the home sold at auction last month.
In the aftermath, it was revealed that Richardson had defaulted on mortgages for three California homes since 1999.

According to records pulled from Los Angeles and Sacramento counties, Richardson has defaulted five separate times on her primary residence in Long Beach, a home she purchased in 1999 and refinanced in the summer of 2006 for a new $446,250 mortgage.

The prior summer, Richardson took out a loan from Wells Fargo, in the amount of $309,000, to purchase a second home in San Pedro.

After defaulting twice - in September 2007 and again in January - and owing $307,436 on an original loan of $350,000, Richardson received notice from her lender in April that her San Pedro home was going to be sold at auction. According to reports, that auction is scheduled for July 14.

But it is Richardson's Sacramento home that has garnered the most attention, and places her in the most immediate risk as a member of Congress who is bound by federal law to disclose certain assets and liabilities.

According to Richardson's 2007 financial disclosure statement - which she filed in February - she failed to report her Sacramento home mortgage as a liability even though she owed $40,000 more than she paid for the home, which was purchased in January of that year.

By the end of 2007 - which marks the end of the 2007 financial disclosure reporting period - Richardson had accumulated $75,000 in total debt after failing to make payments on her original $550,000 mortgage, according to Sacramento County records.

Financial disclosure laws require members of Congress to report home mortgages as liabilities if indebtedness exceeds the purchase prices of the item, and congressional ethics and finance experts have said that, on a plain reading of the law, Richardson was required to disclose such an indebted mortgage as a liability.

Under the section of the report for liabilities, Richardson simply lists "N/A."

A senior House Democrat close to leadership on Thursday afternoon said he had spoken to Richardson about the matter and she had assured him that, with regard to her Sacramento home, the "bank screwed up."

On Wednesday the Los Angeles Times reported that James York, the real estate investor who bought Richardson's Sacramento home at a May 7 auction for $388,000, is now claiming that Richardson's lender, Washington Mutual, reclaimed the property on behalf of Richardson.

York had recorded the deed on May 18 and had begun renovations, the Times reported.

"They took the property back, and they didn't even send back the money," York was quoted in the Times. "It's clear what's happening is this: Richardson is abusing her political power and using it for her own political needs."

Gerl Ann S. Baptista - VP, Wamu Corporate Communications
206.500.2875 direct | 206.612*CELL | 206.377.2023 fax | gerlann.baptista@wamu.net

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From: Gaugi, Sara C.
Sent: Thursday, June 12, 2008 2:16 PM
To: Baptista, Geri Ann S.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elies, Alan; Cook, Don;
Thott, Ann
Subject: RE: Pelosi comments on Laura Richardson defaults

Sensitivity: Confidential

Thanks for forwarding, Geri Ann.

Team, FYI below.

Sara Gaugi

Home Loans Public Relations

WaMu

1301 Second Avenue | WMC49 | Seattle WA 98101

206.500.2822 direct
saragaugi@wamu.net

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From: Baptista, Geri Ann S.
Sent: Thursday, June 12, 2008 1:20 PM
To: Gaugi, Sara C.; Strom, Erik E.
Subject: Pelosi comments on Laura Richardson defaults

Sensitivity: Confidential

Pelosi comments on Laura Richardson defaults

By Erica Werner The Associated Press

<http://www.dailybreeze.com/3/ 964107>

WASHINGTON - House Speaker Nancy Pelosi, asked Thursday about fellow California Democratic
Rep. Laura Richardson’s multiple home defaults, said that “every member of Congress is responsible
for living up to the highest ethical standards.”

Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a
special election last year to replace the late Rep. Juanita Millender-McDonald in the 37th Congressional
District in Long Beach.

But every lawmaker must make “the fullest disclosure of his or her assets as is required by law,” Pelosi
said.

“Many people in our country are caught in the foreclosure crisis. Members of Congress maybe are as
well,” she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the
Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in

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JFMC-001474
CONFIDENTIAL
Page 63 of 223

CSOC.RICH.003111
Southern California that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also left car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she'd worked out a deal with her lender to buy it back. However, the purchaser of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she's a congresswoman and that he planned to sue over the issue.

Richardson's spokesman, William Marshall, had no immediate comment Thursday.

California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington. Bass and other Assembly leaders had endorsed Richardson's congressional bid but Bass told reporters she had no idea about Richardson's financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2006 and to Congress the next year.

"Given the rapid pace of all of that I can understand the financial difficulties, but now more is coming out," Bass said. She said she'd hoped while in Washington to talk to Richardson about the situation but hadn't had the opportunity.

Geri Ann S. Baptista, VP
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San Jose Mercury News and AP stories (AP story picked up by some online syndication outlets).

<http://www.mercurynews.com/news/business/0,6776,9897,00.html,check=1>

Buyer sues Calif. congresswoman over foreclosure

By JULIET WILLIAMS Associated Press Writer
Article Launched: 06/13/2006 05:40:18 PM PDT

SACRAMENTO-A Sacramento investor who bought the foreclosed home of Rep. Laura Richardson has filed a lawsuit against the congresswoman and her bank for rescinding the sale.

James York claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to back out of the sale.

York, who operates Red Rock Mortgage Inc., bought the foreclosed home in an upper-middle class Sacramento neighborhood at auction in May for $395,000 after Richardson failed to make her mortgage payments.

In the lawsuit filed in Sacramento County Superior Court, York is seeking to have the house returned to him, as well as punitive damages and costs. He also claims the bank acted with malice after the legitimate sale of the house.

The Associated Press obtained a copy of his lawsuit on Friday, the day the defendants were served.

Richardson, a Democrat from Long Beach, previously told the AP that the house was sold without her knowledge and after the bank agreed to hold off on any action until at least June.

She bought the house in January 2007 for $535,000, a few months after she was elected to the state Assembly. She took out an adjustable-rate mortgage with an interest rate that could vary between 6.8 percent and 14 percent, according to documents filed with York’s lawsuit.

Richardson’s spokesman, William Marshall, said the congresswoman had not been notified of the lawsuit. He declined further comment.
In an interview Friday with the AP, York said he believes Washington Mutual's trustee rescinded the sale solely because Richardson is a member of Congress. He said the savings and loan would not have done that for an average person.

York said he tried to negotiate a settlement but was rebuffed.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," he said. "It's not a difficult case. It's a valid sale."

A spokeswoman for Washington Mutual, Sara Gaugl, said the company would have no comment because Richardson had not authorized it to speak about her case.

Richardson, 46, was a member of the Long Beach City Council when she won the Assembly seat in November 2006, months before she bought the three-bedroom, 1 1/2-bath Sacramento home. She won the congressional seat the next year in a special election to replace the late Juanita Millender-McDonald.

Richardson has acknowledged turmoil in her life during the short time she went from the city council to the state Assembly to Congress. She said she used her own money to finance her campaigns and fell behind in mortgage and other tax payments.

A default notice sent in March put her unpaid balance on the 1,600-square-foot home at $573,384.

Richardson's financial troubles appear to run deeper, however. The Long Beach Press-Telegram has reported that Richardson has two other homes in San Pedro and Long Beach that have fallen into default six times. Five of the defaults, totaling nearly $71,000, occurred in the last 13 months.

The newspaper also reported that Richardson has a history of not paying other bills, including failure to pay for car repairs and campaign files.

The congresswoman told the AP she believed she had worked out a deal with Washington Mutual to renegotiate her loan on the Sacramento home and pay it off. She also said she intended to pay the nearly $8,000 in delinquent property taxes.

In the notice of rescission filed as an exhibit in York's lawsuit, the trustee company acknowledges it "had previously agreed to postpone the foreclosure sale until June 4, 2008."

Meanwhile, York said in the lawsuit that he has already started making repairs to the house, including painting, restoring the floors, landscaping and general clean-up that have "significantly increased its value."

He argues it would be unfair to give the house back to Richardson in better condition than she lost it. The amount of money he has spent on the repairs was not specified.

Richardson makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $26,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

The home, built in 1925, is in Sacramento's Curtis Park, a desirable, upper-middle-class neighborhood near downtown that sits under a canopy of decades-old trees.

Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosure. She has said she would like to testify before Congress as someone victimized by the nation's mortgage crisis.
York notes in his lawsuit that the house now has a cloud over it—making it more difficult to sell if it is eventually returned to him.

"If I had known it was this congresswoman's house, I probably would never have bought it," York said in the telephone interview.

Associated Press Writer Erica Novor in Washington, D.C., contributed to this report.

http://ap.google.com/article/ALeqM5qj2V9wu_mgDJQ86mTohn6oU2gqOD919J2OG0

Buyer sues Calif. congresswoman over foreclosure

By JULIET WILLIAMS - 18 hours ago

SACRAMENTO, Calif. (AP) - An investor who bought a congresswoman's foreclosed home filed a lawsuit against the legislator and her bank for rescinding the sale.

James York had purchased the home at auction in May for $380,000 after Rep. Laura Richardson failed to make her mortgage payments. He claims Richardson used her influence as a congresswoman to force Washington Mutual Inc. and a subsidiary to later back out of the sale.

"They rescinded the notice of trustee sale and put it back in her name before even telling me," York said. "It's not a difficult case. It's a valid sale."

His lawsuit in Sacramento County Superior Court seeks to have the house returned to him, as well as punitive damages and costs.

Richardson, a Democrat from Long Beach, bought the house in January 2007 for $535,000. She previously told The Associated Press that it was sold without her knowledge and after the bank agreed to delay action.

The lawsuit was served to the defendants Friday.

Richardson's spokesman, William Marshall, said the congresswoman had not seen it and declined to comment. A spokeswoman for Washington Mutual, Sara Gauig, said the company would have no comment because Richardson had not authorized it to speak about her case.

From: Baptista, Geri Ann S.
Sent: Fri 06/13/2008 10:13 AM
To: Gauig, Sara C.; Strom, Erik E.; Owen, Jan L.; Battaglia, Paul J.; Elias, Alan; Cook, Don; Thorn, Ann
Subject: Richardson liability report and comment to senior Democrat


Richardson mum in the face of mounting pressure

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JPMC-001476
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CSOC.RICH.003115
By Jared Allen
Posted: 08/13/08 11:50 AM [ET]

Embattled Rep. Laura Richardson (D-Calif.) remained mum on Friday following more news about her personal housing crisis and a warning from House Speaker Nancy Pelosi (D-Calif.) to put her fiscal house back in order.

Richardson, who has dodged repeated calls for information regarding her multiple defaults on three home mortgages and her financial disclosure reports, failed to report a heavily indebted mortgage on her initial 2007 financial statement.

Official financial reports for House members will be released on Monday, and it remains to be seen if Richardson’s official report will have been amended from the one she previously filed.

However, Pelosi issued a warning to Richardson on Thursday that she risks whatever repercussions may come from failing to disclose her assets and liabilities to the letter of the law.

“Every member of Congress is responsible for living up to the highest ethical standard, to having the fullest disclosure of his or her assets, as is required by law,” Pelosi said at her weekly news conference. “And many people in our country are caught in a foreclosure crisis. Members of Congress maybe are as well.”

After failing to pay for mortgage payments on a home she purchased in Sacramento in January 2007, Richardson was forced to watch the home sold at auction last month.

In the aftermath, it was revealed that Richardson has defaulted on mortgages for three California homes since 1999.

According to records pulled from Los Angeles and Sacramento counties, Richardson has defaulted five separate times on her primary residence in Long Beach, a home she purchased in 1999 and refinanced in the summer of 2006 for a new $446,250 mortgage.

The prior summer, Richardson took out a loan from Wells Fargo, in the amount of $359,000, to purchase a second home in San Pedro.

After defaulting twice - in September 2007 and again in January - and owing $367,436 on an original loan of $359,000, Richardson received notice from her lender in April that her San Pedro home was going to be sold at auction. According to reports, that auction is scheduled for July 14.

But it is Richardson’s Sacramento home that has garnered the most attention, and places her in the most immediate risk as a member of Congress who is bound by federal law to disclose certain assets and liabilities.

According to Richardson’s 2007 financial disclosure statement - which she filed in February - she failed to report her Sacramento home mortgage as a liability even though she owed $40,000 more than she paid for the home, which was purchased in January of that year.

By the end of 2007 - which marks the end of the 2007 financial disclosure reporting period - Richardson had accumulated $575,000 in total debt after failing to make payments on her original $535,000 mortgage, according to Sacramento County records.

Financial disclosure laws require members of Congress to report home mortgages as liabilities if indebtedness exceeds the purchase price of the item, and congressional ethics and finance experts have said that, on a plain reading of the law, Richardson was required to disclose such an indebted mortgage as a liability.
Under the section of the report for liabilities, Richardson simply lists, "N/A."

A senior House Democrat close to leadership on Thursday afternoon said he had spoken to Richardson about the matter and she had assured him that, with regard to her Sacramento home, the "hunk screwed up."

On Wednesday the Los Angeles Times reported that James York, the real estate investor who bought Richardson's Sacramento home at a May 7 auction for $388,000, is now claiming that Richardson's lender, Washington Mutual, reclaimed the property on behalf of Richardson.

York had recorded the deed on May 19 and had begun renovations, the Times reported.

"They took the property back, and they didn't even send back the money," York was quoted in the Times. "It's clear what's happening is Ms. Richardson is abusing her political power and using it for her own political needs."

Geri Ann S. Baptista - VP, WaMu Corporate Communications

206.500.2875 direct | 206.377.2023 call | 206.377.2023 fax | geriann.baptista@wamu.net

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From: Gaugl, Sara C.
Sent: Thursday, June 12, 2008 2:15 PM
To: Baptista, Geri Ann S.; Strom, Erik E.; Owen, Jan I.; Battaglia, Paul J.; Ellen, Alan; Cook, Don; Thorn, Ann
Subject: RE: Pelosi comments on Laura Richardson default
Sensitivity: Confidential

Thanks for forwarding, Geri Ann.

Team, FYI below.

Sara Gaugl

Home Loans Public Relations

WaMu

1301 Second Avenue | WMC-10 | Seattle WA 06104

206.500.2622 direct | 206.377.2023 call
sara.gaugl@wamu.net

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From: Baptista, Geri Ann S.
Sent: Thursday, June 12, 2008 1:20 PM

Proprietary and Confidential - Do Not Copy
To: Gaugi, Sere C.; Bloom, Erik E.
Subject: Pelosi comments on Laura Richardson defaults

Sensitivity: Confidential

Pelosi comments on Laura Richardson defaults

by Erin Werner The Associated Press

<http://www.dailybreeze.com/id_9564107>

WASHINGTON - House Speaker Nancy Pelosi, asked Thursday about fellow California Democratic Rep. Laura Richardson's multiple home defaults, said that "every member of Congress is responsible for living up to the highest ethical standards."

Pelosi said she was not familiar with the details of the controversy surrounding Richardson, who won a special election last year to replace the late Rep. Juanita Millender-McDonald in the 37th Congressional District in Long Beach.

But every lawmaker must make "the fullest disclosure of his or her assets as is required by law," Pelosi said.

"Many people in our country are caught in the foreclosure crisis. Members of Congress maybe are as well," she added.

Late last month reports emerged that Richardson, a former state Assemblywoman and member of the Long Beach City Council, had lost her Sacramento home to foreclosure and has two other homes in Southern California that have fallen into default six times.

Last week the Long Beach Press-Telegram reported that Richardson had also left car repair bills unpaid.

Richardson easily won her Democratic primary June 3 and is running unopposed in the November general election, although at least one of her Democratic primary opponents is making plans to challenge her as a write-in candidate.

Richardson defended herself after the first reports of the foreclosure on her Sacramento home, saying it never should have happened and she'd worked out a deal with her lender to buy it back. However the purchaser of the property, James York of Red Rock Mortgage in Sacramento, complained in published reports this week that Richardson had been given favorable terms because she's a congresswoman and that he planned to sue over the issue.

Richardson's spokesman, William Marshall, had no immediate comment Thursday.

California Assembly Speaker Karen Bass, D-Los Angeles, also addressed the Richardson situation Thursday during a visit to Washington, Bass and other Assembly leaders had endorsed Richardson's congressional bid but Bass told reporters she'd had no idea about Richardson's financial issues.

Richardson had a quick rise in politics, moving from the Long Beach City Council to a state Assembly seat in 2006 and to Congress the next year.

"Given the rapid pace of all of that I can understand the financial difficulties, but now more is coming out," Bass said. She said she'd hoped while in Washington to talk to Richardson about the situation but hadn't had the opportunity.

Geil Ann S. Baptista, VP
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FINAL VOTE RESULTS FOR ROLL CALL 674

(Democrats in roman; Republicans in italic; Independents underlined)

H R 3967  RECORDED VOTE  29-Sep-2006  2:07 PM
QUESTION: On Concurring in Senate Amendment With An Amendment
BILL TITLE: To amend the Internal Revenue Code of 1986 to provide earnings assistance and tax
equit to members of the uniformed services, volunteer firefighters, and Peace Corps volunteers, and for
other purposes


PRES


Democratic

140

95

Republican
65
133

1

Independent

TOTALS
205
228

1

--- AYES 204 ---

Ackerman
Allon
Andrews
Arcuri
Barcus
Baird
Baikin
Bean
Berman
Berry
Bishop (GA)
Bishop (NY)
Blunt
Boehnner
Bonner
Bono Mack
Boxerman
Boren
Boswell
Boucher
Boyd (FL)
Brady (PA)
Brady (TX)
Brown (SC)
Brown, Corrine
Calvert
Camp (MI)
Campbell (CA)
Cannon
Cantor
Capa
Capuano
Cardoza
Carmahan
Castle
Clarke
Clyburn
Cohen
Cole (OK)
Cooper
Costa
Cramer
Crenshaw
Crowley
Cubin
Davis (AL)
Davis (CA)
Davis (IL)
Davis, Tom
DeGette
DeLauro
Dicks
Dingell
Donnelly
Doyle
Dreier
Edwards (TX)
Enlers
Ellison
Ellsworth
Emmanuel
Emerson
Engel
Esthoo
Etheridge
Everett
Farr
Fatiah
Ferguson
Fossella
Foster
Frank (MA)
Gilchrest
Gonzalez
Gordon
Granger
Gutierrez
Hall (NY)
Haro
Harman
Hastings (FL)
Herger
Higgins
Hinojosa
Holton
Holt
Honda
Hooley
Hoyer
Inglis (SC)
Israel
Johnson, E. B.
Kanjorski
Kennedy
Kilchen
Kind
King (NY)
Kirk
Klein (FL)
Kline (MN)
LaHood
Langevin
Larsen (WA)
 Larson (CT)
Levin
Lewis (CA)
Lewis (KY)
Loebsack
Lofgren, Zoe
Lowey
Lungren, Daelin E.
Maineoy (FL)
Maloney (NY)
Marsky
Marshall
Matsui
McCarthy (NY)
McCullough (MN)
McGrady
McDermott
McGovern
McHugh
McKernan
McNerney
McNulty
Meek (FL)
Meeks (NY)
Meadows
Miller (NC)
Miller, Gary
--- NOES 228 ---
Mica
Michaud
Miller (FL)
Miller (MI)
Mitchell
Moran (KS)
Murphy, Tim
Musgrave
Myrick
Napolitano
Neugebauer
Nunes
Ortiz
Pascrell
Pastor
Paul
Payne
Pearson
Pence
Peterson (MN)
Petri
Pitts
Platts
Price
Price (GA)
Ramstad
Rehberg
Reichert
Renzi
Rodriguez
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Roskam
Rothman
Roybal-Allard
Royco
Rush
Salazar
Sali
Sanchez, Linda T.
Sanchez, Loretta
Schiff
Schmidt
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Shadegg
Shea-Porter
Sherrill
Shimkus
Shuler
Shuster
Smith (NE)
Smith (NJ)
Sols
Stark
Steele
Stupak
Sullivan
Sutton
Taylor
Terry
Thompson (CA)
Thompson (MS)
Thornberry
Tiahrt
Tiberi
Tienney
Tinner
Udall (CO)
Udall (NM)
Viscosky
Welberg
Waltz (MN)
Wamp
Watson
Welch (VT)
Westmoreland
Whittlefield (KY)
Willison (VA)
Woolsey
Wu
Young (AK)
Young (FL)

--- NOT VOTING ---

Weller
Well, maybe he and Richardson can hook up? Thanks for the heads up.

Alan

----- Original Message ----- 
From: Schneider, David C.
To: Elias, Alan; Gauld, Sara C.
Cc: Rotella, Steve
Sent: Fri Jun 06 06:14:48 2008
Subject: FW: CNBC.com Article: Evander Holyfield's Mansion Under Foreclosure

Alan,

You may get a call.

Steve, fy1

Evander Holyfield's Mansion Under Foreclosure
Former heavyweight champ's Evander Holyfield's mansion facing mounting financial and legal woes.
http://www.cnbc.com/id/24996497/from/ET/

fy1, this is sure. David, I'm sure you recall, he's on the top of our large balance loans.
WeMu Focused News

1. AP Interview: Calif. congresswoman says home sale ‘improper’
By ERICA WERNER
24 May 2008
Associated Press Newswire

Rep. Laura Richardson claimed Friday that her Sacramento home was sold into foreclosure without her knowledge and contrary to an agreement with her lender. She said that she is like any other American suffering in the mortgage crisis and wants to testify to Congress about her experience as lawmakers craft a foreclosure-prevention bill.

In a lengthy interview with The Associated Press on Friday night, the Southern California Democrat struck back against several days of negative publicity over reports she defaulted on her mortgage, allowing the house to be sold at auction.

Richardson, elected in a special election last August, acknowledged turmoil in her life in the month after her incumbent's death in April opened up the Los Angeles-area House seat.

She used her money to finance her campaign and fell behind in mortgage payments. But Richardson said that makes her like other Americans who have to deal with a sudden death or birth that throws a wrench into their finances.

Now, Richardson said, she has renegotiated her loan to pay it off and promised to fully comply with all its terms. She also said she will pay nearly $6,000 in delinquent property taxes.

She insisted she's not getting special terms because she's a congresswoman. "I'm Laura Richardson. I'm an American. I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Richardson was a member of the Long Beach City Council when she won a California state Assembly seat in November 2008. It's months before she bought the three-bedroom, 1 1/2-bath Sacramento home. She won the congressional seat the next year in the special election to replace the late Juanita Millender-McDonald.

The problem is that the 1,600-square-foot home she bought for $355,500 in January 2007 was sold at auction earlier this month to a Sacramento mortgage lender, who paid $389,000. The sale was officially recorded on Monday, according to documents on file with the Sacramento County Recorder's Office.

A default notice sent to Richardson in March put her unpaid balance at $578,384. Richardson, 46, makes nearly $177,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

Although others struggling with mortgages make far less, Richardson said it was "very misleading" to compare her earnings to the national median household income of around $50,000. The reason: Lawmakers are required to maintain two residences while other people don't have to, she said.

Others also don't have to depend on winning an election to ensure their livelihood, she said.

Richardson provided AP with an April letter that appears to be from Washington Mutual Home Loans telling her there was a hold on foreclosure sales on her property until June 4 of this year.
She said she got another letter asking for payments May 2 and paid them, but did not know the sale was going to happen five days later.

Richardson also provided an e-mail dated Thursday she said was from Washington Mutual that appeared to acknowledge an agreement "to facilitate the resolution of foreclosure sale."

She did not provide documentation of the structure of her new loan.

A Washington Mutual spokeswoman, Sara Garg, told AP earlier in the day that the company had "not received consent from Ms. Richardson that would allow us to discuss her loan situation."

Asked later to respond to Richardson's specific comments, she reiterated that the savings and loan could not discuss the matter without the congresswoman's consent.

Meanwhile, the current owner of the property told AP that his ownership of the house is not in doubt.

James York, owner of Red Rock Mortgage Inc. of Sacramento, declined to discuss any possible negotiations that might be ongoing.

"I've taken possession of the home," York said. "I've been working on it, fixing it up. It had been vacant. It was in cleaner and in better repair than most foreclosures."

The home, built in 1925, is in Sacramento's Curtis Park, a desirable, upper-middle-class neighborhood near downtown that sits under a canopy of decades-old trees.

Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosure.

Richardson was absent earlier this month during votes on the Foreclosure Prevention Act, which she said was because of her father's funeral. But she could have another opportunity to vote on the foreclosure package as the House is expected to bring it back up in June once an agreement is reached in the Senate.

In most cases, congressional ethics rules don't prevent lawmakers from voting on legislation that might affect or help them economically. Such votes are essentially impossible to avoid.

Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don't experience what she did. For example, she sees a need to add steps to inform property owners before their property can be sold.

"We have to ensure that lenders and lenders have the tools with proper timing to resolve this," she said.

Melanie Sloan, executive director of the Washington-based Citizens for Responsibility and Ethics, criticized Richardson for falling deeper into debt while choosing to spend more than $75,000 of her own money on her campaign -- suggesting that it's more important to win a seat in Congress than to be fiscally responsible, a point Richardson disputed.

Sloan also said Richardson should not be in the situation she is while making a congressional salary, when homeowners around the country making $60,000 or less are struggling to pay their debts.

"Truthfully, it's appalling," Sloan said.

2. Was Lawmaker Foreclosed On?
By Jennifer Harmon
26 May 2008
National Mortgage News

LONG BEACH, CA -- The Press-Telegram here said that Rep. Laura Richardson made only a few payments on the Sacramento house she bought in 2007, failed to pay property taxes, defaulted on the mortgage and lost the house to foreclosure. The Press-Telegram also reported that Rep. Richardson's lender, Washington Mutual, took a loss of nearly $200,000 when it sold the house at a public auction on May 7.

"They took a beating," James York, the Sacramento real estate broker who said he bought the house at a foreclosure auction, told the Press-Telegram.

The report is based on public documents the newspaper published on its website, and on an interview with Mr. York. It is at odds with Rep. Richardson's statement, in which the Long Beach Democrat said she had worked out a loan modification with her lender, and would "fulfill all financial obligations" on the property.

According to the Press-Telegram, "Rep. Laura Richardson lost her Sacramento home in a foreclosure auction two weeks ago, and left behind nearly $9,000 in unpaid property taxes. Rep. Richardson, D-
Long Beach, appears to have made only a few payments on the house, which she bought in January 2007 for $335,000.*

The newspaper's report - that the house was foreclosed and an auction took place - appears to conflict with Rep. Richardson's statement that the house "is not in foreclosure." Her office has not responded to a request from the Los Angeles Times for additional information about her mortgage and loan modification. The Press-Telegram said she declined to be interviewed about the controversy.

The newspaper's report also calls into question her statement that she had worked out a loan modification with her lender and would fulfill all financial obligations related to the property. The Press-Telegram reports that the house sold for only $38,000, far below the $774,000 owed on the property, and that the new owner, Mr. York, "assumed responsibility for Ms. Richardson's unpaid property tax bill of $8,950.79."

WaMu Related News

3. IRS Rule Aids Loan Mods
By Brian Collins
26 May 2008
National Mortgage News

WASHINGTON — Servicers of residential mortgage-backed securities no longer have to wait for a borrower to miss a payment or even ask for help before they can offer the homeowner a loan modification, according to an Internal Revenue Service ruling.

The new IRS ruling encourages servicers to identify and assist borrowers that have a high risk of eventual foreclosure.

And it allows servicers to be proactive in preventing widespread foreclosures without jeopardizing the tax status of the Real Estate Mortgage Investment Corp.

"This is an important change that will allow more homeowners who may potentially get into trouble to have their loans modified prior to default," said Anne Canfield, executive director of the Consumer Mortgage Coalition.

In an example discussed in Revenue Procedure (2008-28), the servicer can elect to reduce the interest rate and principal on a loan for a borrower who has not responded to letters or phone calls and without the benefit of updated individual information.

The IRS recognizes that servicers have developed sophisticated programs to identify borrowers likely to default by using data such as high loan-to-value ratios, declining credit scores, falling house prices or approaching interest rate resets.

"Once the servicer forms a reasonable belief that there is significant risk of foreclosure, "then they can go ahead and contact the borrower before any payment goes late," IRS associate counsel Susan Baker told this newspaper.

In December, the IRS issued a revenue ruling to facilitate a Hope Now initiative for "fast-tracking" of subprime adjustable-rate borrows into a refinancing or loan mod.

It allowed the servicers to quickly identify borrowers facing a reset and fast-tracking them into a loan modification where the starter rate is frozen for five years.

This Hope Now "teaser freeze" initiative has had limited success and the revenue ruling addressed a very narrow set of facts.

Revenue Procedure 2008-28 is not limited to subprime ARMs or freezing the interest rate. It permits interest rate and principal reductions. It seems to build on a March 2007 IRS ruling that allows servicers to modify commercial real estate loans in REMICs if default is "reasonably foreseeable."

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Does that last item change anything materially for us?

> From: GM PR
> Sent: Tuesday, May 27, 2008 7:52 AM
>
> WaMu Focused News
>
> "AP Interview: Calif. congresswoman says home sale 'improper'"
> By ERICA WERNER
> 24 May 2008
> Associated Press Newswires
>
> Rep. Laura Richardson claimed Friday that her Sacramento home was sold into foreclosure without her knowledge and contrary to an agreement with her lender.
> She said that she is like any other American suffering in the mortgage crisis and wants to testify to Congress about her experience as lawmakers craft a foreclosure-prevention bill.
> In a lengthy interview with The Associated Press on Friday night, the Southern California Democrat struck back against several days of negative publicity over reports she defaulted on her mortgage, allowing the house to be sold at auction.
> Richardson, elected in a special election last August, acknowledged turmoil in her life in the months after an incumbent's death in April opened up the Los Angeles-area House seat.
> She used her money to finance her campaign and fell behind in mortgage payments. But Richardson said that makes her like other Americans who have to deal with a sudden death or birth that throws a wrench into their finances.
> Now, Richardson said, she has renegotiated her loan to pay it off and promised to fully comply with all its terms. She also said she will pay nearly $8,000 in delinquent property taxes.
> She insisted she's not getting special terms because she's a congresswoman.
> "I'm Laura Richardson. I'm an American. I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructuring the obligations that I had with the income I had."
> Richardson is a member of the Long Beach City Council when she won a California state Assembly seat in November 2005, months before she bought the three-bedroom, 1 1/2-bath Sacramento home.
> She won the congressional seat the next year in the special election to replace the late Juanita Millender-McDonald.
> The problem is that the 1,600-square-foot home she bought for $635,500 in January 2007 was sold at auction earlier this month to a Sacramento mortgage lender, who paid $388,000. The sale was officially recorded on Monday, according to documents on file with the Sacramento County Recorder's Office.
> A default notice sent to Richardson in March put her unpaid balance at $578,384.
> Richardson, 46, makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also

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JPMC-001498
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Page 139 of 146
received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

> Although others struggling with mortgages make for less, Richardson said it was "very misleading" to compare her earnings to the national median household income of around $50,000. The reason:
> Lawmakers are required to maintain two residences while other people don't have to, she said.
> Others also don't have to depend on winning an election to ensure their livelihood, she said.

> Richardson provided AP with an April letter that appears to be from Washington Mutual Home Loans telling her there was a hold on foreclosure sales on her property until June 4 of this year.
> She said she got another letter noting for payments May 2 and paid them, but did not know the sale was going to happen five days later.

> Richardson also provided an e-mail dated Thursday she said was from Washington Mutual that appeared to acknowledge an agreement "to facilitate the resolution of foreclosure sale."
> She did not provide documentation of the structure of her new loan.

> A Washington Mutual spokeswoman, Sara Gauj, told AP earlier in the day that the company had "not received consent from Ms. Richardson that would allow us to discuss her loan situation."

> Asked later to respond to Richardson's specific comments, she reiterated that the savings and loan could not discuss the matter without the congresswoman's consent.

> Meanwhile, the current owner of the property told AP that his ownership of the house is not in doubt.

> James York, owner of Red Rock Mortgage Inc. of Sacramento, declined to discuss any possible negotiations that might be ongoing.

> "I've taken possession on the home," York said. "I've been working on it, fixing it up. It had been vacant. It was in worse and in better repair than most foreclosures."

> The house, built in 1926, is in Sacramento's Curtis Park, a desirable, upper-middle-class neighborhood near downtown that sits under a canopy of decades-old trees.

> Not long after getting to Congress, Richardson voted in favor of the Mortgage Forgiveness Debt Relief Act of 2007, which subsequently became law. It allows homeowners to escape paying income taxes on debts forgiven by a lender, as happens in foreclosure.

> Richardson was absent earlier this month for votes on the Foreclosure Prevention Act, which she said was because of her father's funeral. But she could have another opportunity to vote on the foreclosure package as the House is expected to bring it back up in June once agreement is reached in the Senate.

> In most cases, congressional ethics rules don't prevent lawmakers from voting on legislation that might affect or help them economically. Such votes are essentially impossible to avoid.

> Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don't experience what she did. For example, she sees a need to add steps to inform property owners before their property can be sold.

> "We have to ensure that lenders and lenders have the tools with proper timing to resolve this," she said.

> Melanie Sloan, executive director of the Washington-based Citizens for Responsibility and Ethics, criticized Richardson for failing to keep her debt in check while choosing to spend more than $75,000 of her own money on her campaign — suggesting that it's more important to win a seat in Congress than to be fiscally responsible, a point Richardson disputed.

> Sloan also said Richardson should not be in the situation she is while making a congressional salary, when homeowners around the country making $50,000 or less are struggling to pay their debts.

> "Truthfully, it's appalling," Sloan said.

> 2. Was Lawmaker Foreclosed On?
> By Jennifer Barron
> 26 May 2008
> National Mortgage News

> LONG BEACH, CA -- The Press-Telegram here said that Rep. Laura Richardson made only a few payments on the Sacramento house she bought in 2007, failed to pay property taxes, defaulted on the mortgage and lost the house to foreclosure. The Press-Telegram also reported that Rep. Richardson's lender, Washington Mutual, took a loss of nearly $200,000 when it sold the house at a public auction on May 7.
"They took a beating," James York, the Sacramento real estate broker who said he bought the house at a foreclosure auction, told the Press-Telegram.
The report is based on public documents the newspaper published on its website, and in an interview with Mr. York. It is at odds with Rep. Richardson's statement, in which the Long Beach Democrat said she had worked out a loan modification with her lender, and would "fulfill all financial obligations" on the property.
According to the Press-Telegram, "Rep. Laura Richardson lost her Sacramento home in a foreclosure auction two weeks ago, and left behind nearly $90,000 in unpaid property taxes. Rep. Richardson, D-Long Beach, appears to have made only a few payments on the house, which she bought in January 2007 for $355,000."
The newspaper's report - that the house was foreclosed and an auction took place - appears to conflict with Rep. Richardson's statement that the house "is not in foreclosure." Her office has not responded to a request from the Los Angeles Times for additional information about her mortgage and loan modification. The Press-Telegram said she declined to be interviewed about the controversy.
The newspaper's report also calls into question her statement that she had worked out a loan modification with her lender and would fulfill all financial obligations related to the property. The Press-Telegram reports that the house sold for only $388,000, far below the $574,000 owed on the property, and that the new owner, Mr. York, "assumed responsibility for Ms. Richardson's unpaid property tax bill of $8,550.79."

WASHINGTON -- Servicers of residential mortgage-back securities no longer have to wait for a borrower to miss a payment or even ask for help before they can offer the homeowner a loan modification, according to an Internal Revenue Service ruling.
The new IRS ruling encourages servicers to identify and assist borrowers that have a high risk of eventual foreclosure.
And it allows servicers to be proactive in preventing widespread foreclosures without jeopardizing the tax status of the Real Estate Mortgage Investment Corp.
"This is an important change that will allow more homeowners who may potentially get into trouble to have their loans modified prior to default," said Anne Canfield, executive director of the Consumer Mortgage Coalition.
In an example discussed in Revenue Procedure (2008-28), the servicer can use the interest rate and principal on a loan for a borrower who has not responded to letters or phone calls and without the benefit of updated individual information.
The IRS recognizes that servicers have developed sophisticated programs to identify borrowers likely to default by using data such as high loan-to-value ratios, declining credit scores, falling house prices or approaching interest rate resets.
"Once the servicer forms a reasonable belief that there is significant risk of foreclosure, "then they can go ahead and contact the borrower before any payment goes late," IRS associate counsel Susan Bierer told this newspaper.
In December, the IRS issued a revenue ruling to faciliate a Hope Now initiative for "fast-tracking" of subprime adjustable-rate borrowers into a refinancing or loan mod.
This hope allows the servicers to quickly identify borrowers facing a reset and fast-tracking them into a loan modification where the reset rate is frozen for five years.
This Hope Now "teaser freezer" initiative has had limited success and the revenue ruling addressed a very narrow set of facts.
Revenue Procedure 2008-28 is not limited to subprime ARMs or freezing the interest rate. It permits interest rate and principal reductions. It seems to build on a March 2007 IRS ruling that allows servicers to modify commercial real estate loans in REMICs if default is "reasonably foreseeable."
Washington Mutual executive William Longbrake said last week that the latest IRS ruling appears to be a "clarification" of the March 2007 ruling on CMBS. "Although the IRS guidance only addresses commercial real estate REMICs, it can be reasonably inferred that comparable treatment would be given to residential real estate REMICs," Mr. Longbrake said in a publication.
Here is the latest article from The Daily Breeze, which is an extension of the story that appeared earlier this morning.

- Sara

Richardson escapes $400 property bill - The Daily Breeze
By Gene Mackaus
August 21, 2008
In a statement, Rep. Laura Richardson, D-Long Beach, disavowed any responsibility for the current upkeep of the home, because she said it still has not been transferred back to her.

Rep. Laura Richardson caught a break on Wednesday when code enforcement officers decided not to bill her for boarding up the garage door on her vacant Sacramento home.

The city decided it would be too much trouble to determine who owned the property last month, when code enforcement officers were called out to deal with a "public nuisance."

After Richardson stopped making payments on the home, it was sold to an investor at a foreclosure auction. But the property was returned to Richardson in June, after her bank rekindled the sale.

in a statement, Richardson, D-Long Beach, disavowed any responsibility for the current upkeep of the home, because she said it still has not been transferred back to her.

"Congresswoman Richardson is fully prepared, WHEN full transfer of the property is made and reinstated, to manage and maintain the Sacramento property," said her spokesman, William Marshall.

Richardson's statement conflicts with available public records, which state that she has had the title to the property since June 2.

Richardson bought the home in January 2007 upon being elected to the Assembly. But after she won a seat in Congress a few months later, neighbors noticed that property was left vacant and had been poorly maintained.

Sacramento police were called to the home on July 21 because the garage door was open, suggesting a possible break-in. The police called code enforcement officials, who brought in a contractor to board up the door.

Code enforcement officers also found rotting food on the ground, which might attract rodents, as well as junk and debris in the yard.
In such cases, the homeowner gets a bill from the city. Ron O’Connor, the code enforcement operations manager, said the city would also charge $250 for right service, plus the cost of the contractor, bringing the total to perhaps $400.

Apparently relying on county property records, the city sent a notice of a “public nuisance” to Red Rock Mortgage, the real estate firm that bought the property at auction.

Richardson did not learn about the notice until last week.

James York, the owner of Red Rock Mortgage, sued Richardson and Washington Mutual after the auction was rescinded, arguing that he was the rightful owner of the property. As part of the suit, York filed a notice of pending litigation on the property, which clouded Richardson’s title.

York later settled the lawsuit for an undisclosed sum. On July 11, 10 days before the apparent break-in, York’s attorney signed notices to withdraw the lawsuit and the notice of litigation from the property, thereby relinquishing York’s claim on it.

O’Connor said it was unclear from information available to him who owned the property on July 21.

But Richardson had the key to the property once the sale was rescinded on June 2. Were it otherwise, she would have had to sue York to get the house back - not vice versa.

In order to resolve the ownership of the property, O’Connor said he would have to spend $100 for a title search, which would take three weeks.

“It’s not worth it,” he said. “I’m just going to get rid of it.”

O’Connor said that Richardson would still be sent a notice to comply with the code violations, but would not be required to pay for the board-up.

In another development, Washington Mutual paid Richardson’s outstanding property tax bill of $9,000 on July 31. No public records explain why the bank would do that, though it is possible that the tax bill was added to Richardson’s loan balance in a refinancing.

> From: Gau, Sara C. 
> Sent: Thursday, August 21, 2008 11:44 AM 
> To: Schneider, David C.; Berens, John 
> Cc: Guik, Don, Elkes, Alan 
> Subject: Recent Coverage Re: Richardson Property

> David and John,
> As discussed during this morning’s call, embedded below is recent coverage on Richardson’s Sacramento property. As Don mentioned, the Sacramento Code Enforcement Department has declared the property a “public nuisance.”

> I will continue to reiterate to inquiring reporters that WaMu does not have possession of the property. Note that media coverage also reflects that Richardson’s statements have conflicted with available public records.

> Sara

> Rep. won’t be billed for house problem - The Daily Breeze
By Gene Maddaus

Rep. Laura Richardson caught a break on Wednesday when code enforcement officers decided not to
bail her for boarding up the garage door on her vacant Sacramento home.

The city decided it would be too much trouble to determine who owned the property last month, when
code enforcement officers were called out to deal with a "public nuisance."

After Richardson stopped making payments on the home, it was sold to an investor at a foreclosure
auction. But the property was returned to Richardson in June, after her bank rescinded the sale.

In a statement, Richardson, D-Long Beach, disavowed any responsibility for the current upkeep of the
home, because she said it still has not been transferred back to her.

"Congresswoman Richardson is fully prepared, when full transfer of the property is made and
reinstated, to manage and maintain the Sacramento property," said her spokesman, William Marshall.

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the property since June 2.

Rep. Richardson's Sacramento home declared 'public nuisance' - Los Angeles Times
Neighbors complained about the condition of the Sacramento home of Rep. Laura Richardson (D-
Long Beach).

First Rep. Laura Richardson was having problems making house payments, defaulting six times over
eight years.

Then after a bank foreclosed on her Sacramento house and sold it at auction in May, the Long Beach
Democrat made such a stink that Washington Mutual, in an unusual move, grabbed it back and
returned it to her.

This week, in the latest chapter in the housing saga, the Code Enforcement Department in
Sacramento declared her home a "public nuisance."

The city has threatened to fine her as much as $5,000 a month if she doesn't fix it up.

Neighbors in the upper-middle-class neighborhood complain that the sprinklers are never turned on
and the grass and plants are dead or dying. The gate is broken, and windows are covered with brown
paper.

"I would call it an eyesore," said Peter Thomsen, a retired bank executive who lives nearby.

The city action was prompted by police action.

Police were twice called to investigate reports of a suspicious person in or around the house, perhaps
a homeless man squatting there. Officers called the Code Enforcement Department, which boarded up
a broken door.

Code enforcement inspectors visited the house twice in July, finding "trash and debris" in the driveway
and "rotting fruit on the ground in the rear yard which creates rodent harborage," according to
department documents.

Ron O'Connor, operations manager of the Code Enforcement Department, said homes in the Curtis
Park area seldom were tagged as a public nuisance.
"It's a really nice neighborhood," he said.

Asked about the house, Richardson's office released a statement that said: "Neither Congresswoman Richardson nor her attorney have received any information referring to this matter. Any additional information will be provided at a later date."

Richardson has few worries in the November election. The 37th District is so solidly Democratic that no Republican is running against her. Democrat Peter Matheos, who has sought the seat several times before, is mounting a write-in campaign.

Richardson began defaulting on house payments long before she bought the three-bedroom, 1 1/2 - bath home after being elected to the Assembly in 2006. She has defaulted on a home in San Pedro, where her mother lives, and her residence in Long Beach for amounts ranging from $6,742 to almost $20,000, according to documents on file with Los Angeles County.

Five of the defaults occurred during a 13-month period over 2007-08 when Richardson was bankrolling her political career, lending her campaigns for Congress and Assembly a total of $177,500.

In addition, she owed nearly $9,000 in property taxes on the Sacramento house, and the city Utilities Department put a lien on the property for an unpaid utility bill of $154.03.

In a letter to supporters after her money problems received widespread publicity in June, Richardson said she was current on her house payments.

"Many elected officials are married, rely on two incomes or are independently wealthy," she wrote.

"I do not fit any of these descriptions," she added. "I made the decision to borrow money against my home to help finance my campaign. The election was too important to me, to our community and to our country to roll over."

Although Richardson lost her Sacramento house, she got it back under unusual circumstances.

Real estate investor James York bought the two-story house May 7 for $388,000. Richardson had paid $335,000. York recorded the deed May 19 and sent a work crew to renovate the house.

York said Washington Mutual filed a letter of recision of the sale June 2 with Sacramento County. Experts said such a move after the deed was recorded was almost unheard of.

"It seems to me it has nothing to do with the law, but it has to do with [Washington Mutual] trying to be deferential to a congresswoman," said Grant Nelson, the William H. Rehnquist Professor of Law at Pepperdine University.

York sued. The case was settled in early July with each side agreeing not to talk about the terms. In addition, Washington Mutual paid the tax lien on July 31, according to Sacramento County.

The public nuisance notice — known as a vacant building ordinance violation — was posted on Richardson's house Tuesday.

An inspection, it says, "revealed the structure on your property is vacant, is not in compliance with minimum maintenance standards and/or constitutes a public nuisance."

The owner of the house is listed on the notice as Red Rock Mortgage Inc., which is York's company.

O'Connor, the Sacramento code official, said the notices are taped onto the building and sent to the owner. Return receipt requested.
> During a phone interview, O'Connor checked county tax assessor records and said that Richardson is listed as the owner and that the notice would be sent to her.

> The notice says that a $1,000 penalty can be assessed against the property if progress is not made to bring it into compliance within 30 days. The penalty could grow to as much as $5,000 per month unless progress is made to improve conditions.

> Neighbors have complained about the state of the house for months.

> They were optimistic when York sent his crew to begin renovations, but now say it is worse than ever.

> "I can't make myself go by there. It hurts too much," said Sharon Helmar, who sold the house to Richardson after living there for 30 years. "We took good care of it, and it's a lovely house."

> Sara Gaugl
> Home Loans Public Relations

> WaMu
> 1301 Second Avenue | WMCB1 | Seattle WA 98101
> 206.500.2822 direct | 206.228.1160 fax | sara.gaugl@wamu.net

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From: Gaugl, Sara C. 
To: Schneider, David C.; Berens, John; Champney, Steven D.; Cook, Don; Adams, Carolyn; Owen, Jan L.; Ellis, Alan
Cc: 

Subject: Richardson/CNN
Date: Wed May 28 2008 21:42:21 EDT
Attachments: 

Alt: 
So you are aware, I just received a call from a producer with CNN re: Congresswoman Richardson’s “debacle.” Apparently, CNN’s Campbell Brown plans to discuss the Congresswoman’s situation during tomorrow’s 8 p.m. Eastern broadcast. 
The producer said she’s been tasked with cross-checking the accuracy of Ms. Richardson’s statements with WaMu, at which point I informed her that we have not received consent from Ms. Richardson that would allow us to discuss her loan situation. 
At that point, she informed me that CNN has talked with a forensic accountant. Based on his/her analysis of Ms. Richardson’s financial situation, the accountant has “determined” that the Congresswoman probably shouldn’t have qualified for the (WaMu) loan in the first place. 
I’ll keep you informed as I learn more. I expect to receive an update from CNN tomorrow. 

Best, 
Sara 

Sara Gaugl 
Home Loans Public Relations 
WaMu 
1301 Second Avenue | WIC/8101 Seattle WA 08101 
206.500.2822 direct | cell sara.gaugl@wanum.com 

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David, John and Steve:

So you are aware, earlier this evening Congresswoman Richardson talked with a number of media outlets including the Associated Press. As outlined in the AP article embedded below, she's claiming that the foreclosure auction of her Sacramento home was "improper" and contrary to a written agreement she had with VA. She also said that we've taken initial steps to rescind the foreclosure action given that she had an "agreement."

Legal, HL PR, Corp. Comm., Servicing and GIR will stay closely aligned as this situation continues to evolve. After discussing this afternoon, we unfortunately are still limited on what we can disclose about Ms. Richardson's loan situation (outside of public record) given that she won't provide her consent. We have and will continue to emphasize that fact to the media, and will point them back to the public record, which indicates a history of default.

We'll continue to update you on new developments, however in the interim, please let us know if you have any questions.

Best,

Sara

----------

*Please note that this article is in draft form - the reporter provided it to me in advance of publication.

AP Interview: Calif. congresswoman says sale 'improper'

By ERICA WERNER Associated Press Writer

WASHINGTON (AP) _ Rep. Laura Richardson claimed Friday that her Sacramento home was sold into foreclosure without her knowledge and contrary to an agreement with her lender.
She said that she is like any other American suffering in the mortgage crisis and wants to testify to Congress about her experience as lawmakers craft a foreclosure-prevention bill.

In a lengthy interview with The Associated Press on Friday night, the Southern California Democrat struck back against several days of negative publicity over reports she defaulted on her mortgage, allowing the house to be sold at auction.

Richardson, elected in a special election last August, acknowledged turmoil in her life in the months after an incumbent's death in April opened up the Los Angeles-area House seat.

She used her money to finance her campaign and fell behind in mortgage payments. But Richardson said that makes her like other Americans who have to deal with a sudden death or birth that throws a wrench into their finances.

Now, Richardson said, she has renegotiated her loan to pay it off and promised to fully comply with all its terms. She also said she will pay nearly $9,000 in delinquent property taxes.

She insisted she's not getting special terms because she's a congresswoman.

"I'm a single woman who had four employment changes in less than four months." Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Richardson was a member of the Long Beach City Council when she won a California's state Assembly seat in November 2006, months before she bought the three-bedroom, 1½-bath Sacramento home. She won the congressional seat the next year in the special election to replace the late Juanita Millender-McDonald.

The problem is that the 1,800-square-foot home she bought for $385,000 in January 2007 was sold at auction earlier this month to a Sacramento mortgage lender, who paid $368,000. The sale was officially recorded on Monday, according to documents on file with the Sacramento County Recorder's Office.

A default notice sent to Richardson in March put her unpaid balance at $678,384.

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She did not provide documentation of the structure of her new loan.

A Washington Mutual spokeswoman, Sara Geugi, told AP earlier in the day that the company had “not 
received consent from Ms. Richardson that would allow us to discuss her loan situation.”

Washington Mutual did not respond to a later inquiry seeking comment on Richardson’s claims.

Meanwhile, the current owner of the property told AP that his ownership of the house is not in doubt.

James York, owner of Red Rock Mortgage Inc. of Sacramento, declined to discuss any possible 
egregulations that might be ongoing.

“I've taken possession on the home,” York said. “I've been working on it, fixing it up. It had been vacant. 
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Five of the defaults occurred during a 13-month period over 2007-08 when Richardson was running her political career, tending her campaigns for Congress and Assembly, a total of $177,500.

In addition, she owed nearly $6,000 in property taxes on the Sacramento house, and the city Utilities Department put a lien on the property for an unpaid utility bill of $154.03.

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"Many elected officials are married, rely on two incomes or are independently wealthy," she wrote.

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Page 26 of 66

CSOC.RICH.003151
> "I do not fit any of these descriptions," she added. "I made the decision to borrow money against my home to help finance my campaign. The election was too important to me, to our community and to our country to roll over."

> Although Richardson lost her Sacramento house, she got it back under unusual circumstances.

> Real estate investor James York bought the two-story house May 7 for $368,000. Richardson had paid $835,000. York recorded the deed May 19 and sent a work crew to renovate the house.

> York said Washington Mutual filed a letter of recision of the sale June 2 with Sacramento County. Experts said such a move after the deed was recorded was almost unheard of.

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> York sued. The case was settled in early July with each side agreeing not to talk about the terms. In addition, Washington Mutual paid the tax lien on July 31, according to Sacramento County.

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> During a phone interview, O'Connor checked county tax assessor records and said that Richardson is listed as the owner and that the notice would be sent to her.

> The notice says that a $1,000 penalty can be assessed against the property if progress is not made to bring it into compliance within 30 days. The penalty could grow to as much as $5,000 per month unless progress is made to improve conditions.

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> "I can't make myself go by there. It hurts too much," said Sharon Heim, who sold the house to Richardson after living there for 30 years. "We took good care of it, and it's a lovely house."

> Sara Gaugi
> Home Loans Public Relations
> WaMu
> 1301 Second Avenue
> Seattle WA 98101
> 206.503.2822 direct 11
> cell 607.375.2822
> sara.gaugi@wamu.net

> This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.
First payment due 9/1.

From: Schneider, David C.
Sent: Thursday, August 21, 2008 4:55 PM
To: Berens, John
Subject: FW: Recent Coverage Re: Richardson Property

Has she made her payments after we gave her the house back?

d

From: Gaugi, Sara C.
Sent: Thursday, August 21, 2008 11:44 AM
To: Schneider, David C.; Berens, John
Cc: Cook, Don; Ellis, Alan
Subject: Recent Coverage Re: Richardson Property

David and John -

As discussed during this morning's call, embedded below for your reference is recent coverage on Richardson's Sacramento property. As Don mentioned, the Sacramento Code Enforcement Department has declared the property a "public nuisance."

I will continue to reiterate to inquiring reporters that WaMu does not have possession of the property. Note that media coverage also reflects that Richardson's statements have conflicted with available public records.

- Sara

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Rep. won't be billed for house problem - The Daily News
By Gene Maddaus

Rep. Laura Richardson caught a break on Wednesday when code enforcement officers decided not to bill her for boarding up the garage door on her vacant Sacramento home.

The city decided it would be too much trouble to determine who owned the property last month, when code enforcement officers were called out to deal with a "public nuisance."

After Richardson stopped making payments on the home, it was sold to an investor at a foreclosure.

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auction. But the property was returned to Richardson in June, after her bank rescinded the sale.

In a statement, Richardson, D-Long Beach, disavowed any responsibility for the current upkeep of the home, because she said it still has not been transferred back to her.

"Congresswoman Richardson is fully prepared, WHEN full transfer of the property is made and reinstated, to manage and maintain the Sacramento property," said her spokesman, William Marshall.

Richardson's statement conflicts with available public records, which state that she has had the title to the property since June 2.

Rep. Richardson's Sacramento home declared 'public nuisance' - Los Angeles Times
Neighbors complained about the condition of the Sacramento home of Rep. Laura Richardson (D-Long Beach).

Find Rep. Laura Richardson was having problems making house payments, defaulting six times over eight years.

Then after a bank foreclosed on her Sacramento house and sold it at auction in May, the Long Beach Democrat made such a stink that Washington Mutual, in an unusual move, grabbed it back and returned it to her.

This week, in the latest chapter in the housing saga, the Code Enforcement Department in Sacramento declared her home a "public nuisance."

The city has threatened to fine her as much as $5,000 a month if she doesn't fix it up.

Neighbors in the upper-middle-class neighborhood complain that the sprinklers are never turned on and the grass and plants are dead or dying. The gate is broken, and windows are covered with brown paper.

"I would call it an eyesore," said Peter Thomson, a retired bank executive who lives nearby.

The city action was prompted by police action.

Police were twice called to investigate reports of a suspicious person in or around the house, perhaps a homeless man squatting there. Officers called the Code Enforcement Department, which boarded up a broken door.

Code enforcement inspectors visited the house twice in July, finding "junk and debris" in the driveway and "rotting fruit on the ground in the rear yard which creates rodent harborage," according to department documents.

Ran O'Connor, operations manager of the Code Enforcement Department, said homes in the Curtis Park area seldom were tagged as a public nuisance.

"It's a really nice neighborhood," he said.

Asked about the house, Richardson's office released a statement that said: "Neither Congresswoman Richardson nor her attorney have received any information referring to this matter. Any additional information will be provided at a later date."

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Five of the defaults occurred during a 13-month period over 2007-08 when Richardson was bankrolling her political career, lending her campaigns for Congress and Assembly a total of $177,500.

In addition, she owed nearly $2,000 in property taxes on the Sacramento house, and the city Utilities Department put a lien on the property for an unpaid utility bill of $154.03.

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Sara Gaugl
Home Loans Public Relations

WaMu
1301 Second Avenue [WMC24G] Seattle WA 98101
206.550.2622 direct 123 456 789 0123 cell 456 789 0123 gaugl.sara@wamu.net

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Federal Reserve E-Payments Routing Directories

Federal Reserve Participant Details

Name, location, and routing information

| Bank Name | FIRST CALIFORNIA BANK |
| Location | CAMARILLO, California |
| Routing Number | 123456789 |
| Telephone Number | 805-484-0534 |
| Revised | July 11, 2005 |
| Office Code | 0 |
| Record Type Code | 1 |
| New Routing Number | Not Applicable |
| Institution Code | 1 |
| Servicing FRB number | 123456 |

Technical Requirements

The effective date of this FedACH directory is October 1, 2009.

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Laura Richardson
1212 South Drive
Riverside, CA 92507
818-245-0999

Pay to the Order of Washington Mutual

Amount: $4,352.32
Account: [Redacted]
Bank Number: [Redacted]

Sequence Number:
Capture Date: 09/12/2009
Check Number: 3

First California Bank
4444 Century Park East
Suite 110
Los Angeles, CA 90067

Four Thousand Three Hundred Fifty-Two and 32/100**************DOLLARS

Washington Mutual

09/03
05/2008

$4,352.32

9-11-2008

payment

JPMC-001731
CONFIDENTIAL
MASTER TOT PYMT $ 4889.20 L/C DUE $ 1792.55 OTHER FEES $ 72.55
INFO TOT DUE( 007 ) $ 36021.29 W/F DUE $ 9.90 SUSP BAL $ 3819.45
ACTUAL BAL $ 152.70

HISTORY INFO: REC 03 OF 07 USER #10 SERIAL 55695860115
HISTORY DATE: 10/15/08 EFFECTIVE DATE: 10/15/08
WITHDRAWAL AMOUNT $ 4423.02 JIT FEE 15.00 SOURCE C

SOURCE C = CUSTOMER CALL 8=SERVICER CALL 0=DELETION
Q=DELETE PREVIOUS JIT 6=IMPORT DATA ONLY
D=DELETE PREVIOUS JIT - SERIAL TO DELETE

PER/BUS P=CHECK NO TILL MICRO LINE

RN# [ ] [ ] [ ] [ ] ACCT # [ ] [ ] [ ] [ ] [ ] ACCT TYPE C (C=CHECK, S=SAVINGS)

NAME OR ACCT RICHARDSON JURA (LAST NAME, FIRST NAME)

OFF STEPS N (Y/N) GENERATE PYMT TRN FEE Y (Y/N) PAPER DRAFT N (Y/N)

PRESS FF16 FOR MEMOS
LIFE-OF-LOAN: LEGAL ACTION: COMPLEX LITIGATION
LOSS MIT IMG = & LOSS ANALYSIS CMPT COMPLETED LOSS MITIGATION

JPMC-001734
CONFIDENTIAL
JUST IN TIME EFT ON DEMAND ACH DRAFT SETUP 10/16/09
LAURA RICHARDSON
PC/CLI/TP 04/16/07

MASTER 101 PYMT $ 4885.20 L/C DUE $ 11/22.35 OTHER FEES $ 32.55
INFO 101 DUE $ 30624.29 NSF DUE $ 0.00 SUSP BAL $ 3019.65

HISTORY INFO: REC 07 OF 07 USER LLP SERIAL 1564260578
HISTORY DATE: 04/16/07 EFFECTIVE DATE: 04/16/07
WITHDRAWAL AMOUNT $ 4243.00 JIT FEE 15.00 SOURCE C

SOURCE C (CUSTOMER CALL S=SERVICE CALL R= BANK DATA ONLY M=IMPORT DATA ONLY)
DELETE PREVIOUS JIT SERIAL TO DELETE ________________

RTN A [ ] ACCT [ ] ACCT TYPE C (C=CHECK, S=Savings)

BANK NAME _______________

NAME ON ACCT RICHARDSON LAURA (LAST NAME, FIRST NAME)

OUR STOPS N (Y/N) GENERATE PYMT TRN FEED Y (Y/N) PAPER DRAFT N (Y/N)

ADDITIONAL MESSAGES

LIFE-OF-LOAN LEGAL ACTION: COMPLEX LITIGATION
LOSS MIT IND = 8 LOSS ANALYSIS COMP COMPLETED LOSS MITIGATION

JPMC-0001738
CONFIDENTIAL
Tasha A Siedzik

From: Woodcock, Wendy A.
Sent: Tuesday, May 27, 2008 5:07 PM
To: Samuel, Susan L.; Bach, Ed
Cc: Siedzik, Tasha A.; Anderton, Mahala L.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Loan Number:

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904 886-1309 ph
904 886-1325 fax

-----Original Message-----
From: Samuel, Susan L.
Sent: Tuesday, May 27, 2008 4:07 PM
To: Bach, Ed; Woodcock, Wendy A.
Cc: Siedzik, Tasha A.; Anderton, Mahala L.
Subject: FW: Richardson Coverage: Calculated Risk Blog
Importance: High

Ed, Could you please help me gather this information today so Steve could share with Schneider and Hyde?

Wendy, as you have been actively working on this case could you please provide the loan #?

My thanks,
Susan Samuel
Executive Assistant
National Default

Washington Mutual
7301 Baymeadows Way, JAXB3182
Jacksonville, FL 32256
904-886-6251 direct,
susan.samuels@wm.com

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-----Original Message-----
From: Champey, Steven D.
Sent: Tuesday, May 27, 2008 3:55 PM
To: Samuel, Susan L.
Subject: Fw: Richardson Coverage: Calculated Risk Blog

Make sure Tara is chasing this down

Sent from my BlackBerry Wireless Handheld

JPMC-001739
CONFIDENTIAL
----- Original Message ----- 
From: Schneider, David C.  
To: Gaufl, Sara C.  
Cc: Champney, Steven D.; Hyde, Arlene M.  
Sent: Tue May 27 12:45:30 2008  
Subject: RE: Richardson Coverage: Calculated Risk Blog

Can you get me the information on the original loan? Today please.

You can have this done by the channel that originated the deal.


ds

From: Gaufl, Sara C.  
Sent: Tuesday, May 27, 2008 12:31 PM  
To: Schneider, David C.; Berens, John; Champney, Steven D.  
Cc: Thom, Ann; Owen, Jan L.; Elias, Alan  
Subject: Richardson Coverage: Calculated Risk Blog

All:

As expected, coverage on Congresswoman Richardson's financial situation has continued to evolve after it was reported on Friday that she has defaulted on other loans — including her primary residence. I'm forwarding the blog posting embedded below in particular, as it reflects the current viewpoint among other journalists and links to key articles/posts published to date.

- Sara

UPATED: A Congressional Speculator7 – Calculated Risk by Tanta
http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html

This is an update to post below on Rep. Laura Richardson's foreclosure woes.

Gene Maddaus of the Daily Breeze <http://www.dailybreeze.com/article/9366061> kindly forwarded today's additions to the saga. There are not two, but three homes owned by Richardson in foreclosure. And yes, she appears to have cashed out her primary residence back in 2006 to fund her campaign for State Assembly. So it looks like a pattern.

*******

I have been watching the story of Representative Laura Richardson and her foreclosure woes for a while now, while heretofore hesitating to post on it. For one thing, the original story—a member of Congress losing her expensive second home to foreclosure—had that kind of celebrity car-crash quality to it that I'm not especially interested in for the purposes of this blog. For another thing, posting about anything even tangentially related to politics invites the kind of comments that personally bore me to tears.

All that is still true, but the story has taken such an unfortunate turn that I feel obligated to weigh in on it. Specifically, Rep. Richardson is threatening us <http://origin.mercurynews.com/breakingnews/article/9363126>:

Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don't experience what she did. For example, she sees a need to add steps to inform property owners before their property can be sold.

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"We have to ensure that lenders and lenderees have the tools with proper timing to resolve this," she said.

If Rep. Richardson is going to base legislative proposals on her own experience, then it matters to the rest of us what that experience was. So click the link below if you can stand to hear about it.

The story was originally reported in the Sacramento Capitol Weekly at http://www.capitolweekly.net/article.php?_actid=1&y%7Cj=2043wsv1355o%7Cxs6731uskip&issuat=x4tyolqkriw0m0&xid=x4tllm6v0v6ox>, and picked up by the Wall Street Journal at http://blogs.wsj.com/development/2008/05/22/congresswoman-s-home-sold-in-foreclosure-auction/>, and thence covered by a number of blogs, with the storyline being that Rep. Richardson "walked away" from her home, a second home she purchased in Sacramento after being elected to the State Assembly. The "walk away" part came from a remark made by the real estate investor who purchased the home at the foreclosure auction, not Rep. Richardson or anyone who could be expected to understand her financial situation, but that didn't stop the phrase "walk away" from headlining at <http://globaleconomicanalysis.blogspot.com/2008/05/congresswoman-walks-away.html>; blog <http://optionarrangeddolon.blogspot.com/2008/05/update-on-walk-away-congresswoman.html>; posts at <http://latimesblogs.latimes.com/laland/2008/05/buyer-of-rep-la.html>.

Rep. Richardson has variously claimed at different times that the house was not in foreclosure, that she had worked out a modification with the lender, and that the lender improperly foreclosed after having agreed to accept her payments. Frankly, unless and until Rep. Richardson gives her lender, Washington Mutual, permission to tell its side of the story—I'm not holding my breath on that—we're unlikely to be able to sort out this mess of claims to my satisfaction, at least.

It's possible that WaMu screwed this up—that it accepted payments on a workout plan with the understanding that foreclosure was "on hold" and then sold the property at auction the next week anyway. It's possible that Richardson's version of what went on is muddled, too. Without some more hard information I'm not inclined to assume the servicer did most of the screwing up, if for no other reason that we didn't find out until late yesterday, courtesy of the L.A. Land at <http://latimesblogs.latimes.com/laland/2008/05/richardson-says.html> and Foreclosure Truth at <http://www.foreclosurertruth.com/blog/seen/foreclosure-crisis-gets-personal-personal-rep-la-richardson-> blogs, that Richardson's other home—her primary residence—was also in foreclosure proceedings as recently as March of this year, a detail that as far as I can tell Richardson never disclosed in all the previous discussions of the facts surrounding the foreclosure of her second home.

What part of this I am most interested in, right now, is the question of what in the hell exactly Richardson was thinking when she bought the Sacramento home in the first place. Since the story is quite complex, let's get straight on a few details. Richardson was a Long Beach City Council member who was elected to the state legislature in November of 2006. In January of 2007 she purchased a second home in Sacramento, presumably to live in during the Assembly session. In April 2007, the U.S. Congressional Representative from Richardson's district died, and Richardson entered an expensive race for that seat, winning in a special election in August of 2007. By December 2007 the Sacramento home was in default, and it was foreclosed in early May of 2008. The consensus in the published reports seems to be that Richardson spent what money she had on her campaign, not her bills.

According to the AP at <http://origin.reutereconomynews.com/breakingnews/ci_9363126>: Richardson, 46, makes nearly $170,000 as a member of Congress and was paid $113,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

It seems to me that all this focus on what happened after she bought the Sacramento home—running for the suddenly-available Congressional seat, changing jobs, etc.—is obscuring the issue of the original transaction.

In November of 2006, Richardson already owned a home in Long Beach. As a newly-elected state representative, she would have been required to maintain her principal residence in her district, but she would also have had to make some arrangements for staying in Sacramento during Assembly sessions, given the length of the commute from L.A. County to the state capitol. She seems to have told the AP reporter that "Lawmakers are required to maintain two residences while

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other people don't have to," which is not exactly the way I'd have put it. Lawmakers are required to maintain one primary residence (which need not be owned) in their district. They are not required to buy a home at the capitol (of California or the U.S.); many legislators do rent. Richardson is a single woman with no children, yet she felt "required" to purchase a 3-bedroom, 1 1/2 bathroom home in what sounds like one of Sacramento's pricier neighborhoods for $235,500, with no downpayment and with $15,000 in closing cost contributions from the property seller. (The NAR median price in Sacramento in the first quarter of 2007 was $365,300 <http://www.usatoday.com/money/economy/housing/2008-05-13-q1-homeprices_N.htm>.)

I have no idea what loan terms Richardson got for a 100% L TV second home purchase in January 2007, but I'm going to guess that if she got something like a 7.00% interest only loan (without additional mortgage insurance), she got a pretty darn good deal. If she got that good a deal, her monthly interest payment would have been $1237.50. Assuming taxes and insurance of 1.50% of the property value, her total payment would have been $3793.13.

The AP reports that Richardson's salary as a state representative was $113,000 in 2007, and she received $20,000 in per diem payments (which are, of course, intended to offset the additional expense of traveling to and staying in the Capitol during sessions). I assume the per diem is non-taxable, so I'll gross it up to $25,000. That gives me an annual income of $138,000 or a gross monthly income of $11,500.

The total payment on the second home, then, with my sunny assumptions about loan terms, comes to 33% of Richardson's gross income. I have no idea what the payment is for her principal residence in Long Beach, but I have no idea what her debt is as of January 2007, and I am ignoring her congressional race and job changes and all that because at the point she took out this mortgage, that was all in the future and Richardson didn't know that the incumbent would die suddenly and all that. I'm just trying to figure out what went through this woman's mind when she decided it was a wise financial move to spend one-third of her pre-tax income on a second home. (There's no point trying to figure out what went through the leader's mind at the time. There just isn't.)

Now, Richardson has this <http://online.mercurynews.com/breakingnews/cl_9363176> to say about herself:

"I'm Laura Richardson. I'm an American. I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Yeah, well, I'm Latina, I'm an American, I'm a single woman, and I say you're full of it. You need to show us your plan for affording this home was before the job changes, girlfriend. You might also tell me why you felt you needed such an expensive second home when you had no money to put down on it or even to pay your own closing costs. As it happens, the Mercury News/AP <http://www.mercurynews.com/breakingnews/cl_9337389> reported that by June of 2007—five months after purchase—you had a lien filed for unpaid utility bills. You didn't budget for the lights?

But what are we going to get? We're going to get Richardson all fired up in Congress about tinkering with foreclosure notice timing, which is last I knew a question of state, not federal, law, and which has as far as I can see squat to do with why this loan failed.

Quite honestly, if WaMu did give Richardson some loan modification deal, I'd really like to know what went through the Loss Mit Department's collective and individual minds when they signed off on that. Sure, Richardson's salary went up to $170,000 when she became a member of the U.S. Congress, but what does she need a home in Sacramento for after that? Where is she going to live in Washington, DC? And, well, her principal residence was also in the process of foreclosure at the same time. I suppose I might have offered a short sale or deed-in-lieu here, but a modification? Why would anybody do that? Because she's a Congresswoman?

I'm quite sure Richardson wants to be treated like just a plain old American and not get special treatment. Well, I was kind of hard on a plain old American the other day who wrote a "hardship letter" <http://calculatedrisk.blogspot.com/2008/05/how-not-to-write-hardship-letter.html> that didn't pass muster with me. I feel obligated to tell Richardson that she sounds like a real estate speculator who bought a home she obviously couldn't afford, defaulted on it, and now wants WaMu to basically subsidize her Congressional campaign by lowering her mortgage payment or forgiving debt. And that's... disgusting. At the risk of sounding like Angelo,
I know some of you are thinking that maybe poor Ms. Richardson got taken advantage of by some fast-talking REALTOR who encouraged her to buy more house than she could afford.

According to Pete Viles at L.A. Land <http://latimesblogs.latimes.com/laland/2008/05/us-rep-laura-richt.html>, She likes the Realtors, and they like her. She filed financial disclosure forms with the House Ethics Committee reporting the National Assn. of Realtors flew her to Las Vegas in November to help swear in the new president of the association, Realtor Dick Gaylord of Long Beach.

In suggested remarks* at the NAR gathering, also filed with the House, Richardson's script read: "I might be one of the newest members of Congress but I am not a new member of the REALTOR Party. When I needed help to win a tough primary, REALTORS stood up and backed me even though I was the underdog."

--- Real estate industry professionals have given her $39,500 in campaign contributions in the current election cycle, according to Open Secrets.

No wonder she's blaring the lender.

Sara Gaugl
Home Loans Public Relations

WAMU
1301 Second Avenue, Suite 800 Seattle WA 98101
206 500 7877 direct lara.gaugl@wamu.net

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Tasha A Siedzik

From: Samuel, Susan L.
Sent: Tuesday, May 27, 2008 4:33 PM
To: Bach, Ed
Cc: Woodcock, Wendy A.; Siedzik, Tasha A.; Anderton, Mahala L.
Subject: RE: Richardson Coverage: Calculated Risk Blog

David, didn't send his request to Sara. He sent it to our boss and Arlene. I've reached out and left a couple messages for Sara. Hoping I'll hear from her soon.

Susan Samuel

-----Original Message-----
From: Bach, Ed
Sent: Tuesday, May 27, 2008 4:14 PM
To: Samuel, Susan L.; Woodcock, Wendy A.
Cc: Siedzik, Tasha A.; Anderton, Mahala L.
Subject: RE: Richardson Coverage: Calculated Risk Blog

Susan,

I dont want to do work that is already being done. Is Sara as David asked going to the channel to get the information? All we are going to be able to provide is the channel that originated, value etc. I would recommend calling Sara first.

Ed Bach, FVP
National Manager
Customer Interaction Center
National Default
Washington Mutual
7253 Baymeadows Way - JaxA3000
Jacksonville, FL 32256
904.886.5928 direct
Edward.Bach@wm.com

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Cc: Siedzik, Tasha A.; Anderton, Mahala L.
Subject: FW: Richardson Coverage: Calculated Risk Blog
Importance: !High

Ed, Could you please help me gather this information today so Steve could share with Schneider and Hyde?
Wendy, as you have been actively working on this case could you please provide the loan #?

My thanks,
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National Default

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Sent: Tuesday, May 27, 2008 3:55 PM
To: Samuel, Susan L.
Subject: Re: Richardson Coverage- Calculated Risk Blog

Make sure tara is chasing this down

------------------------
Sent from my BlackBerry Wireless Handheld

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To: Gaulg, Sara C.
Cc: Champney, Steven D.; Hyde, Arlene M.
Sent: Tue May 27 12:45:30 2008
Subject: RE: Richardson Coverage: Calculated Risk Blog

Can you get me the information on the original loan? Today please.

You can have this done by the channel that originated the deal.

ds

From: Gaulg, Sara C.
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To: Schneider, David C.; Berens, John; Champney, Steven D.
Cc: Thorn, Ann; Owen, Jan L.; Elias, Alan
Subject: Richardson Coverage: Calculated Risk Blog

All:
As expected, coverage on Congresswoman Richardson's financial situation has continued to evolve after it was reported on Friday that she has defaulted on other loans -- including her primary residence. I'm forwarding the blog posting

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embedded below in particular, as it reflects the current viewpoint among other journalists and links to key articles/postings published to date.

- Sara

UPATED: A Congressional Speculator? – Calculated Risk by Tanta
http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html

This is an update to post below on Rep. Laura Richardson’s foreclosure woes.

Gene Maddaus of the Daily Breeze <http://www.dailybreeze.com/ci_9366061> kindly forwarded today’s additions to the saga. There are not two, but three homes owned by Richardson in foreclosure. And yes, she appears to have cashed out her primary residence back in 2006 to fund her campaign for State Assembly. So it looks like a pattern.

* * * * *

I have been watching the story of Representative Laura Richardson and her foreclosure woes for a while now, while heretofore hesitating to post on it. For one thing, the original story—a member of Congress losing her expensive second home to foreclosure—had that kind of celebrity car-crash quality to it that I’m not particularly interested in for the purposes of this blog. For another thing, posting about anything even tangentially related to politics invites the kind of comments that personally bore me to tears.

All that is still true, but the story has taken such an unfortunate turn that I feel obligated to weigh in on it. Specifically, Rep. Richardson is threatening us <http://origin.mercurynews.com/breakingnews/ci_9363126>: Rather than shy away from voting on mortgage-related bills, Richardson said her experiences could help her craft legislation to make sure others don’t experience what she did. For example, she sees a need to add steps to inform property owners before their property can be sold.

“We have to ensure that lenders and lenders have the tools with proper timing to resolve this,” she said.

if Rep. Richardson is going to base legislative proposals on her own experience, then it matters to the rest of us what that experience was. So click the link below if you can stand to hear about it.

* * * * *

The story was originally reported in the Sacramento Capital Weekly <http://www.capitolweekly.net/article.php?addtid=v%7Cq2q43wvwi855o6%7Cv1v4f6731askip&issueld=x4f6yqkrlw0 ml0&xid=x4f4trmvb06r6>., and picked up by the Wall Street Journal <http://blogs.wsj.com/developments/2008/05/22/congresswoman-home-sold-in-foreclosure-auction/>, and thence covered by a number of blogs, with the storyline being that Rep. Richardson “walked away” from her home, a second home she purchased in Sacramento after being elected to the State Assembly. The “walk away” part came from a remark made by the real estate investor who purchased the home at the foreclosure auction, not Rep. Richardson or anyone who could be expected to understand her financial situation, but that didn’t stop the phrase “walk away” from headlining <http://globalncomanlyanalysis.blogspot.com/2008/05/congresswoman-walks-away.html> blog <http://optionarmageddon.blogspot.com/2008/05/update-on-walk-away-congresswoman.html> posts <http://latimesblogs.latimes.com/land/2008/05/buyer-of-rep-la.html>. 

Rep. Richardson has variously claimed at different times that the house was not in foreclosure, that she had worked out a modification with the lender, and that the lender improperly foreclosed after having agreed to accept her payments. Frankly, unless and until Rep. Richardson gives her lender, Washington Mutual, permission to tell its side of the story— I’m not holding my breath on that—we’re unlikely to be able to sort out this mess of claims to my satisfaction, at least.

It’s possible that WaMu screwed this up—that it accepted payments on a workout plan with the understanding that foreclosure was “on hold” and then sold the property at auction the next week anyway. It’s possible that Richardson’s version of what went on is muddled, too. Without some more hard information I’m not inclined to assume the servicer did

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CSOC.RICH.003235
most of the screwing up, if for no other reason that we didn’t find out until late yesterday, courtesy of the L.A. Land <http://latimesblogs.latimes.com/laland/2008/05/richardson-says.html> and Foreclosure Truth <http://www.foreclosuretruth.com/blog/sean/foreclosure-crisis-gets-personal-rep-laurel-richardson/> blogs, that Richardson’s other home--her primary residence--was also in foreclosure proceedings as recently as March of this year, a detail that as far as I can tell Richardson never disclosed in all the previous discussion of the facts surrounding the foreclosure of her second home.

What part of this I am most interested in, right now, is the question of what in the hell exactly Richardson was thinking when she bought the Sacramento home in the first place. Since the story is quite complex, let’s get straight on a few details. Richardson was a Long Beach City Council member who was elected to the state legislature in November of 2006. In January of 2007 she purchased a second home in Sacramento, presumably to live in during the Assembly session. In April 2007, the U.S. Congressional Representative from Richardson’s district died, and Richardson entered an expensive race for that seat, winning in a special election in August of 2007. By December 2007 the Sacramento home was in default, and it was foreclosed in early May of 2008. The consensus in the published reports seems to be that Richardson spent what money she had on her campaign, not her bills.

According to the AP <http://origin.mercurynews.com/breakingnews/ci_9163126> : Richardson, 46, makes nearly $170,000 as a member of Congress and was paid $111,000 during the eight months she served in the state Assembly in 2007 before her election to Congress. She also received a per diem total of $20,000 from California, according to a financial disclosure form she filed with the House of Representatives clerk.

It seems to me that all this focuses on what happened after she bought the Sacramento home—running for the suddenly-available Congressional seat, changing jobs, etc.—in obscuring the issue of the original transaction.

In November of 2006, Richardson already owned a home in Long Beach. As a newly-elected state representative, she would have been required to maintain her principal residence in her district, but she would also have had to make some arrangements for staying in Sacramento during Assembly sessions, given the length of the commute from L.A. County to the state capitol. She seems to have told the AP reporter that “Lawmakers are required to maintain two residences while other people don’t have to,” which is not exactly the way I’d have put it. Lawmakers are required to maintain one primary residence (which need not be owned) in their district. They are not required to buy a home at the capitol (of California or the U.S.); many legislators do rent. Richardson is a single woman with no children, yet she felt “required” to purchase a 3-bedroom, 1 1/2 bathroom home in what sounds like one of Sacramento’s pricier neighborhoods for $535,500, with no downpayment and with $15,000 in closing cost contributions from the property seller. (The NAR median price in Sacramento in the first quarter of 2007 was $365,300 <http://www.usatoday.com/money/economy/housing/2008-05-13-q1-homeprices_N.htm>.)

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Now, Richardson has this <http://origin.mercurynews.com/breakingnews/ci_9363126> to say about herself:
"I'm Laura Richardson. I'm an American, I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Yeah, well, I'm Tanya, I'm an American, I'm a single woman, and I say you're full of it. You need to show us what your plan for affording this home was before the job changes, girlfriend. You might also tell me why you felt you needed such an expensive second home when you had no money to put down on it or even to pay your own closing costs. As it happens, the Mercury News/AP <http://www.mercurynews.com/breakingnews/stories/935/9357079713647031797218> reported that by June of 2007—five months after purchase—you had a lien filed for unpaid utility bills. You didn't budget for the lights?

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---REAL estate industry professionals have given her $39,500 in campaign contributions in the current election cycle, according to Open Secrets.

No wonder she's blaming the lender.

Sara Gaugl
Home Loans Public Relations

WaMu
1301 Second Avenue [WaMu] Seattle WA 98101
206.500.2822 direct 1-800-822-4040 saragraig@wamu.net

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CSOC.RICH.003237
Ok, I take back that. David did send it Sara. I need some new glasses.

Susan Samuel
Executive Assistant
National Default

Washington Mutual
7301 Baymeadows Way, JAXB3182
Jacksonville, FL 32256
904-886-6251 direct,
susan.samuel@wanu.net

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Sent: Tuesday, May 27, 2008 4:14 PM
To: Samuel, Susan L.; Woodcock, Wendy A.
Cc: Siedzik, Tasha A.; Anderson, Mahala L.
Subject: RE: Richardson Coverage: Calculated Risk Blog

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Sent from my BlackBerry Wireless Handheld

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dc
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UPDATED: A Congressional Speculator? -- Calculated Risk by Tanya
http://calculatedrisk.blogspot.com/2008/05/congressional-speculator.html

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In November of 2006, Richardson already owned a home in Long Beach. As a newly-elected state representative, she would have been required to maintain her principal residence in her district, but she would also have had to make some arrangements for staying in Sacramento during Assembly sessions, given the length of the commute from L.A. County to the state capitol. She seems to have told the AP reporter that "Lawmakers are required to maintain two residences while other people don't have to," which is not exactly the way I'd have put it. Lawmakers are required to maintain primary residences which need not be owned in their district. They are not required to buy a home at the capitol! (Of California or the U.S.); many legislators do rent. Richardson is a single woman with no children, yet she felt "required" to purchase a 1 1/2 bedroom home in what sounds like one of Sacramento's priciest neighborhoods for $335,500, with no downpayment and with $15,000 in closing cost contributions from the property seller. (The NAR median price in Sacramento in the first quarter of 2007 was $365,300.)

I have no idea what loan terms Richardson got for a 100% LTV second home purchase in January 2007, but I'm going to guess that if she got something like a 7.00% interest only loan (without additional mortgage insurance), she got a pretty damn good deal. If she got that good a deal, her monthly interest payment would have been $3123.75. Assuming taxes and insurance of 1.50% of the property value, her total payment would have been $3793.13.

The AP reports that Richardson's salary as a state representative was $113,000 in 2007, and she received $20,000 in per diem payments (which are, of course, intended to offset the additional expense of traveling to and staying in the Capitol during sessions). I assume the per diem is not taxable, so I'll gross it up to $25,000. That gives me an annual income of $138,000 or a gross monthly income of $11,500.

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CSOC.RICH.003241
The total payment on the second home, then, with my sunny assumptions about loan terms, comes to 33% of Richardson's gross income. I have no idea what the payment is for her principal residence in Long Beach. I have no idea what other debt she might have. I am ignoring her congressional race and job changes, all of which meant that the point she took out this mortgage, that was in all the future and Richardson didn't know that the incumbent would die suddenly and all that. I'm just trying to figure out what went through this woman's mind when she decided it was a wise financial move to spend one-third of her pre-tax income on a second home. (There's no point trying to figure out what went through the lender's mind at the time. There just isn't.)

Now, Richardson has this [http://origin.mercurynews.com/breakingnews/cl_9363126/] to say about herself.

"I'm Laura Richardson. I'm an American, I'm a single woman who had four employment changes in less than four months," Richardson told the AP. "I had to figure out just like every other American how I could restructure the obligations that I had with the income I had."

Yeah, well, I'm Tanta, I'm an American, I'm a single woman, and I say you're full of it. You need to show us what your plan for affording this home was before the job changes, girlfriend. You might also tell me why you felt you needed such an expensive second home when you had no money to put down on it or even to pay your own closing costs. As it happens, the Mercury News/AP [http://www.mercurynews.com/breakingnews/cl_9337389?rel=check=1] reported that by June of 2007--five months after purchase--you had a lien filed for unpaid utility bills. You didn't budget for the lights?

But what are we going to get? We're going to get Richardson all fired up in Congress about tinkering with foreclosure notice timing, which is last I know a question of state, not federal, law, and which has as far as I can see squat to do with why this loan failed.

Quite honestly, if WaMu did give Richardson some loan modification deal, I'd really like to know what went through the Loan Mit Department's collective and individual minds when they signed off on that. Sure, Richardson's salary went up to $170,000 when she became a member of the U.S. Congress, but what does she need a home in Sacramento for after that? Where's she going to live in Washington, D.C.? And, well, her principal residence was also in the process of foreclosure at the same time. I suppose I might have offered a short sale or deed-in-lieu here, but a modification? Why would anybody do that? Because she's a Congresswoman?

I'm quite sure Richardson wants to be treated like just a plain old American and not get special treatment. Well, I was kind of hard on a plain old American the other day who wrote a "hardship letter" [http://calculatedrisk.blogspot.com/2008/05/how-not-to-write-hardship-letter.html] that didn't pass muster with me. I feel obligated to tell Richardson that she sounds like a real estate speculator who bought a home she obviously couldn't afford, defaulted on it, and now wants WaMu to basically subsidize her Congressional campaign by lowering her mortgage payment or forgiving debt. And that's... disgusting. At the risk of sounding like Angelo.

I know some of you are thinking that maybe poor Ms. Richardson got taken advantage of by some fast-talking REALTOR who encouraged her to buy more house than she could afford.

According to Pete Viles at L.A. Land [http://latimesblogs.latimes.com/inland/2008/05/us-rep-laura-ri.html], She likes the Realtors, and they like her. She filed financial disclosure forms with the House Ethics Committee reporting the National Assn. of Realtors flew her to Las Vegas in November to help swear in the new president of the association, Realtor Dick Gaylord of Long Beach.

In suggested remarks at the NAR gathering, also filed with the House, Richardson's script read: "I might be one of the newest members of Congress but I am not a new member of the REALTOR Party. When I needed help to win a tough primary, REALTORS stood up and backed me even though I was the underdog."

--Real estate industry professionals have given her $39,500 in campaign contributions in the current election cycle, according to Open Secrets.

No wonder she's blaming the lender.
Sara Gaugi  
Home Loans Public Relations  
WaMu  
1301 Second Avenue | WMC40 | Seattle WA 98101  
206.500.2822 direct |  |  | cell sara.gaugi@wamu.net  

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Tasha A Siodzik

From: Champney, Steven D.  
Sent: Wednesday, May 21, 2008 1:49 PM  
To: Siodzik, Tasha A.; GM Default Executive Response  
Cc: Anderton, Mahala L.; Kellner, Brad  
Subject: FW: Research Needed; Congresswoman Richardson/Foreclosure  
Importance: High

Tasha, this one came from our WaMu Media liason. I'd like Brad to respond back to Sara, but please add to your reporting list.

Steven Champney, SVP

-----Original Message-----
From: Gaugl, Sara C. 
Sent: Wednesday, May 21, 2008 12:24 PM  
To: Kellner, Brad  
Cc: Champney, Steven D.; Berens, John; Owen, Jan L.; Elias, Alan  
Subject: Research Needed; Congresswoman Richardson/Foreclosure  
Importance: High

Brad -  
Please see the article embedded below for more detail, but long story short, Congresswoman Laura Richardson appears to have defaulted on her WaMu loan (second home) and on March 19, a notice was filed with the county that her property would be sold at auction.

Congresswoman Richardson initially declined to comment, however, Jan Owen has learned from the Congresswoman that she plans to communicate to The Washington Post that she has established a repayment plan with WaMu.

Would you please look into Congresswoman Richardson's situation as soon as possible so that we understand the facts? Her loan number is [Redacted].

Many thanks,

Sara

Sara Gaugl  
Hume Loan Public Relations  

WaMu  
1301 Second Avenue | WMC40 | Seattle WA 98101  
206.358.2822 direct | cell sara.gaugl@wamu.net

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-----Original Message-----
From: Owen, Jan L.  
Sent: Wednesday, May 21, 2008 8:36 AM  
To: Riley, Olivia; Gaugl, Sara C.; Geopardi, Scott; Watson, Allison  
Subject: FW: Capitol Weekly ~ "Foreclosure tale shows that nobody is immune from crisis"  

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CSOC.RICH.003244
Here we go. I am am in meeting and will call in a minute.

----- Original Message ----- 
From: Kevin Gould 
To: FSIR Meeting Group 
Sent: Wed May 21 08:01:53 2008 
Subject: Capitol Weekly -- "Foreclosure tale shows that nobody is immune from crisis"

Foreclosure tale shows that nobody is immune from crisis

By Anthony York (published Tuesday, May 20, 2008)

As the real estate market softened in 2007, the new owner of a three-bedroom, 1,600-square-foot house in Sacramento's Curtis Park neighborhood ran into trouble. The house that was purchased for $535,000 in January had lost equity. The owner fell behind in her payments, and eventually, the bank seized the home.

What makes this story different from the thousands like it is that the owner of this house was a member of Congress.

The story of the foreclosure of Long Beach Democrat Laura Richardson's Sacramento home is a tale of a real estate market gone sour. It is also an illustration of how many candidates will go to seek elected office, even if it means quite literally mortgaging their own financial future.

While being elevated to Congress in a 2007 special election, Richardson apparently stopped making payments on her new Sacramento home, and eventually walked away from it, leaving nearly $600,000 in unpaid loans and fees.

Richardson's decision to let the house slip into foreclosure was set in motion by an unlikely chain of events, only some of which had to do with Sacramento's crumbling real estate market. Richardson was elected to the Assembly in November 2006, and purchased her new capital home two months later. But in April 2007, Rep. Janice Millender-McDonald succumbed to cancer, creating a Congressional vacancy in Richardson's district.

Richardson declared her candidacy for the seat, and soon found herself locked in a hotly contested, and very expensive race for Congress against state Sen. Jenny Oropeza, D-Long Beach.

While her campaign heated up, Richardson's house slipped into default. Richardson fell behind on her mortgage payments as she loaned her Congressional campaign $60,000 — money that has begun to be paid back to Richardson personally from her campaign account, according to records from the Center for Responsive Politics.

Richardson's opponent, Oropeza, loaned herself $115,000 for her run against Richardson. Oropeza's Congressional committee still shows nearly $200,000 in debt.

Richardson declined to comment for this story.

But tax records at the Sacramento County assessor's office show that in January 2007, Richardson took out a mortgage for the entire sale price of the house — $535,000. The mortgage amount was equal to the sale price of the home, meaning she was able to buy the house without a down payment, even though the housing market was beginning to turn.

A March 19, 2008 notice of trustee's sale indicates that the unpaid balance of Richardson's loan, which is held by Washington Mutual, is more than $574,000 — $40,000 more than the original mortgage.

The Curtis Park house is not Richardson's primary residence. She also owns a four-bedroom house in Long Beach, in her Congressional district. Real estate records show she purchased that house in 1999 for $135,000. An estimate from Zillow.com puts the current value of that house at $474,000

Like many homes that have gone through foreclosure, Richardson's new residence quickly became an eyesore. With Richardson gone, upkeep on the home lapsed, and neighbors began to get angry.

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"The neighbors are extremely unhappy with her," said Sharon Helmar, who sold the home to Richardson. "She didn't mow the lawn or take out the garbage while she was there. We lived there for a long time, 30 years, and we had to hide our heads whenever we came back to the neighborhood."

Helmar and her husband, Mark, sold the Curtis Park home to Richardson because Sharon's arthritis required the couple to move into a one-story house. With the area's real estate market slowing down, the house remained on the market for months, and the Helmars, who lived in the house for more than 30 years, were getting desperate to sell.

Helmar said that she has never met Richardson personally, but dealt with Richardson through her realtor. The Helmars wound up giving Richardson $15,000 toward closing costs, she said.

And she is still angry over what happened to a home that clearly she never really wanted to leave. "It's kind of silly. You would think people who are making decisions for others would be able to make good decisions for themselves," she said. "She should have known what she could afford and not afford. In this neighborhood, you just don't do that."

While Richardson walked away from her loan, she replaced Oropesa in a June special election, and moved on to Congress. As a member of Congress, Richardson has been asked to vote on legislation pertaining to the spike in foreclosures around the country.

On the biggest pieces of legislation having to do with government bailouts for people whose homes have entered foreclosure, Richardson has recused herself. She did not vote on legislation by Rep. Barney Frank, D-Mass, which would direct $7.7 billion in government funds to help an estimated 500,000 homeowners who are at risk of foreclosure.

Richardson also did not vote on a measure by Rep. Maxine Waters, D-Los Angeles, that would give local governments $15 billion to purchase, rehab and resell foreclosed properties.

While Richardson walked away from her bank loan, she has begun to pay herself back for the money she personally invested in her initial race. Records show that Richardson spent $587,000 out of her Congressional campaign committee since declaring her Congressional candidacy through March of this year. Of those expenditures, Richardson has spent $18,000 of that money to begin repaying herself for the money Richardson loaned to her campaign.

According to documents at the Sacramento County Clerk's office, Richardson first received a default notice in late 2007. By December 2007, less than a year after Richardson purchased the house, she was behind in her payments by more than $18,000.

Three months later, on March 19, a notice was filed with the county that Richardson's property would be sold at auction. According to the documents, the unpaid balance and other charges Richardson owed the bank was $587,384.
I have a meeting with Laura Richardson today at 4:00. I do not know what it is regarding.....
From: Thorn, Ann <ann.thorn@wamu.net>
Sent: Friday, January 30, 2009 3:06 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>; Mathis, Julie A. <julie.mathis@wamu.net>; Gaugl, Sara C. <sara.gaugl@wamu.net>; Owen, Jan L. <jan.owen@wamu.net>
Cc: Cook, Don <don.cook@wamu.net>
Subject: RE: Conference Call with Laura Richardson

REDACTED

Everyone have a nice weekend.

Ann Thorn, FVP
National Asset Recovery Manager
Wamu, now part of JP Morgan Chase
office: 206-377-2150
cell: 206-377-2150

For Internal Use Only

From: Battaglia, Paul J.
Sent: Friday, January 30, 2009 10:28 AM
To: Thorn, Ann; Mathis, Julie A.; Gaugl, Sara C.; Owen, Jan L.
Cc: Cook, Don
Subject: RE: Conference Call with Laura Richardson

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
JPMorgan Chase Bank, National Association
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-3766
Fax: 206-377-2150

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From: Thorn, Ann
Sent: Friday, January 30, 2009 5:28 AM
To: Mathis, Julie A.; Gaugl, Sara C.; Owen, Jan L.; Battaglia, Paul J.
Subject: RE: Conference Call with Laura Richardson

JPMC - 001759
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CSOC.RICH.003248
Ann Thorn, FVP  
National Asset Recovery Manager  
WeMu, now part of JPMorgan Chase  
office: 904-462-2190  
cell: 414-418-8174  

For Internal Use Only

From: Mathis, Julie A.  
Sent: Friday, January 30, 2009 8:26 AM  
To: Thorn, Ann; Gaugl, Sara C.; Owen, Jan L.; Battaglia, Paul J.  
Subject: RE: Conference Call with Laura Richardson

Thank you,

Julie

Julie Mathis, VP  
Department Manager  
Loss Mitigation  
Home Loans  

WeMu, now backed by the strength of JPMorgan Chase  
7255 Baymeadows Way, JAXA2000  
Jacksonville, FL 32256  

904.896.1395 direct  904.898.1325 fax  
Julie.mathis@wamu.net

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From: Thorn, Ann  
Sent: Friday, January 30, 2009 7:57 AM  
To: Gaugl, Sara C.; Mathis, Julie A.; Owen, Jan L.; Battaglia, Paul J.  
Subject: FW: Conference Call with Laura Richardson

Happy Friday Everyone!!!!
Julie, what is the status of her loan?

Ann Thorn, FVP
National Asset Recovery Manager
WaMu, now part of JP Morgan Chase
office: 904-462-2150
cell: [ ]

For internal use only

--

From: Austin, Daysha [mailto:
Sent: Thursday, January 29, 2009 6:09 PM
To: Thorn, Ann
Subject: Conference Call with Laura Richardson

Hi Ann, are you available to speak with Laura Richardson? If so, what time can she call you?

Daysha Austin

11 S. Representative Laura Richardson (Or. CA)

100 W. Broadway, Suite 600

(562) 438-3820 Phone

(562) 437-6434 Fax

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From: Battaglia, Paul J. <paul.battaglia@wamu.net>
Sent: Friday, January 30, 2009 10:28 AM
To: Thorn, Ann <ann.thorn@wamu.net>; Mathis, Julie A. <julie.mathis@wamu.net>; Gaugl, Sara C. <sara.gaugl@wamu.net>; Owen, Jan L. <jan.owen@wamu.net>
Cc: Cook, Don <don.cook@wamu.net>
Subject: RE: Conference Call with Laura Richardson

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
JPMorgan Chase Bank, National Association
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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From: Thorn, Ann
Sent: Friday, January 30, 2009 5:28 AM
To: Mathis, Julie A.; Gaugl, Sara C.; Owen, Jan L.; Battaglia, Paul J.
Subject: RE: Conference Call with Laura Richardson

REDACTED

Ann Thorn, FVP
National Asset Recovery Manager
WAMU, now part of JPMorgan Chase
office 901-462-2150
cell 901-462-2150

For Internal Use Only

From: Mathis, Julie A.
Sent: Friday, January 30, 2009 8:26 AM
To: Thorn, Ann; Gaugl, Sara C.; Owen, Jan L.; Battaglia, Paul J.
Subject: RE: Conference Call with Laura Richardson

REDACTED

Thanks,
Julie

Julie Mathis, VP
Division Manager
Loan Mitigation
Home Loans

WhMu, now backed by the strength of JPMorgan Chase
7255 Baymeadows Way, JAXA2000
Jacksonville, FL 32256

904.888.1535 direct, 904.888.1525 fax
julu.mathis@nnmu.net

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From: Thorn, Ann
Sent: Friday, January 30, 2009 7:57 AM
To: Gavul, Sara C., Mathis, Julie A., Owei, Jan L., Battaglia, Paul J.
Subject: FW: Conference Call with Laura Richardson

Happy Friday Everyone!!!

Julie, what is the status of her loan?

Ann Thorn, FVP
National Asset Recovery Manager
WhMu, now part of JPMorgan Chase
office: 904-452-2150
cell: [cell number]

For internal use Only

From: Austin, Daysha [mailto:]
Sent: Thursday, January 29, 2009 6:09 PM
To: Thorn, Ann
Subject: Conference Call with Laura Richardson

Hi Ann, are you available to speak with Laura Richardson? If so, what time can she call you?

Daysha Austin

U.S. Representative Laura Richardson (D-CA)
100 W. Broadway, Suite 600
(562) 437-3828 Phone
(562) 437-6434 Fax

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From: Mathis, Julie A. <julie.mathis@wamu.net>
Sent: Friday, January 30, 2009 8:50 AM
To: Thorn, Ann <ann.thorn@wamu.net>; Gaugl, Sara C. <sara.gaugl@wamu.net>; Owen, Jan L. <jan.owen@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: Conference Call with Laura Richardson

UPB from $533,455.31 to $597,330.76
new P&I $4267.58, escrow $84.74 total PITI $4352.32
Amortization term 480, but maturity term 342
Interest rate 8.254 fixed

Thanks,

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans

Wamu, now backed by the strength of JPMorgan Chase
7255 Bennet Awards, JAX52000
Jacksonville, FL 32256
504.888.1305 direct, 504.888.1325 fax
julie.mathis@wamu.net

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From: Thorn, Ann
Sent: Friday, January 30, 2009 8:28 AM
To: Mathis, Julie A.; Gaugl, Sara C.; Owen, Jan L.; Battaglia, Paul J.
Subject: RE: Conference Call with Laura Richardson

What are the terms of her agreement again?

Ann Thorn, PVP
National Asset Recovery Manager
Wamu, now part of JPMorgan Chase
office: 904-462-2150
cell: 462-9998

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CSOC.RICH.000254
From: Mathis, Julie A.  
Sent: Friday, January 30, 2009 8:26 AM  
To: Thorn, Ann; Gaugl, Sara C.; Owen, Jan L.; Battaglia, Paul J.  
Subject: RE: Conference Call with Laura Richardson  

Ms. Richardson is due for her January payment. Sept, Oct, Nov and Dec payments were made around the 15th of each month.  

Thanks,  

Julie  

Julie Mathis, VP  
Department Manager  
Loss Mitigation  
Home Loans  

Wachovia, now part of JPMorgan Chase  
7245 Baymeadows Way, JAX, FL 32256  
604.866.1205 direct, 604.888.1325 fax  
julie.mathis@wachovia.net  

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---

From: Thorn, Ann  
Sent: Friday, January 30, 2009 7:57 AM  
To: Gaugl, Sara C.; Mathis, Julie A.; Owen, Jan L.; Battaglia, Paul J.  
Subject: FW: Conference Call with Laura Richardson  

Happy Friday Everyone!!!!  
[Diagram]  

Julie, what is the status of her loan?  

Ann Thorn, FVP  
National Asset Recovery Manager  
Wachovia, now part of JPMorgan Chase  
office: 904.682.2150  
call: 904.866.1205  

For Internal Use Only
From: Austin, Daysha [mailto:]
Sent: Thursday, January 29, 2009 6:09 PM
To: Thorn, Ann
Subject: Conference Call with Laura Richardson

Hi Ann, are you available to speak with Laura Richardson? If so, what time can she call you?

Daysha Austin
U.S. Representative Laura Richardson (D-CA)
100 W. Broadway, Suite 600
(562) 438-3828 Phone
(562) 437-6434 Fax

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What are the terms of her agreement again?

Ann Thorn, FVP
National Asset Recovery Manager
WeMu, now part of JP Morgan Chase
office: 904-462-2150
cell: [number]

For Internal Use Only

From: Mathis, Julie A.
Sent: Friday, January 30, 2009 8:26 AM
To: Thorn, Ann; Gaugl, Sara C.; Owen, Jan L.; Battaglia, Paul J.
Subject: RE: Conference Call with Laura Richardson

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Thanks.

Julie

Julie Mathis, VP
Residential Manager
Loss Mitigation
Home Loans
WeMu, now backed by the strength of JPMorgan Chase

2200 Baymeadows Way, JAX, FL 32206

904.886.1305 dir/wood, 604.886.1325/lex
julie.mathis@wmu.net

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From: Thorn, Ann
Sent: Friday, January 30, 2009 7:57 AM
To: Gauj, Sara C.; Mathis, Julie A.; Owen, Jan L.; Battraglia, Paul J.
Subject: FW: Conference Call with Laura Richardson

Happy Friday Everyone!!!!

[Signature]

Julie, what is the status of her loan?

Ann Thorn, FUP
National Asset Recovery Manager
WebMu. now part of JPMorgan Chase
office: 904-462-2150
cell: [Signature]

For Internal Use Only

From: Austin, Daysha [mailto: ]
Sent: Thursday, January 29, 2009 6:09 PM
To: Thorn, Ann
Subject: Conference Call with Laura Richardson

Hi Ann, are you available to speak with Laura Richardson? If so, what time can she call you?

Daysha Austin
U.S. Representative Laura Richardson (D-CA)

100 W. Broadway, Suite 600

(502) 439-3820 Phone

(562) 437-6434 Fax

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From: Mathis, Julie A. <julie.mathis@wamu.net>
Sent: Friday, January 30, 2009 8:26 AM
To: Thorn, Ann <ann.thorn@wamu.net>; Gaulg, Sara C. <sara.gaulg@wamu.net>; Owen, Jan L. <jan.owen@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: Conference Call with Laura Richardson

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Thanks,

Julie

Julie Mathis, VP
Department Manager
Loss Mitigation
Home Loans
Wamu, now backed by the strength of JPMorgan Chase
7250 Baymeadows Way, Jacksonville, FL 32256
604-866-1305 direct, 904-866-1325 fax
julie.mathis@wamu.net

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-------------------------------

From: Thorn, Ann
Sent: Friday, January 30, 2009 7:57 AM
To: Gaulg, Sara C; Mathis, Julie A; Owen, Jan L; Battaglia, Paul J.
Subject: FW: Conference Call with Laura Richardson

Happy Friday Everyone!!!!

Julie, what is the status of her loan?

Ann Thorn, FVP
National Asset Recovery Manager
Wamu, now part of JPMorgan Chase
office: 904-462-2160
cell: 904-462-2150

For Internal Use Only
Hi Ann, are you available to speak with Laura Richardson? If so, what time can she call you?

Daysha Austin

U.S. Representative Laura Richardson (D-CA)

100 W. Broadway, Suite 600

(562) 438-3828 Phone

(562) 437-6424 Fax

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Happy Friday Everyone!!!!

Julie, what is the status of her loan?

Ann Thorn, FVP
National Asset Recovery Manager
Wamu, now part of JP Morgan Chase
office: 904-492-2190
cell: [phone number]

For Internal Use Only

From: Austin, Daysha [mailto:]  
Sent: Thursday, January 29, 2009 5:09 PM  
To: Thorn, Ann  
Subject: Conference Call with Laura Richardson

Hi Ann, are you available to speak with Laura Richardson? If so, what time can she call you?

Daysha Austin

U.S. Representative Laura Richardson (D-CA)

100 W. Broadway, Suite 600

(562) 436-3828 Phone

(562) 437-6434 Fax

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From: Beth Ward
Sent: Monday, September 22, 2008 2:13 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.com>
Cc: Martin T. McGuinn <mcguinn@wamu.com>
Subject: RE: Laura Richardson WMB WAS002-108
Attach: 006 WKBVY to MTM enel docs keys 7 11 08.pdf

---Original Message---
From: Battaglia, Paul J. [mailto:paul.battaglia@wamu.com]
Sent: Monday, September 22, 2008 11:02 AM
To: Beth Ward, Martin T. McGuinn
Subject: RE: Laura Richardson WMB WAS002-108

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-372-2784

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Thank You.
--- Original Message ---
From: Woodcock, Wendy A. [mailto:wendy.woodcock@wamu.net]
Sent: Tuesday, August 19, 2008 4:41 AM
To: Dartagna, Paul J.; Martin T. McGinn; Matias, Julie A.
Subject: RE: Laura Richardson
Importance: High

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904 886-7345
904 886-7346

--- Original Message ---
From: Bartram, Paul J.
Sent: Monday, August 18, 2008 7:32 PM
To: Woodcock, Wendy A.; 'Martin T. McGinn'
Subject: Laura Richardson

--- REDACTED ---
Paul J. Battaglia  
First Vice President and Senior Counsel  
Washington Mutual Bank  
1301 2nd Avenue, WMC 3501  
Seattle WA 98101  
Phone: 206-500-4261  
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.  
Sent: Monday, August 18, 2008 11:08 AM  
To: Cook, Dom; Owen, Jan L.; Battaglia, Paul J.  
Subject: Fw: SFGate: Calif. congresswoman's house a public nuisance

Fyi--

Gary Parker  
Legal Department  
Washington Mutual  
1301 Second Ave.  
Seattle, WA 98101  
206.500.5270/271 Fax, 206.377.2784  
gary.parker@wami.net

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-----Original Message-----
From: Sched, Charley  
Sent: Monday, August 18, 2008 11:08 AM  
To: Gaspard, Scott; Parker, Gary L.  
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it. Charley

---------------------------------------------------------------
This article was sent to you by someone who found it on SFGate.  
The original article can be found on SFGate.com here:  
http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2008/08/15/stage/n10  
4012/D9Y1TL

---------------------------------------------------------------
Friday, August 15, 2008 (AP)  
Calif. congresswoman's house a public nuisance
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn't received proper notice.

The city's code enforcement department reported finding junk in the driveway and rotted fruit in the back yard that attracts rodents. Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.

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July 11, 2008

VIA FEDERAL EXPRESS

Martin T. McGuinn
Kirby & McGuinn, A.P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

Our File No. 2435

Dear Mr. McGuinn:

Pursuant to my telephone conversation with Beth, enclosed are the following documents: original initial page; original signature page; original Quitclaim Deed; and keys to the subject property.

This office will file the Request for Dismissal and Withdraw of Lis Pendens on Monday, July 14, 2008. We will send you an endorsed and confirmed copy immediately upon return by the court.

If you have any questions or need any additional information regarding the foregoing, please do not hesitate to contact me directly.

Very truly yours,

WAGNER KIRKMAN BLAINE
KLOMPARENS & YOUMANS LLP

Cheryl Ewing
Litigation Paralegal
Enclosures
From: Woodcock, Wendy A. [mailto:wendy.woodcock@wamu.net]
Sent: Tuesday, August 19, 2008 4:41 AM
To: Battaglia, Paul J.; Mathis, Julie A.
Cc: Heid Ward
Subject: RE: Laura Richardson WMB WAS02-108

---Original Message---

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
504 886-7745
fax 504 886-7634

---Original Message---
From: Battaglia, Paul J.
Sent: Monday, August 18, 2008 7:32 PM
To: Woodcock, Wendy A.; 'Martin T. McGuinn'
Subject: Laura Richardson

---REDACTED---

---REDACTED---
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up. The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn't received proper notice. The city's code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents. Inspectors came after calls to police about a suspicious person there.

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Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMIC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: Fw: SF Gate: Calif. congresswoman's house a public nuisance

FYI--
garry.parker@manta.net

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----Original Message----
From: Siedd, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspar, Scott; Parker, Gary L.
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven’t already seen it, Charley

******************************************************************************
This article was sent to you by someone who found it on SFGate.
The original article can be found on SFGate.com here:
http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2008/08/15/state/n1040/2D9I.DT1.
******************************************************************************

Friday, August 15, 2008 (AP)
Calif. congresswoman's house a public nuisance

(08-15) 16:26 PDT Sacramento, CA (AP) --
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn't received proper notice.

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Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.

******************************************************************************
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FYI -- a Chronicle article about your favorite member of Congress ...

Defaults.pdf
(139KB)
Defaults seem unlikely to sink Rep. Richardson

Laura E. Davis, Associated Press
Sunday, August 24, 2008

(08-24) 04:00 PDT Long Beach --

Like many voters in this port city and the gritty urban areas of Rep. Laura Richardson’s political turf, Johnetta Walker is disenchanted with the lawmaker whose meteoric rise has been marked with personal financial failures.

Richardson’s ambitious one-year ascent from City Council to state Assembly to Congress gained national attention in May when one of her houses was sold in foreclosure, followed by news of several loan defaults.

“’How can you be a leader of anything if you can’t be a leader of your house?’” asks Walker, a bus driver who lives in Compton (Los Angeles County), a working-class city in Richardson’s district.

Walker says she won’t vote for Richardson in November, but her effort will most likely be in vain. A disorganized field of last-minute challengers and no recall option means there’s little angered constituents can do to unseat the financially troubled Democrat.

After news came out about the foreclosure and sale of Richardson’s Sacramento home, which she bought in January 2007 after winning a seat in the state Assembly, a pattern of years of financial irresponsibility emerged.

A few days before the June primary, the Long Beach Press-Telegram reported that Richardson, who won her House seat last year in a special election, had been issued multiple defaults on two Southern California homes. Five of those occurred in the previous 13 months, when Richardson was using $177,500 of her own money to finance her political career.

Despite a challenger’s news conference highlighting her problems, the lawmaker coasted through the primary with nearly three-fourths of the vote, setting her up to run unopposed in November.

Democratic voter registration in her 37th Congressional District — which includes parts of working-class South Central Los Angeles, Carson (Los Angeles County), Compton and most of Long Beach — outnumbered Republican registration 59.3 percent to 17.5 percent, and Republicans didn’t bother to field a candidate this year.

http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/08/24/BAIS12H06Q.DTL&type=p...
Yet her decisive primary victory and apparent clear sailing in November failed to end criticism.

**Unpaid bills**

The local paper reported that she didn’t pay car repair bills for years, failed to disclose certain financial details — including a loan from a strip club owner — and leased the priciest car in the House at taxpayers’ expense. She also once had a real estate license, suggesting she should have known how to better handle her properties.

A Washington watchdog group called for a House Ethics Committee investigation into Richardson’s personal finances, citing her history of defaulting on home loans and suspicions of special treatment when her bank rescinded the sale of her foreclosed Sacramento home. She and the bank denied the allegation after the property was returned to her, but it has fallen into disrepair and was recently declared a public nuisance.

As Richardson’s problems surfaced this summer, so did three challengers: two write-ins, Lee Davis and Peter Mathews, both of whom lost to Richardson in the primary, and independent Nicholas Dibs, a schoolteacher and political novice.

The three candidates say they were encouraged to run by people unhappy with Richardson and point to voter discontent as signs that their challenges could be successful.

"I walk the streets, and people say, 'Please run as a write-in. We will vote for you. We don’t want her,'” said Davis, publisher of the community paper the Wrigley Bulletin and News.

**An everywoman?**

Richardson, who voted for a mortgage debt forgiveness bill that later passed, has portrayed her foreclosure as an example of how even a member of Congress can suffer a plight plaguing tens of thousands of hapless Americans.

But that explanation hasn’t impressed many of her constituents, who have been quick to share their opinions publicly or post them on Web sites.

"If she can’t take care of herself, then how is she going to take care of other people (while serving) in Congress?” said Juliana Flores as she left her job at a Target store in Carson.

Some voters say they will do more research on Richardson to determine whether she can separate her own problems from her political duties.

"You always want to make sure someone is capable of handling their personal issues and the issues of the public at large,” said Ed Smith, a manager of a fast food restaurant. "I don’t vote for someone just because they’re the only one running for a particular position.”
Write-in candidate Mathews, a college professor who has made several bids for Congress, pointed to a July poll in the Press-Telegram, taken before Davis and Dibs had officially become candidates, that had 57 percent of respondents saying he has a chance of beating Richardson.

But Gary Jacobson, a political science professor at UC San Diego, said independent and write-in candidates rarely win seats in Congress because they usually can't match the money, name recognition and organization of incumbents or candidates backed by a party.

Splitting the opposition

He added that Richardson's three challengers may actually be working against each other.

"It makes it virtually impossible to beat her because it will divide the opposition," he said.

Richardson refused to be interviewed for this story, but campaign spokesman William Marshall Jr. issued a statement. While ignoring her reported indiscretions, the statement said Richardson has consistently gained voter support because of her legislative record and noted some of her achievements in less than a year in Congress.

"She will diligently repeat her resounding (primary) victory of over 74 percent," the statement concluded.

Richardson has received the backing of some of her powerful Democratic colleagues, including House Speaker Nancy Pelosi and popular local lawmaker Rep. Maxine Waters, who represents an adjacent district. In addition, House Majority Leader Steny Hoyer, D-Md., held a Capitol Hill fundraiser for Richardson in June.

If Richardson is re-elected, recall will not be possible, either, because the Constitution does not allow it for members of Congress.

That leaves the 2010 Democratic primary as the next chance for voters to remove Richardson from her seat.

"There's only a remote danger in the general election this year, but a very serious danger in the 2010 primary," said Jack Pitney, a government professor at Claremont McKenna College. "Ambitious politicians in that area are going to be carefully weighing a primary against her."

http://sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/08/24/BAIS12H06Q.DTL

This article appeared on page B - 6 of the San Francisco Chronicle

http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/08/24/BAIS12H06Q.DTL&type=p... 08/28/2008

JPMC - 001786
CONFIDENTIAL
CSOC.RICH.003275
From: Gau gl, Sara C. <sara.gau gl@wamu.net>
Sent: Wednesday, August 20, 2008 4:11 PM
To: Cook, Don <don.cook@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: Media Inquiry Re: Richardson Loan

-----Original Message-----
From: Cook, Don
Sent: Wednesday, August 20, 2008 1:03 PM
To: Gau gl, Sara C., Battaglia, Paul J.
Subject: RE: Media Inquiry Re: Richardson Loan

-----Original Message-----
From: Gau gl, Sara C.
Sent: Wednesday, August 20, 2008 12:53 PM
To: Battaglia, Paul J.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

- Sara

-----Original Message-----
From: Battaglia, Paul J.
Sent: Wednesday, August 20, 2008 11:24 AM
To: Cook, Don; Gau gl, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

Pmt J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Cook, Don
Sent: Wednesday, August 20, 2008 9:47 AM
To: Gaagi, Sara C.; Battaglia, Paul J.
Subject: RE: Media Inquiry Re: Richardson Loan

-----Original Message-----
From: Gaagi, Sara C.
Sent: Wednesday, August 20, 2008 9:35 AM
To: Battaglia, Paul J.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

-----Original Message-----
From: Battaglia, Paul J.
Sent: Wednesday, August 20, 2008 6:56 AM
To: Cook, Don; Gaagi, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

- Sara

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 7:20 PM
To: Battaglia, Paul J.; Gaagi, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3801
Seattle WA 98101
Phone: 206-530-1261
Fax: 206-377-2784

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-----Original Message-----
From: Cook, Don
Sent: Tuesday, August 19, 2008 7:33 PM
To: Battaglia, Paul J.; Gaagi, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

JPMC - 001788
CONFIDENTIAL
CSOG.RICH.003277
-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 5:29 PM
To: Gaugl, Sara C.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 3rd Avenue, WMC 1501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Gaugl, Sara C.
Sent: Tuesday, August 19, 2008 5:07 PM
To: Battaglia, Paul J.; Thom, Ann
Cc: Edlin, Alan
Subject: Media Inquiry Re: Richardson Loan

Hi, Paul,

Looking for a response on the Richardson issue.

[REDACTED]

[REDACTED]
Best,

Sara

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-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 10:28 AM
To: Thorn, Ann; Guagli, Sara C.
Subject: F:W: Laurn Richardson

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Beth Ward
Sent: Tuesday, August 19, 2008 9:58 AM
To: Hartin T. McGuinn, Woodcock, Wend A. Battaglia, Paul J.; Mathis, Julie A.
Subject: RE: Laura Richardson

Beth Ward
Paralegal to Martin T. McGuinn,
Kenneth C. Neergaard
& C. Colin Cossio
Kitty & McGuinn, A P.C.
600 H Street, Suite 1050
San Diego, CA 92101
Direct Line: (619) 395-
Direct Fax: (619) 395-

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4000, and return the original message to Kirby & McGuinn, A.P.C., 600 B Street, Ste. 1950, San Diego, CA 92101.

-----Original Message-----
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock, Wendy A.; Battinghu, Paul J.; Mathis, Julie A.
Cc: Berth Ward
Subject: RE: Laura Richardson

Martin T. McGuinn
Kirby & McGuinn, A.P.C.
600 B Street, Ste. 1950
San Diego, CA 92101
In-house
Direct Dial: (619) 525-3533
Direct Fax: (619) 525-3541

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-----Original Message-----
From: Woodcock, Wendy A. [mailto:wendy.woodcock@wamu.net]
Sent: Tuesday, August 19, 2008 4:41 AM
To: Battinghu, Paul J.; Martin T. McGuinn; Mathis, Julie A.
Subject: RE: Laura Richardson
Importance: High

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904 886-3444
904 886-3580 fax

-----Original Message-----
From: Battinghu, Paul J.
Sent: Monday, August 18, 2008 7:32 PM
To: Woodcock, Wendy A.; 'Martin T. McGuinn'
Subject: Laura Richardson
Suits against city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

The Long Beach Democrat previously faced foreclosure on the house. Washington Mutual said it initiated actions in May, but reversed the sale after Richardson complained she hadn't received proper notice.

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---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-590-4261
Fax: 206-377-2784

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----Original Message----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: FW: SF On: Calif. congresswoman's house a public nuisance

Fyi--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wama.net

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From: Wadd, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspar, Scott; Parker, Gary L.
Subject: SFGate: Calif congresswoman's house a public nuisance

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http://www.sfgate.com/cgi-bin/article.cgi?file=/n/a/2008/08/15/state/w10
40/2ED91.DTL

Friday, August 15, 2008 (AP)

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From: Cook, Don <don.cook@wamu.net>
Sent: Wednesday, August 20, 2008 4:03 PM
To: Gaugl, Sara C. <sara.gaugl@wamu.net>, Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: Media Inquiry Re: Richardson Loan

-----Original Message-----
From: Gaugl, Sara C.
Sent: Wednesday, August 20, 2008 12:53 PM
To: Battaglia, Paul J.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

- Sara

-----Original Message-----
From: Battaglia, Paul J.
Sent: Wednesday, August 20, 2008 11:24 AM
To: Cook, Don, Gaugl, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

-----Original Message-----
From: Cook, Don
Sent: Wednesday, August 20, 2008 9:47 AM
To: Gaugl, Sara C.; Battaglia, Paul J.
Subject: RE: Media Inquiry Re: Richardson Loan
Sent: Tuesday, August 19, 2008 5:29 PM
To: Gaukl, Sara C.; Cook, Don
Subject: Re: Media Inquiry Re: Richardson Loan

Hi, Paul.

(REDACTED)

Best,

Sara

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-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 10:28 AM
To: Thorn, Ann; gingw, burna C.
Subject: Fw: Laura Richardson: WMR WA802-108

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

REDACTED

-----Original Message-----
From: Beth Ward
Sent: Tuesday, August 19, 2008 9:58 AM
To: Martin T. McGuinn; Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Subject: RE: Laura Richardson

REDACTED

Beth Ward
Paralegal to Martin T. McGuinn,
Kenneth C. Neergaard
& C. Colm Cusack
Kathy & McGuinn, A P.C.
600 B Street, Suite 1550
San Diego, CA 92101
Direct Line: (619) 395-7747
Direct Fax: 619-395-7748

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-----Original Message-----
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:17 AM
To: Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Long Beach Democrat previously faced foreclosure on the home.

Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “full possession has been returned” to her. ---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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----- Original Message ----- 
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: F: W: SF Case: Calif, congresswoman’s house a public nuisance

Fyi--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wamu.net

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This may interest you, if you haven't already seen it, Charley

This article was sent to you by someone who found it on SFGate.
The original article can be found on SFGate.com here:
http://www.sfgate.com/real-estate/article/SFGate/2457/20080815/article.html

Friday, August 15, 2008 (AP)

Calif. congresswoman's house a public nuisance

(08-15) 16:26 PDT Sacramento, CA (AP) --
SACRAMENTO city officials have declared a home owned by U.S. Rep.
Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.
The Long Beach Democrat previously faced foreclosure on the house.
The city's code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.
A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from
the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.
From: Gaugl, Sara C. <sara.gaugl@wamu.net>
Sent: Wednesday, August 20, 2008 3:53 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>; Cook, Don <don.cook@wamu.net>
Subject: RE: Media Inquiry Re: Richardson Loan

---Original Message-----
From: Battaglia, Paul J.
Sent: Wednesday, August 20, 2008 11:24 AM
To: Cook, Don; Gaugl, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

---Original Message-----
From: Cook, Don
Sent: Wednesday, August 20, 2008 9:47 AM
To: Gaugl, Sara C.; Battaglia, Paul J.
Subject: RE: Media Inquiry Re: Richardson Loan

[Redacted]
-----Original Message-----
From: Gaugl, Sara C.
Sent: Wednesday, August 20, 2008 9:35 AM
To: Daughtt, Paul J.; Cook, Don
Subject: Re: Media Inquiry Re: Richardson Loan

- Sara

-----Original Message-----
From: Battaglia, Paul J.
Sent: Wednesday, August 20, 2008 6:55 AM
To: Cook, Don; Gaugl, Sara C.
Subject: Re: Media Inquiry Re: Richardson Loan

Paul J. Battaglia
First Vice President and Senior Counsel  
Washington Mutual Bank  
1301 2nd Avenue, WMC 3501  
Seattle WA 98101  
Phone: 206-500-4261  
Fax: 206-677-2784

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Thank You.

-----Original Message-----
From: Cook, Don
Sent: Tuesday, August 19, 2008 7:20 PM
To: Battaglia, Paul J.; Gaugl, Sara C.
Subject: Re: Media Inquiry Re: Richardson Loan

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 5:29 PM
To: Gaugl, Sara C.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan
REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WM 3501
Seattle, WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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----Original Message-----
From: Gauzl, Sara C.
Sent: Tuesday, August 19, 2008 5:07 PM
To: Battaglia, Paul J.; Thoma, Ann
Cc: Thus, Alan
Subject: Media inquiry Re: Richardson Loan

Hi, Paul

[REDACTED]

Best,

Sara

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----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 10:28 AM
To: Thoma, Ann; Gauzl, Sara C.
Subject: Fw: Laura Richardson WM11 WAM002.108
Paul J. Battaglia  
First Vice President and Senior Counsel  
Washington Mutual Bank  
1301 2nd Avenue, WMC 3501  
Seattle WA 98101  
Phone: 206-500-4261  
Fax: 206-377-2784

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----Original Message-----
From: Beth Ward [REDACTED]
Sent: Tuesday, August 19, 2008 9:38 AM
To: Martin T. McGuinn, Woodcock, Wendy A.: Battaglia, Paul J.; Mathis, Julie A.
Subject: RE: Laura Richardson [REDACTED]

Beth Ward  
Paralegal to Martin T. McGuinn,  
Kenneth C. Nourigat  
& C. Colm Crotty  
Kirk & McGuinn, A.P.C.  
600 B Street, Suite 1900  
San Diego, CA 92101  
Direct Line: (619) 709-7711  
Direct Fax: (619) 709-7507

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----Original Message-----
From: Martin T. McGuinn  
Sent: Tuesday, August 19, 2008 9:43 AM  
To: Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.  
Cc: Beth Ward  
Subject: RE: Laura Richardson WMRWas002-104
Martin T. McGuinn  
Kirby & McGuinn, A.P.C.  
600 B Street, Ste 1950  
San Diego, CA 92101  

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-----Original Message-----
From: Woodcock, Wendy A. (smallo); wendy.woodcock@warner.net
Sent: Tuesday, August 19, 2008 4:41 AM
To: Battaglia, Paul J.; Martin T. McGuinn; Mathis, Julie A.
Subject: RE: Laura Richardson
Importance: High

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904 888-1395 ph
904 886-1325 fax

-----Original Message-----
From: Battaglia, Paul J.
Sent: Monday, August 18, 2008 7:32 PM
To: Woodcock, Wendy A.; 'Martin T. McGuinn'
Subject: Laura Richardson

Stuart is an official who is owed money by U.S. Rep. Laura Richardson is a public nuisance and use financing fines up to $5,000 a month if she doesn't fix it up.
The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “full possession has been returned” to her.

---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-9201
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: Fw: SFGate: Calif. congresswoman’s house a public nuisance

FYI--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wamu.net

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-----Original Message-----
From: Niel, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Greayrand, Nat; Parker, Gary L.
Subject: SFGate: Calif. congresswoman’s house a public nuisance
This may interest you, if you haven’t already seen it: Charley

This article was sent to you by someone who found it on SFGate. The original article can be found on SFGate.com here: http://www.sfgate.com/cgi-bin/article.cgi?file=/a/2008/08/15/ate/a104012D911TY1.

Friday, August 15, 2008 (AP)
Calif. congresswoman’s house a public nuisance

(08-15) 16:26 PDT Sacramento, CA (AP)--
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

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The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “full possession has been returned” to her.

Copyright 2008 AP
From: Battaglia, Paul J. <paul.battaglia@wamu.net>
Sent: Wednesday, August 20, 2008 2:24 PM
To: Cook, Don <don.cook@wamu.net>; Gaugl, Sara C. <sara.gaugl@wamu.net>
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle, WA 98101
Phone: 206-500-4261
Fax: 206-377-1784

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-----Original Message-----
From: Cook, Don
Sent: Wednesday, August 20, 2008 9:47 AM
To: Gaugl, Sara C.; Battaglia, Paul J.
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

-----Original Message-----
From: Gaugl, Sara C.
Sent: Wednesday, August 20, 2008 9:35 AM
To: Battaglia, Paul J.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

- Sara
-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 7:20 PM
To: Galli, Sara C.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Cook, Don
Sent: Tuesday, August 19, 2008 5:29 PM
To: Battaglia, Paul J.; Galli, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 7:20 PM
To: Galli, Sara C.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

JPMC - 001809
CONFIDENTIAL
CSOC.RICH.003298
Hi, Paul,

Best,

Sara

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-----Original Message-----
From: Battaglia, Paul J
Sent: Tuesday, August 19, 2008 10:28 AM
To: Thorn, Ann; Gaugl, Sara C
Subject: Fw: Laura Richardson
---Original Message---
From: Beth Ward
Sent: Tuesday, August 19, 2008 9:58 AM
To: Martin T. McGuinn; Woodcock; Wendy A.; Battaglia; Paul J.; Mathis, Julie A.
Subject: RE: Laura Richardson

Beth Ward
Paralegal to Martin T. McGuinn,
Kenneth C. Neuregian
& C. Colin Cassidy
Kirby & McGuinn, A.P.C.
600 B Street, Suite 1950
San Diego, CA 92101

Direct Line: (619) 398

Direct Fax: (619) 398

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-----Original Message-----
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock; Wendy A.; Battaglia; Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: Laura Richardson WMB WAS002-108

Martin T. McGuinn
Kirby & McGuinn, A.P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

Direct Dial: (619) 324

Direct Fax: (619) 324

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Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Long Beach Democrat previously faced foreclosure on the house.

Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

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A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “full possession has been returned” to her. ---
Paul J. Battaglia  
First Vice President and Senior Counsel  
Washington Mutual Bank  
1301 2nd Avenue, WMC 3501  
Seattle WA 98101  
Phone: 206-500-4261  
Fax: 206-377-2784  

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: Fw: SFGate: Calif. congresswoman’s house a public nuisance

Fyi--

Gary Parker  
Legal Department  
Washington Mutual  
1301 Second Ave.  
Seattle, WA 98101  
206-500-4355 direct, 206-377-2840 fax  
gary.parker@wamu.net  

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-----Original Message-----
From: Siedel, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspar, Scott; Parker, Gary L.
Subject: SFGate: Calif. congresswoman’s house a public nuisance

This may interest you, if you haven’t already seen it. Charley

This article was sent to you by someone who found it on SFGate.  
The original article can be found on SFGate.com here:  
http://www.sfgate.com/cgi-bin/article.cgi?f=/nla/2008/08/15/state/10  
4012391.1311

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Calif. congresswoman’s house a public nuisance
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Copyright 2008 AP
From: Cook, Don <don.cook@waru.net>
Sent: Wednesday, August 20, 2008 12:47 PM
To: Gaugl, Sara C. <sara.gaugl@waru.net>; Battaglia, Paul J. <paul.battaglia@waru.net>
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

-----Original Message-----
From: Gaugl, Sara C.
Sent: Wednesday, August 20, 2008 9:35 AM
To: Battaglia, Paul J., Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

- Sara

-----Original Message-----
From: Battaglia, Paul J.
Sent: Wednesday, August 20, 2008 6:56 AM
To: Cook, Don; Gaugl, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1701 2nd Avenue, WMF 3801
Seattle WA 98101
Phone: 206-590-1261
Fax: 206-377-2784

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Thank You.

-----Original Message-----
From: Cook, Don
Sent: Tuesday, August 19, 2008 7:20 PM
To: Battaglia, Paul J.; Gaugl, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan
-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 5:29 PM
To: Gaugl, Sara C.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 3rd Avenue, WMC 1301
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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Thank you.

-----Original Message-----
From: Gaugl, Sara C.
Sent: Tuesday, August 19, 2008 5:07 PM
To: Battaglia, Paul J.; Thom, Ann
Cc: Edens, Alan
Subject: Media inquiry Re: Richardson Loan

Hi, Paul.
Best,

Sara

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-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 10:28 AM
To: Thorn, Ann; Guigl, Sara C.
Subject: Fw: Laura Richardson WMC WAS002-108

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Beth Ward
Sent: Tuesday, August 19, 2008 9:58 AM
To: Martin T. McGuinn, Woodcock, Wendt & Battaglia, Paul J.; Mathis, Julie A.
Subject: Fw: Laura Richardson WMC WAS002-108

REDACTED

Beth Ward
Paralegal to Martin T. McGuinn,
Kenneth C. Neogam
& C. Colin Cessio
Kitty & McGuinn, A P C.
600 H Street, Suite 1050
San Diego, CA 92101
Direct Line: (619) 398-3372
Direct Fax: (619) 398-3373

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4000, and return the original message to Kirby & McGuinn, A P.C., 600 B Street, Ste. 1950, San Diego, CA 92101.

-----Original Message-----
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock, Wendy A.; Battinglu, Paul J.; Mathis, Julie A.
Cc: Berth Ward
Subject: RE: Laura Richardson WMB WSO02-108

REDACTED

Martin T. McGuinn
Kirby & McGuinn, A P.C.
600 B Street, Ste. 1950
San Diego, CA 92101
IntraMail [E-mail]
Direct Dist: (619) 525
Direct Fax: (619) 525

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-----Original Message-----
From: Woodcock, Wendy A. [mailto:wendy.woodcock@wamu.net]
Sent: Tuesday, August 19, 2008 4:41 AM
To: Battinglu, Paul J.; Martin T. McGuinn; Mathis, Julie A.
Subject: RE: Laura Richardson
Importance: High

REDACTED

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904 886-1309 ph
904 886-1325 fax

-----Original Message-----
From: Battinglu, Paul J.
Sent: Monday, August 18, 2008 7:32 PM
To: Woodcock, Wendy A.; 'Martin T. McGuinn'
Subject: Laura Richardson
Stymied city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

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Paul J. Bartaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Bartaglia, Paul J.
Subject: FW: SF Gate: Calif. congresswoman's house a public nuisance

FYI--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

----Original Message-----
From: Nodd, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspard, Scott; Parker, Gary L.
Subject: SFGate: Calif. congresswoman’s house a public nuisance

This may interest you, if you haven’t already seen it, Charley

This article was sent to you by someone who found it on SFGate. The original article can be found on SFGate.com here: http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/20080815/sfchastic/4012091.DTL

Friday, August 15, 2008 (AP)
Calif. congresswoman’s house a public nuisance

(SACRAMENTO, Calif. 16:26 PDT) - Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Long Beach Democrat previously facing foreclosure on the house.

Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “full possession has been returned” to her.

Copyright 2008 AP
From: Gaugl, Sara C. <sara.gaugl@wamu.net>
Sent: Wednesday, August 20, 2008 12:35 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>; Cook, Don <don.cook@wamu.net>
Subject: RE: Media Inquiry Re: Richardson Loan

---Original Message-----
From: Battaglia, Paul J.
Sent: Wednesday, August 20, 2008 6:56 AM
To: Cook, Don; Gaugl, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

- Sara

-----Original Message-----
From: Battaglia, Paul J.
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-1261
Fax: 206-377-2784

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-----Original Message-----
From: Cook, Don
Sent: Tuesday, August 19, 2008 7:20 PM
To: Battaglia, Paul J.; Gaugl, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 5:29 PM
To: Gaugl, Sara C.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED
Hi, Paul,

Best,

Sara

NOTICE: This communication may contain legally privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank You.
Subject: FW: Laura Richardson WMB WAS002-108

---Original Message-----
From: Beth Ward [REDACTED]
Sent: Tuesday, August 19, 2008 9:43 AM
To: Martin T. McGuinn, Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: Laura Richardson [REDACTED]

---Original Message-----
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:38 AM
To: Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: [REDACTED]
REDACTED

Martin T. McGuinn
Kitty & McGuinn, A P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

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----Original Message------
From: Woodcock, Wendy A. [mailto:wendy.woodcock@wamu.net]
Sent: Tuesday, August 19, 2008 4:41 AM
To: Battaglia, Paul J.; Martin T. McGuinn, Muriel, Julie A.
Subject: RE: Laura Richardson
Importance: High

REDACTED

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904 886-1390 ph
904 886-1325 fax

----Original Message------
From: Battaglia, Paul J.
Sent: Monday, August 18, 2008 7:32 PM
To: Woodcock, Wendy A.; Martin T. McGuinn
Subject: Laura Richardson

Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up
to $5,000 a month if she doesn’t fix it up.

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---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don, Owen, Jan L; Battaglia, Paul J
Subject: FW: SF Gate: Calif. congresswoman’s house a public nuisance

FYI--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206-500-4355 direct, 206-377-2840 fax
gary.parker@wamu.net

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-----Original Message-----
From: Wedel, Chun ley
Sent: Monday, August 18, 2008 11:06 AM
To: Geopard, Scott; Parker, Gary L
Subject: SF Gate: Calif. congresswoman’s house a public nuisance
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Calif. congresswoman's house a public nuisance

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From: Battaglia, Paul J. <paul.battaglia@wamu.net>
Sent: Wednesday, August 20, 2008 9:56 AM
To: Cook, Don <don.cook@wamu.net>; Gaugl, Sara C. <sara.gaugl@wamu.net>
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

Paul J. Battaglia  
First Vice President and Senior Counsel  
Washington Mutual Bank  
1301 2nd Avenue, WMC 3501  
Seattle WA 98101  
Phone: 206-500-4261  
Fax: 206-377-2784  

NOTICE: This communication may contain legally privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank You.

---Original Message---
From: Cook, Don
Sent: Tuesday, August 19, 2008 7:20 PM
To: Battaglia, Paul J.; Gaugl, Sara C.
Subject: RE: Media Inquiry Re: Richardson Loan

REDACTED

Paul J. Battaglia  
First Vice President and Senior Counsel  
Washington Mutual Bank  
1301 2nd Avenue, WMC 3501  
Seattle WA 98101  
Phone: 206-500-4261  
Fax: 206-377-2784
Hi, Paul.

Best,

Sara

NOTICE: This communication may contain legally privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank You.

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 16:28 AM
To: Thorn, Ann; Guoqiang, Sara C.
Subject: RE: Laura Richardson

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 16:28 AM
To: Thorn, Ann; Guoqiang, Sara C.
Subject: RE: Laura Richardson

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-899-4261
Fax: 206-373-2784

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--- Original Message ---
From: Beth Ward
Sent: Tuesday, August 19, 2008 9:58 AM
To: Martin T. McGuinn, Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Subject: RE: Laura Richardson

Beth Ward
Paralegal to Martin F. McGuinn,
Kenneth C. Neurquin
& C. Colin Casdin
Kirby & McGuinn, A.P.C.
600 B Street, Suite 1950
San Diego, CA 92101

Direct Line: (619) 359-___
Direct Fax: (619) 394-___

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--- Original Message ---
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: Laura Richardson WMB WAS002-108

Martin T. McGuinn
Kirby & McGuinn, A.P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

Direct Line: (619) 359-___
Direct Fax: (619) 394-___

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Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

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Paul J. Battaglia
First Vice President and Senior Counsel
WASHINGTON MUTUAL BANK
1301 Second Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-1261
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Hatfield, Paul J.
Subject: F.W. SFGate: Calif. congresswoman's house a public nuisance

Fyi--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206-500-9355 direct, 206-377-2840 fax
gary.parker@wamu.net

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-----Original Message-----
From: Siedd, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspari, Scott; Parker, Gary L.
Subject: SFGate (Fw) Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it. Charley

----------------------------------------------------------
This article was sent to you by someone who found it on SFGate.
The original article can be found on SFGate.com here:
http://www.sfgate.com/cgi-bin/article.cgi?f=/c/a/2008/08/15/states/10
401.21911.JT1

----------------------------------------------------------
Friday, August 15, 2008 (AP)
Calif. congresswoman's house a public nuisance

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----------------------------------------------------------

Copyright 2006 AP
From: Cook, Don <don.cook@wamu.net>
Sent: Tuesday, August 19, 2008 10:20 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>; Gaugl, Sara C. <sara.gaugl@wamu.net>
Subject: RE: Media Inquiry Re: Richardson Loan

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 5:29 PM
To: Gaugl, Sara C.; Cook, Don
Subject: RE: Media Inquiry Re: Richardson Loan

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-590-4261
Fax: 206-377-2794

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-----Original Message-----
From: Gaugl, Sara C.
Sent: Tuesday, August 19, 2008 5:07 PM
To: Battaglia, Paul J.; Thorn, Ann
Cc: Elias, Alan
Subject: Media Inquiry Re: Richardson Loan

Hi, Paul.

-----REDACTED-----
Best,

Sara

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 10:28 AM
To: Thorn, Ann; Gaugl, Sara C.
Subject: FW: Laura Richardson WMB  WAS9002-108

Paul J. Battaglia
First Vice President and Senior Counsel
Wensington Mutual Bank
1301 2nd Avenue, WMC 35G1
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

-----Original Message-----
From: Beth Ward
Sent: Tuesday, August 19, 2008 9:58 AM
To: Martin T. McGuinn, Woodcock, Wendt; A., Battaglia, Paul J., Mathis, Julie A.
Subject: RE: Laura Richardson

Beth Ward
Paralegal to Martin T. McGuinn,
Kenneth C. Noonigan & C. Colm Cosgroie
Koby & McGuinn, A.P.C.
600 B Street, Suite 1050
San Diego, CA 92101
Direct Line: (619) 398-
2492

Direct Fax: (619) 399-2492

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-----Original Message-----
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock, Wendy A.; Battegial, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: Laura Richardson

[REDACTED]

Martin T. McGuinn
Kirby & McGuinn, A.P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

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-----Original Message-----
From: Woodcock, Wendy A.
Sent: Tuesday, August 19, 2008 4:41 AM
To: Battegial, Paul J.; Martin T. McGuinn; Mathis, Julie A.
Subject: RE: Laura Richardson
Importance: High

[REDACTED]

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

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Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1201 3rd Avenue, WMG 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: Fyi: W: St Gate: Calif. congresswoman’s house a public nuisance

Fyi--
Gary Parker  
Legal Department  
Washington Mutual  
1701 Second Ave.  
Seattle, WA 98101  
206.500.4355 direct, 206.377.2840 fax  
gary.parker@wamua.net

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-----Original Message-----
From: Skedd, Charley  
Sent: Monday, August 18, 2008 11:06 AM  
To: Gaspard, Scott; Parker, Gary L.  
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it, Charley

------------------------------------------------------------------------
This article was sent to you by someone who found it on SFGate  
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http://www.sfgate.com/cgi-bin/article.cgi?file=/nlocal/2008/08/15/state/0104012D91.DTL
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------------------------------------------------------------------------

Copyright 2008 AP
From: Thorn, Ann <ann.thorn@wamu.net>
Sent: Tuesday, August 19, 2008 8:45 PM
To: Gaugl, Sara C. <sara.gaugl@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>
Cc: Elias, Alan <alan.elias@wamu.net>
Subject: Re: Media Inquiry Re: Richardson Loan

I tried to call her and left her a message

-------------------------
Sent from my BlackBerry Wireless Handheld

----- Original Message ----- 
From: Gaugl, Sara C.
To: Battaglia, Paul J.; Thorn, Ann
Cc: Elias, Alan
Sent: Tue Aug 19 17:06:39 2008
Subject: Media Inquiry Re: Richardson Loan

Hi, Paul.

Best,

Sara

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Thank You

-----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 10:28 AM
To: Thorn, Ann; Gaugl, Sara C.
Subject: Fw: Laura Richardson [REDACTED]
--- Original Message ---

From: Beth Ward
Sent: Tuesday, August 19, 2008 9:58 AM
To: Martin T. McGuinn, Woodcock, Wends A.; Battaglia, Paul J.; Mathis, Julie A.
Subject: RE: Laura Richardson

--- REDACTED ---

Beth Ward
Paralegal to Martin T. McGuinn,
Kenneth C. Noonigan,
& C. Colin Cossio
Kitty & McGuinn, A.P.C.
600 B Street, Suite 1950
San Diego, CA 92101
Direct Line: (619) 398-...
Direct Fax: (619) 399-...

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--- Original Message ---

From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock, Wends A.; Battaglia, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: Laura Richardson

--- REDACTED ---

Martin T. McGuinn
Kitty & McGuinn, A.P.C.
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Paul J. Battraglia
First Vice-President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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----Original Message----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Dorr, Owen, Jan L., Battraglia, Paul J.
Subject: FW: SFGate: Calif. congresswoman's house a public nuisance

Fyi--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wamu.net

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----Original Message----
From: Seidel, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Uspurd, Scott; Parker, Gary L.
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it. Charley


FPMC - 001441
CONFIDENTIAL
CSOC.RICH.003330
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Sent: Tuesday, August 19, 2008 8:29 PM
To: Gaugl, Sara C. <sara.gaugl@wamu.net>; Cook, Don <don.cook@wamu.net>
Subject: RE: Media Inquiry Re: Richardson Loan

Paul J. Battaglia
First Vice-President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-590-4261
Fax: 206-377-2784

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Thank You.

--------Original Message--------
From: Gaugl, Sara C.
Sent: Tuesday, August 19, 2008 5:07 PM
To: Battaglia, Paul J.; Thorn, Ann
Cc: Llans, Alan
Subject: Media Inquiry Re: Richardson Loan

Hi, Paul,

[Redacted]

Best,

Sara
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----Original Message-----
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 10:28 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: Laura Richardson [REDACTED]

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-590-4261
Fax: 206-577-2784

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---- Original Message ----
From: [REDACTED]
Sent: Tuesday, August 19, 2008 9:58 AM
To: [REDACTED]
Cc: [REDACTED]
Subject: [REDACTED]

REDACTED

Beth Ward
Paralegal to Martin F. McGuinn,
Kenneth C. Noonan
& C. Colin Cossio
Kirk & McGuinn, P.A.
600 B Street, Suite 1050
San Diego, CA 92101
Direct Line: (619) 397-...
Direct Fax: (619) 397-...

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---- Original Message ----
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: Laura Richardson

Martin T. McGuinn
Kirby & McGunn, A P.C.
600 H Street, Ste. 1950
San Diego, CA 92101

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-----Original Message-----
From: Woodcock, Wendy A. [mailto:wendy.woodcock@wamu.net]
Sent: Tuesday, August 19, 2008 4:41 AM
To: Battaglia, Paul J.; Martin T. McGuinn; Mathis, Julie A.
Subject: RE: Laura Richardson

Importance: High
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn't received proper notice.

The city's code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall, Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her. ---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1101 2nd Avenue, WMB, 3501
Seattle WA 98101
Phone: 206-377-1761
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don, Owen, Jan L., Battaglia, Paul J.
Subject: FW: SJ Gate: Calif. congresswoman's house a public nuisance

FYI

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wamub.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.
This may interest you, if you haven’t already seen it, Charley

This article was sent to you by someone who found it on SFGate.
The original article can be found on SFGate.com here:

Friday, August 15, 2008 (AP)

Calif. congresswoman's house a public nuisance

(08-15) 16:26 PDT Sacramento, CA (AP) --
Sacramento city officials have declared a home owned by U.S. Rep.
Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.
The longtime Democrat previously faced foreclosure on the house.
Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn't received proper notice.
The city's code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.
Inspectors came after calls to police about a suspicious person there.
A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.

Copyright 2008 AP
From: Battaglia, Paul J.
Sent: Tuesday, August 19, 2008 8:24:12 PM
To: bwind[REDACTED]
Subject: Keys to Laura Richardson's attorney

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

NOTICE: This communication may contain legally privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank You.
From: Battaglia, Paul J. <paul.battaglia@wamu.net>
Sent: Tuesday, August 19, 2008 1:28 PM
To: Thorn, Ann <ann.thorn@wamu.net>; Gaugl, Sara C. <sara.gaugl@wamu.net>
Subject: FW: Laura Richardson [REDACTED]

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

NOTICE: This communication may contain legally privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank You.

---Original Message---
From: Beth Ward [REDACTED]
Sent: Tuesday, August 19, 2008 9:58 AM
To: Martin T. McGuinn; Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Subject: RE: Laura Richardson WMB WAS002-108

Beth Ward
Paralegal to Martin T. McGuinn,
Kenneth C. Neumgian
& C. Colin Cossio
Kathy & McGuinn, A P.C.
600 B Street, Suite 1050
San Diego, CA 92101
Direct Line: (619) 525-1659
Direct Fax: (619) 685-4000

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---Original Message---
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: Laura Richardson

Martin T. McGuinn
Kitty & McGuinn, A.P.C.
600 B Street, Ste. 1950
San Diego, CA 92101

Email: [REDACTED]
Direct Dial: (619) 525-[REDACTED]
Direct Fac: (619) 525-[REDACTED]

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----Original Message-----
From: Woodcock, Wendy A. [mailto:wendy.woodcock@wamu.net]
Sent: Tuesday, August 19, 2008 4:41 AM
To: D'Etaglia, Paul J.; Martin T. McGuinn; Mathis, Julie A.
Subject: RE: Laura Richardson
Importance: High

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904-886-1325 ph
904-886-1325 fax

----Original Message-----
From: D'Etaglia, Paul J.
Sent: Monday, August 18, 2008 7:32 PM
To: Woodcock, Wendy A.; Martin T. McGuinn
Subject: Laura Richardson

REDACTED
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the backyard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “full possession has been returned” to her.

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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Original Message
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don, Owen, Jan L.; Battaglia, Paul J.
Subject: Fw: SFGate: Calif. congresswoman’s house a public nuisance

Fyi--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wamub.net

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by reply email and immediately delete the message and any attachments
without copying or disclosing the contents. Thank you.

-----Original Message-----
From: Siodl, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Grupard, Scott; Parker, Gary L.
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it. Charley
http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2008/08/15/staem10401.DT1L

Friday, August 15, 2008 (AP)
Calif. congresswoman's house a public nuisance

SACRAMENTO (AP) -- Sacramento city officials have disclosed a home owned by U.S. Rep.
Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.
The Long Beach Democrat previously faced foreclosure on the home.
Washington Mutual sold it at auction in May, but reversed the sale after
Richardson complained she hadn't received proper notice.
The city's code enforcement department reported finding junk in the
driveway and rotting fruit in the back yard that attracts rodents.
Inspectors came after calls to police about a suspicious person there.
A spokesman for Richardson, William Marshall Jr., says the city sent
the notice to the man who previously bought the house from the bank, not
Richardson. He says Richardson will maintain the property once
"full possession has been returned" to her.

Copyright 2008 AP
From: Beth Ward <bward@reddacte.com>
Sent: Tuesday, August 19, 2008 12:58 PM
To: Martin T. McGuinn <mmguinn@kirbymac.com>; Woodcock, Wendy A.
<wendy.woodcock@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>; Mathis, Julie A. <julie.mathis@wamu.net>
Subject: RE: Laura Richardson 

---Original Message---
From: Martin T. McGuinn
Sent: Tuesday, August 19, 2008 9:43 AM
To: Woodcock, Wendy A.; Battaglia, Paul J.; Mathis, Julie A.
Cc: Beth Ward
Subject: RE: Laura Richardson 

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prohibited. If you have received this transmission in error, please immediately notify us by telephone at (619) 525-1659 or (619) 685-4000,
and return the original message to Kirby & McGuinn, A P.C., 600 B Street, Sls. 1950, San Diego, CA 92101.
SACRAMENTO city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the backyard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesperson for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once full
possession has been returned" to her. ---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMF 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: Fw: SFGate: Calif. congresswoman's house a public nuisance

Fyi--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wm.com

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-----Original Message-----
From: Sieed, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspard, Scott; Parker, Gary L.
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it: Charley

--------------------------------------------------------------------------------
This article was sent to you by someone who found it on SFGate. The original article can be found on SFGate.com here: http://www.sfgate.com/cgi-bin/article.cgi?file=/n/a/2008/08/15/state/nt04012D91.DTL.
Friday, August 15, 2008 (AP)

Calif. congresswoman's house a public nuisance

(08-15) 16:26 PDT Sacramento, CA (AP) --

Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn't received proper notice.

The city's code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents. Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.

Copyright 2008 AP
San Clemente city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

The Long Beach Democrat previously faced foreclosure on the home Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn't received proper notice.

The city's code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents. Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.

---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 Second Avenue, WMC 3501
Seattle WA 98101
Phone: 206-580-4261
Fax: 206-377-2784

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--- Original Message ---
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Dom; Owen, Jan L.; Battaglia, Paul J.
Subject: FW: SF Ours: Calif. congresswoman's house a public nuisance

FYI--

Gary Parker
Legal Department
Washington Mutual
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-----Original Message-----
From: Sladd, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspard, Scott; Parker, Gary L.
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it. Charley

This article was sent to you by someone who found it on SFGate. The original article can be found on SFGate.com here:

Friday, August 15, 2008 (AP)
Calif. congresswoman's house a public nuisance

(08-15) 16:26 PDT Sacramento, CA (AP)
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn't fix it up.

The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn't received proper notice.

The city's code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors also called police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.

Copyright 2008 AP
From: Battaglia, Paul J. <paul.battaglia@wamu.net>
Sent: Tuesday, August 19, 2008 10:02 AM
To: Thorn, Ann <ann.thorn@wamu.net>
Subject: FW: Laura Richardson

--- Original Message ---
From: Mathis, Julie A.
Sent: Tuesday, August 19, 2008 5:37 AM
To: Battaglia, Paul J.; Fisher, Michael S.; Mathis, Julie A.; McGuinn, Martin T.
Subject: RE: Laura Richardson - 0729942433

Thanks,

Julie

--- Original Message ---
From: Woodcock, Wendy A.
Sent: Tuesday, August 19, 2008 7:41 AM
To: Battaglia, Paul J.; McGuinn, Martin T.; Mathis, Julie A.
Subject: RE: Laura Richardson
Importance: High

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904 886-1369 ph
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Trader Joe’s, a Democratic group that foreclosed on the home, filed suit in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “full possession has been returned” to her. ---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-240-4261
Fax: 206-217-2741

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----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: Fw: SFGate: Calif. congresswoman’s house a public nuisance

Gary Parker
Legal Department  
Washington Mutual  
1301 Second Ave.  
Seattle, WA 98101  
206-500-4355 direct, 206-377-2540 fax  
gary.parker@wamu.net

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-----Original Message-----
From: Sadd, Charley  
Sent: Monday, August 18, 2008 11:06 AM  
To: Gaspard, Scott; Parker, Gary L.  
Subject: SFGate: Calif. congresswoman’s house a public nuisance

This may interest you if you haven’t already seen it. Charley

This article was sent to you by someone who found it on SFGate.
The original article can be found on SFGate here:

Friday, August 15, 2008 (AP)
Calif. congresswoman’s house a public nuisance

(08-15) 16:26 PDT Sacramento, CA (AP) --  
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Long Beach Democrat previously faced foreclosure on the home.
Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.
A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “title possession has been returned” to her.  

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From: Thorn, Ann
Sent: Tuesday, August 19, 2008 8:49:51 AM
To: Gau, Sara C., Cook, Don, Battaglia, Paul J.
Subject: Richardson

Just wanted to let you know that I got a call from Congresswoman Richardson last night around 7 on my voicemail. She said no issue, just wanted to ask a couple questions and Sara I guess she wanted to get a hold of you. I will be reaching back out to her today to find out what she needed and will advise.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-1

cell: 212-418

For Internal Use Only
From: Mathis, Julie A. <julie.mathis@wamu.net>
Sent: Tuesday, August 19, 2008 8:37 AM
To: Battaglia, Paul J. <paul.bataglia@wamu.net>; Fisher, Michael S. <michael.s.fisher@wamu.net>
Cc: Woodcock, Wendy A. <wendy.woodcock@wamu.net>; Martin T. McGuinn <MMcguinn@kirbymac.com>
Subject: RE: Laura Richardson - [REDACTED]

Thanks,

Julie

-----Original Message-----
From: Woodcock, Wendy A.
Sent: Tuesday, August 19, 2008 7:41 AM
To: Battaglia, Paul J.; 'Martin T. McGuinn'; Mathis, Julie A.
Subject: RE: Laura Richardson
Importance: High

Wendy Woodcock, VP
Division Manager
Homeownership Preservation Dept.
904-886-1398 ph
904-886-1325 fax

-----Original Message-----
From: Battaglia, Paul J.
Sent: Monday, August 18, 2008 7:32 PM
To: Woodcock, Wendy A.; 'Martin T. McGuinn'
Subject: Laura Richardson

[REDACTED]

Sgt. Warden and city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $50,000 a month if she doesn’t fix it up.
The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotten fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once ‘full possession has been returned’ to her. ---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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Thank You.

-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don, Owen, Jan L.; Battaglia, Paul J.
Subject: FW: SF Gate: Calif. congresswoman's house a public nuisance

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206.500.4355 direct, 206.377.2840 fax
gary.parker@wamu.net

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-----Original Message-----
From: Sledd, Charley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspard, Scott; Parker, Gary L.
Subject: SF Gate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven’t already seen it. Charley

This article was sent to you by someone who found it on SFGate.
The original article can be found on SFGate.com here:
http://www.sfgate.com/cgi-bin/article.cgi?f=5k-riu/2923808/9/15/staen/104012D91_DTL.

Friday, August 15, 2008 (AP)
Calif. congresswoman’s house a public nuisance

(Sacramento, CA) --
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Long Beach Democrat previously faced foreclosure on the home.
Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

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Copyright 2008 AP
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

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Fax: 206-377-2784

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:08 AM
To: Cook, Don; Owen, Jan L.; Pantaglia, Paul J.
Subject: Fw: SFGate: Calif. congresswoman's house a public nuisance

Fyi--

Gary Parker
Legal Department
Washington Mutual
1301 Second Ave.
Seattle, WA 98101
206-500-4355 direct 206-377-2840 fax
gary.parker@wamu.net

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-----Original Message-----
From: Stedd, Cheley
Sent: Monday, August 18, 2008 11:06 AM
To: Gaspard, Scott; Parker, Gary L.
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it. Cheley

This article was sent to you by someone who found it on SFGate.
The original article can be found on SFGate.com here:
http://www.sfgate.com/cgi-bin/article.cgi?file=/n/a/2008/08/15/state/n104012D91.DTL

Friday, August 15, 2008 (AP)
Calif. congresswoman's house a public nuisance

(08-15) 16:26 PDT Sacramento, CA (AP) --
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Long Beach Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May, but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotten fruit in the back yard that attracts rodents.
Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.  

---------------------------------------------------------------------

Copyright 2008 AP
From: Woodcock, Wendy A.
Sent: Monday, August 18, 2008 7:31:51 PM
To: Belteglio, Paul J.
Subject: Out of Office AutoReply: Laura Richardson

I will be out of the office 8/11/08 through 8/15/08. If you have an urgent matter that must be addressed immediately, please contact Matt Kolkowski at (816) 775-.
Sacramento city officials have declared a home owned by U.S. Rep. Laura Richardson a public nuisance and are threatening fines up to $5,000 a month if she doesn’t fix it up.

The Lane County Democrat previously faced foreclosure on the home. Washington Mutual sold it at auction in May but reversed the sale after Richardson complained she hadn’t received proper notice.

The city’s code enforcement department reported finding junk in the driveway and rotting fruit in the back yard that attracts rodents.

Inspectors came after calls to police about a suspicious person there.

A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once “full possession has been returned” to her. ---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-1201
Fax: 206-377-2764

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-----Original Message-----
From: Parker, Gary L.
Sent: Monday, August 18, 2008 11:09 AM
To: Cook, Don; Owen, Jan L.; Battaglia, Paul J.
Subject: Fw: SF Gate: Calif. congresswoman's house a public nuisance

Fy--

Gary Parker
Legal Department
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-----Original Message-----
From: Sneed, Charley  
Sent: Monday, August 18, 2008 11:06 AM  
To: Gaspard, Scott; Parker, Gary L.  
Subject: SFGate: Calif. congresswoman's house a public nuisance

This may interest you, if you haven't already seen it. Charley

------------------------------------------------------------------------
This article was sent to you by someone who found it on SFGate. The original article can be found on SFGate.com here: http://www.sfgate.com/leg/04/article/235810881362444.htm. 
------------------------------------------------------------------------

Friday, August 15, 2008 (AP)  
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A spokesman for Richardson, William Marshall Jr., says the city sent the notice to the man who previously bought the house from the bank, not Richardson. He says Richardson will maintain the property once "full possession has been returned" to her.  

------------------------------------------------------------------------

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From: Gauhl, Sara C. <sara.gauhl@wamu.net>
Sent: Friday, August 15, 2008 6:21 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>; Cook, Don <don.cook@wamu.net>
Cc: Riley, Olivia <olivia.riley@wamu.net>
Subject: RE: Review Requested: Media Response

Have a great weekend.

Sara

-----Original Message-----
From: Battaglia, Paul J.
Sent: Friday, August 15, 2008 2:57 PM
To: Gauhl, Sara C.; Cook, Don
Cc: Riley, Olivia
Subject: RE: Review Requested: Media Response

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents.
Thank You.

-----Original Message-----
From: Gauhl, Sara C.
Sent: Friday, August 15, 2008 2:29 PM
To: Battaglia, Paul J.; Cook, Don
Cc: Riley, Olivia
Subject: Review Requested: Media Response
Importance: High

Paul and Don:

REDACTED

REDACTED

REDACTED
Sara Gaugl  
Home Loans Public Relations  

WaMu  
1301 Second Avenue  
WMC 401  
Seattle WA 98101  
206.500.2822  
206.224.2172  
sara.gaugl@wamu.net  

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----Original Message----

From: Gottlieb, Jeff  
Sent: Friday, August 15, 2008 1:04 PM  
To: Gaugl, Sara C.  
Subject: Re: WaMu Follow-Up  

These questions are about the property owned by Laura Richardson at 3622 W. Curtis Dr., Sacramento, CA. If Washington Mutual is going to say it cannot answer some of them because it involves Richardson’s confidential financial information, I want you and her to waive that right. The transactions around the house have raised serious questions about whether Rep. Richardson received preferential treatment from Washington Mutual. I have quoted experts as saying this type of deal was unheard of. By not answering the questions, Washington Mutual is encouraging those suspicions.

1. Why did Washington Mutual pay Laura Richardson’s delinquent property taxes of about $9,000?  
2. What were the terms of the settlement with James York, who bought the house at the foreclosure sale? If you say the terms are confidential, I want you to waive confidentiality, which I assume, was a condition WAMU requested.  
3. Why did Washington Mutual take back the property from Mr. York?  
4. Has Washington Mutual ever taken back a house after it has been sold at a foreclosure auction, the deed was recorded and the new owner already had a crew renovating the house? Give use examples.  
5. What are the financial terms of the deal that gave the house back to Rep. Richardson?
From: Battaglia, Paul J. <paul.battaglia@wamu.net>
Sent: Friday, August 15, 2008 5:57 PM
To: Gaugl, Sara C. <sara.gaugl@wamu.net>; Cook, Don <don.cook@wamu.net>
Cc: Riley, Olivia <olivia.riley@wamu.net>
Subject: RE: Review Requested: Media Response

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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Thank You

-----Original Message-----
From: Gaugl, Sara C.
Sent: Friday, August 15, 2008 2:29 PM
To: Battaglia, Paul J.; Cook, Don
Cc: Riley, Olivia
Subject: Review Requested: Media Response
Importance: High

Paul and Don:

[Redacted]

Sara Gaugl
Home Loans Public Relations

WaMu
1301 Second Avenue I WMC 404J I Seattle WA 98101
206.509.2822 direct I 206.509.2827 cell I sara.gaugil@wamu.net

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5. What are the financial terms of the deal that gave the house back to Rep. Richardson?
From: Gaugl, Sara C. <sara.gaugl@wamu.net>
Sent: Friday, August 15, 2008 5:29 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>; Cook, Don <don.cook@wamu.net>
Cc: Riley, Olivia <olivia.riley@wamu.net>
Subject: Review Requested: Media Response

Paul and Don:

REDACTED

Sara Gaugl
Home Loans Public Relations
Wamu
1301 Second Avenue
WMC 401
Seattle, WA 98101
206.500.2822 direct
206.224.3504 cell
sara.gaugl@wamu.net

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---- Original Message ----
From: Gottlieb, Jeff <jgottlieb@wamu.net>
Sent: Friday, August 15, 2008 1:04 PM
To: Gaugl, Sara C.
Subject: RE: WaMu Follow-Up

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Rep. Richardson's Sacramento home declared 'public nuisance'


Neighbors complained about the condition of the Sacramento home of Rep. Laura Richardson (D-Long Beach).

The Sacramento home of the Democratic congresswoman from Long Beach is declared a 'public nuisance' by the city.

By Jeff Gottlieb, Los Angeles Times Staff Writer
August 15, 2008

First Rep. Laura Richardson was having problems making house payments, defaulting six times over eight years.

Then after a bank foreclosed on her Sacramento house and sold it at auction in May, the Long Beach Democrat made such a stink that Washington Mutual, in an unusual move, grabbed it back and returned it to her.

This week, in the latest chapter in the housing saga, the Code Enforcement Department in Sacramento declared her home a "public nuisance."

The city has threatened to fine her as much as $5,000 a month if she doesn't fix it up.

Neighbors in the upper-middle-class neighborhood complain that the sprinklers are never turned on and the grass and plants are dead or dying. The gate is broken, and windows are covered with brown paper.

"I would call it an eyesore," said Peter Thomsen, a retired bank executive who lives nearby.
The city action was prompted by police action.

Police were twice called to investigate reports of a suspicious person in or around the house, perhaps a homeless man squatting there. Officers called the Code Enforcement Department, which boarded up a broken door.

Code enforcement inspectors visited the house twice in July, finding "junk and debris" in the driveway and "rotting fruit on the ground in the rear yard which creates rodent harborage," according to department documents.

Ron O'Connor, operations manager of the Code Enforcement Department, said homes in the Curtis Park area seldom were tagged as a public nuisance.

"It's a really nice neighborhood," he said.

Asked about the house, Richardson's office released a statement that said: "Neither Congresswoman Richardson nor her attorney have received any information referring to this matter. Any additional information will be provided at a later date."

Richardson has few worries in the November election. The 37th District is so solidly Democratic that no Republican is running against her. Democrat Peter Mathews, who has sought the seat several times before, is mounting a write-in campaign.

Richardson began defaulting on house payments long before she bought the three-bedroom, 1 1/2-bath home after being elected to the Assembly in 2006. She has defaulted on a home in San Pedro, where her mother lives, and her residence in Long Beach for amounts ranging from $5,792 to almost $20,000, according to documents on file with Los Angeles County.

Five of the defaults occurred during a 13-month period over 2007-08 when Richardson was bankrupting her political career, leading her campaigns for Congress and Assembly a total of $177,500.

In addition, she owed nearly $9,000 in property taxes on the Sacramento house, and the city Utilities Department put a lien on the property for an unpaid utility bill of $154.03.

In a letter to supporters after her money problems received widespread publicity in June, Richardson said she was current on her house payments.

"Many elected officials are married, rely on two incomes or are independently wealthy," she wrote.

"I do not fit any of these descriptions," she added. "I made the decision to borrow money against my home to help finance my campaign. The election was too important to me, to our community and to our country, to roll over."

Although Richardson lost her Sacramento house, she got it back under unusual circumstances.

Real estate investor James York bought the two-story house May 7 for $388,000. Richardson had paid $535,000. York recorded the deed May 19 and sent a work crew to renovate the house.

York said Washington Mutual filed a letter of notice of the sale June 2 with Sacramento County.

Experts said such a move after the deed was recorded was almost unheard of.

"It seems to me it has nothing to do with the law, but it has to do with [Washington Mutual] trying to be deferential to a congresswoman," said Grant Nelson, the William H. Rehnquist Professor of Law at Pepperdine University.

York said The case was settled in early July with each side agreeing not to talk about the terms.

In addition, Washington Mutual paid the tax lien on July 31, according to Sacramento County.

The public nuisance notice -- known as a vacant building ordinance violation -- was posted on Richardson's house Tuesday.
An inspection, it says, "revealed the structure on your property is vacant, is not in compliance with minimum maintenance standards and/or constitutes a public nuisance."

The owner of the house is listed on the notice as Red Rock Mortgage Inc., which is York's company.

O'Connor, the Sacramento code official, said the notices are taped onto the building and sent to the owner, return receipt requested.

During a phone interview, O'Connor checked county tax assessor records and said that Richardson is listed as the owner and that the notice would be sent to her.

The notice says that a $1,000 penalty can be assessed against the property if progress is not made to bring it into compliance within 30 days. The penalty could grow to as much as $3,000 per month unless progress is made to improve conditions.

Neighbors have complained about the state of the house for months.

They were optimistic when York sent his crew to begin renovations, but now say it is worse than ever.

"I can't make myself go by there. It hurts too much," said Sharon Helmar, who sold the house to Richardson after living there for 30 years. "We took good care of it, and it's a lovely house."

Sara Gauhl
Home Loans Public Relations
WaMu
1501 Second Avenue | WMCM amalgam | Seattle WA 98101
206.500.2822 direct | 206.228.4828 cell
sara.gauhl@wamu.net

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From: Baroecs, Leah
Sent: Thursday, August 07, 2008 11:56:12 AM
To: Bettaglie, Paul J; Richardson, Laura
Subject: FW: Richardson, Laura / TC#
Attachments: Picture (Metafile)

Leah Baroecs
Consumer Group Paralegal
Washington Mutual
1301 2nd Avenue, WMC3501
Seattle, WA 98101
206.500.4262 direct / 206.377.2784 fax

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From: GM Paralegal Support
Sent: Thursday, July 03, 2008 9:30 AM
To: Baroecs, Leah
Subject: FW: Richardson, Laura / TC#

Hi Leah,

Please advise.

Thank you,
Sophia H Sahashi
Research Support Analyst I
Legal Department Business Planning and Operations
Washington Mutual
9230 Orange Ave, ML10214
Chatsworth, CA 91311
818.775.6667 direct. 818.775.7550 fax,
Farnaz.Hossain@chicago.wamu.net

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From: McNabb, Veronica
Sent: Thursday, July 02, 2008 6:44 AM
To: Thomas, Michelle M.; Castroman, Sophie
Cc: Pound, Robert A.
Subject: RE:

Good Morning,

I didn't put the stop there manually therefore I can't remove it. The stop was placed once the F/C workstations were updated to reflect a 3rd party sale on this property which at that time was a man code R. It has since rescinded now man code W. so it is no longer in my area. We process payments for this particular man code, but we don't remove stops.

Also if you read the notes on the loan you will see:

JPMC - 001882
CONFIDENTIAL
CSOG.RICH.003371
06/12/08 18:14:36 JAW FROM MEM:

Please contact Sophia Dabashi in Legal @ 6867 prior to processing any action on this loan or contacting/speaking with the borrower. Phone # is for internal use only.

This might be your first stop. Sorry I couldn't help you with removing the stop.

Hope this was helpful to you.

Sophia,
Can you assist Michelle with her questions?

You all have a safe a wonderful Holiday weekend....

Ms. Veronica Sowell-McNeil
L5 Cashiering Rep II
Cash Operations
Foreclosure/LAIT
Mail Stop JAX82007

Fax: (904) 886-1646
Direct: 904-462-

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From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 9:24 AM
To: McNeil, Veronica
Cc: Pound, Robert A.
Subject: 
Importance: High

Veronica

Is it possible for you to remove the disbursement stop 1 from the above referenced loan number, in order that we may disburse tax payments? If so, please do so as soon as possible.

Thank you in advance.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1 800 335 3860 ext.

JPML - 001883
CONFIDENTIAL
CSOC.RICH.003372
From: Battaglia, Katherine R. <katherine.battaglia@wamu.net>
Sent: Wednesday, July 30, 2008 1:54 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: KANA / Email (Richardson, Laura)

[REDACTED]

From: Battaglia, Paul J.
Sent: Wednesday, July 30, 2008 1:50 PM
To: Battaglia, Katherine R.
Subject: RE: KANA / Email (Richardson, Laura)

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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From: Battaglia, Katherine R.
Sent: Wednesday, July 30, 2008 10:42 AM
To: Battaglia, Paul J.
Subject: RE: KANA / Email (Richardson, Laura)

[REDACTED]

JPML - 001885
CONFIDENTIAL
CSOC.RICH.003374
Ah, they're trying to keep us Battaglias from communicating directly, I see... 😊

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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Paul--

[REDACTED]

Truly,

Katherine

[REDACTED]

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784
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From: Sonstroem, Jed P.
Sent: Wednesday, July 30, 2008 8:47 AM
To: Battaglia, Paul J.
Subject: FW: KANA / Email (Richardson, Laura)

REDACTED

Jed P. Sonstroem
First Vice President and Assistant General Counsel
Washington Mutual Bank
The WaMu Center
1301 2nd Avenue
WMC 3501
Seattle WA 98101
Telephone: (206) 377-2784
Fax: (206) 377-2784
jed.sonstroem@wamu.net

From: Spyropoulos, Jane
Sent: Wednesday, July 30, 2008 8:29 AM
To: Sonstroem, Jed P.
Cc: Savnik, Christina A.; Battaglia, Katherine R.
Subject: FW: KANA / Email

Good Morning Jed ~

Below is an email we received regarding a foreclosed home that was sold at an auction on May 7th for $388,000.00, however we have issued a notice to rescind the sale. Can you please review the below email and advise on how to respond to the customers inquiry? Thank you in advance for your assistance!

~ There is an article out on the internet regarding the issue for further research under Real Estate Controversies.

http://en.wikipedia.org/wiki/Laura_Richardson
Thank You
Jane Spyropoulos
Sr. Team Lead
eCc: Mortgage & Retail
cCer/Correspondence
585-500-5237
jane.spyropoulos@wamu.net

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From: Battaglia, Katherine R.
Sent: Tuesday, July 29, 2008 3:59 PM
To: Spyropoulos, Jane
Subject: KANA / Email

Host-Verified Secure Message

Spanish False
Topic Other
ciNumber

dateTimeStamp 07/28/2008 6:36:39 PM
applicationID 2
confirmationNumber K33790044488E11B7

subject General Inquiry

firstName HERBERT
lastName SAMPLE
emailAddress yaho[...]

comments Nice going, WAMU!! A member of Congress (Laura Richardson) gets foreclosed on by you folks, it hits the papers and, voila!, WAMU breaks its back to help her out by essentially returning the house to her after it had already been sold at an auction. Can any of your other customers expect such generous assistance? Your spokeswoman says: We're committed to treating all of our customers with the same level of consideration and fairness. You, right?

Thank-you!

JPMC - 001888
CONFIDENTIAL
CSOC.RICH.003377
"Today Is The Mountain You Were Destined To Climb..."

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Please consider the environment before printing this email.
From: Battaglia, Paul J.  <paul.battaglia@wamu.net>

Sent: Wednesday, July 30, 2008 1:50 PM

To: Battaglia, Katherine R.  <katherine.battaglia@wamu.net>

Subject: RE: KANA / Email (Richardson, Laura)

---

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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---

From: Battaglia, Katherine R.

Sent: Wednesday, July 30, 2008 10:42 AM

To: Battaglia, Paul J.

Subject: RE: KANA / Email (Richardson, Laura)

---

Have a great day.

---

From: Battaglia, Paul J.

Sent: Wednesday, July 30, 2008 1:36 PM

To: Battaglia, Katherine R.

Subject: RE: KANA / Email (Richardson, Laura)

Ah, they’re trying to keep us Battaglias from communicating directly, I see... 😊

Paul J. Battaglia
First Vice President and Senior Counsel
Paul—

REDACTED

Truly,

Katherine

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

REDACTED

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Sent: Wednesday, July 30, 2008 8:47 AM

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To: Battaglia, Paul J.
Subject: FW: KANA / Email (Richardson, Laura)

REDACTED

Jed P. Sonstroem
First Vice President and Assistant General Counsel
Washington Mutual Bank
The WoMu Center
1301 2nd Avenue
WMC 3501
Seattle WA 98101
Telephone: (206) 500-4256
Fax: (206) 377-2764
jed.sonstroem@wamu.net

From: Spyropoulos, Jane
Sent: Wednesday, July 30, 2008 8:29 AM
To: Sonstroem, Jed P.
Cc: Snook, Christina A.; Battaglia, Katherine R.
Subject: FW: KANA / Email

Good Morning Jed ~

Below is an email we received regarding a foreclosed home that was sold at an auction on May 7th for $388,000.00, however we have issued a notice to rescind the sale. Can you please review the below email and advise on how to respond to the customers inquiry? Thank you in advance for your assistance!

~ There is an article out on the internet regarding the issue for further research under Real Estate Controversies.

http://en.wikipedia.org/wiki/Laura_Richardson

Thank You

Jane Spyropoulos
Sr. Team Lead
ECC Mortgage & Retail
eCare/Correspondence
585-590-5237
jane.spyropoulos@wamu.net
Host-Verified Secure Message

Spanish False

Topic Other

cisNumber [ ]

dateTimeStamp 07/28/2008 6:36:39 PM

applicationId

confirmationNumber KJ390044488E11B /

subject General Inquiry

firstName HERBERT

lastName SAMPLE

email Address yahoo.com

comments Nice going, WAMU!!! A member of Congress (Laura Richardson) gets foreclosed on by you folks, it hits the papers and, voila!, WAMU breaks its back to help her out by essentially returning the house to her after it had already been sold at an auction. Can any of your other customers expect such generous assistance? Your spokeswoman says We’re committed to treating all of our customers with the same level of consideration and fairness. Yea, right!

Thank-you!

Katherine Battaglia

Washington Mutual Bank

Processing Rep-Sr

BCC-Albion
“Today Is The Mountain You Were Destined To Climb.”

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Please consider the environment before printing this email.
From: Battaglia, Katherine R. <katherine.battaglia@wamu.net>
Sent: Wednesday, July 30, 2008 1:42 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: KANA / Email (Richardson, Laura)

REDACTED

Have a great day.

From: Battaglia, Paul J.
Sent: Wednesday, July 30, 2008 1:36 PM
To: Battaglia, Katherine R.
Subject: RE: KANA / Email (Richardson, Laura)

Ah, they're trying to keep us Battaglias from communicating directly, I see...

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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From: Battaglia, Katherine R.
Sent: Wednesday, July 30, 2008 10:25 AM
To: Battaglia, Paul J.
Subject: RE: KANA / Email (Richardson, Laura)

Paul~

REDACTED

Truly,

Katherine
From: Battaglia, Paul J.
Sent: Wednesday, July 30, 2008 12:46 PM
To: Battaglia, Katherine R.
Subject: FW: KANA / Email (Richardson, Laura)

REDACTED

---

From: Sonstroem, Jed P.
Sent: Wednesday, July 30, 2008 8:47 AM
To: Battaglia, Paul J.
Subject: FW: KANA / Email (Richardson, Laura)

REDACTED

---

From: Spyropoulos, Jane
Sent: Wednesday, July 30, 2008 8:29 AM
To: Sonstroem, Jed P.
Cc: Smook, Christina A., Battaglia, Katherine R.
Subject: FW: KANA / Email

Good Morning Jed ~

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http://en.wikipedia.org/wiki/Laura_Richardson

Thank You
Jane Spyropoulos
Sr. Team Lead
ECC Mortgage & Retail
eCare/Correspondence
585-590-5237
jane.spyropoulos@wamu.net

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From: Battaglia, Katherine R.
Sent: Tuesday, July 29, 2008 3:59 PM
To: Spyropoulos, Jane
Subject: KANA / Email

Host-Verified Secure Message
Spanish False
Topic Other
cisNumber 26205377
dateTimeStamp 07/28/2008 6:36:39 PM
applicationID 2
confirmationNumber K33790044488E11B7
subject General Inquiry
firstName HERBERT
lastName SAMPLE
emailAddress yahoo

comments Nice going, WAMU!! A member of Congress (Laura Richardson) gets foreclosed on by you folks. it hits the papers and, voila! WAMU breaks its back to help her out by essentially returning the house to her after it had already been sold at an auction. Can any of your other customers expect such generous assistance? Your spokeswoman says: We're committed to treating all of our customers with the same level of consideration and fairness. Yea, right!

Thank-you!

Katherine Battaglia
Washington Mutual Bank
Processing Rep-Sr
ECC-Albion

"Today Is The Mountain You Were Destined To Climb.."

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Ah, they're trying to keep us Battaglias from communicating directly, I see... 😊

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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From: Battaglia, Katherine K.
Sent: Wednesday, July 30, 2008 10:25 AM
To: Battaglia, Paul J.
Subject: RE: KANA / Email (Richardson, Laura)

Paul~

[REDACTED]

Truly,
Katherine

From: Battaglia, Paul J.
Sent: Wednesday, July 30, 2008 12:46 PM
To: Battaglia, Katherine K.
Subject: FW: KANA / Email (Richardson, Laura)

[REDACTED]

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
From: Sonstroem, Jed P.
Sent: Wednesday, July 30, 2008 8:17 AM
To: Battaglia, Paul J.
Subject: FW: KANA / Email (Richardson, Laura)

Jed P. Sonstroem
First Vice President and Assistant General Counsel
Washington Mutual Bank
The Wamu Center
1301 2nd Avenue
VAMC 3501
Seattle WA 98101
Telephone: (206) 500-4266
Fax: (206) 377-2784
jed.sonstroem@wamu.net

From: Spyropoulos, Jane
Sent: Wednesday, July 30, 2008 8:29 AM
To: Sonstroem, Jed P.
Cc: Snook, Christina A.; Battaglia, Katherine K.
Subject: FW: KANA / Email

Good Morning Jed ~

Below is an email we received regarding a foreclosed home that was sold at an auction on May 7th for $388,000.00, however we have issued a notice to rescind the sale. Can you please review the below email and advise on how to respond to the customers inquiry? Thank you in advance for your assistance!

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Thank You
Jane Spyropoulos
Sr. Team Lead
ECC Mortgage & Retail
eCare/Correspondence
585-590-5237
jane.spyropoulos@wamu.net

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From: Battaglia, Katherine R.
Sent: Tuesday, July 29, 2008 3:59 PM
To: Spyropoulos, Jane
Subject: KANA / Email

Host-Verified Secure Message
Spanish False
Topic Other
cisNumber 1
dateTimeStamp 07/28/2008 6:36:39 PM
applicationID 2
confirmationNumber K33790044488E11B7
subject General Inquiry
firstName HERBERT
lastName SAMPLE
emailAddress yahoo

comments Nice going. WAMU!! A member of Congress (Laura Richardson) gets foreclosed on by you folks, it hits the papers and, voila!, WAMU breaks its back to help her out by essentially returning the house to her after it had already been sold at an auction. Can any of your other customers expect such generous assistance? Your spokeswoman says: We're committed to treating all of our customers with the same level of consideration and fairness. Yea, right!
Thank you!

Katherine Battaglia
Washington Mutual Bank
Processing Rep-Sr
ECC-Albion

"Today Is The Mountain You Were Destined To Climb..."

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Please consider the environment before printing this email.
From: Battaglia, Katherine R. <katherine.battaglia@wamu.net>
Sent: Wednesday, July 30, 2008 1:25 PM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: KANA / Email (Richardson, Laura)

Paul~

[REDACTED]

Truly,

Katherine

From: Battaglia, Paul J.
Sent: Wednesday, July 30, 2008 12:46 PM
To: Battaglia, Katherine R.
Subject: FW: KANA / Email (Richardson, Laura)

[REDACTED]

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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From: Sonstroem, Jed P.
Sent: Wednesday, July 30, 2008 8:17 AM
To: Battaglia, Paul J.
Subject: FW: KANA / Email (Richardson, Laura)

[REDACTED]

Jed P. Sonstroem
First Vice President and Assistant General Counsel
Washington Mutual Bank
The WaMu Center
1301 2nd Avenue
WAMU 3501

JPMC - 001903
CONFIDENTIAL
CSOC.RICH.003392
From: Spyropoulos, Jane
Sent: Wednesday, July 30, 2008 8:29 AM
To: Sonstroem, Jed P.
Cc: Snook, Christina A.; Battaglia, Katherine R.
Subject: FW: KANA / Email

Good Morning Jed ~

Below is an email we received regarding a foreclosed home that was sold at an auction on May 7th for $388,000.00, however we have issued a notice to rescind the sale. Can you please review the below email and advise on how to respond to the customer's inquiry? Thank you in advance for your assistance!

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http://en.wikipedia.org/wiki/Laura_Richardson

Thank You
Jane Spyropoulos
Sr. Team Lead
ECC Mortgage & Retail
eCare/Correspondence
585-590-5237
ejane.spyropoulos@wamu.net

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From: Battaglia, Katherine R.
Sent: Tuesday, July 29, 2008 3:59 PM
To: Spyropoulos, Jane
Subject: KANA / Email
Host-Verified Secure Message

Spanish False

Topic Other
cisNumber[...]
dateTimeStamp 07/28/2008 6:36:39 PM
applicationID 2
confirmationNumber K3379004448E11B7

subject General Inquiry

firstName HERBERT
lastName SAMPLE
emailAddress yahoo[...]

comments Nice going. WAMU!! A member of Congress (Laura Richardson) gets foreclosed on by you folks, it hits the papers and, voila!, WAMU breaks its back to help her out by essentially returning the house to her after it had already been sold at an auction. Can any of your other customers expect such generous assistance? Your spokeswoman says: We're committed to treating all of our customers with the same level of consideration and fairness. Yes, right!

Thank you!

Katherine Battaglia
Washington Mutual Bank
Processing Rep-Sr
DCC-Albion

"Today Is The Mountain You Were Destined To Climb.."

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* Please consider the environment before printing this email.
Cc: Snook, Christina A.; Battaglia, Katherine R.
Subject: FW: KANA / Email

Good Morning Ted ~

Below is an email we received regarding a foreclosed home that was sold at an auction on May 7th for $388,000.00, however we have issued a notice to rescind the sale. Can you please review the below email and advise on how to respond to the customers inquiry? Thank you in advance for your assistance!

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http://en.wikipedia.org/wiki/Laura_Richardson

Thank You
Jane Spyropoulos
Sr. Team Lead
ECC Mortgage & Retail
eCare/Correspondence
585-590-5237
jane.spyropoulos@wamu.net

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Sent: Tuesday, July 29, 2008 3:59 PM
To: Spyropoulos, Jane
Subject: KANA / Email

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Topic Other
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dateTimeStamp 07/28/2008 6:36:39 PM
applicationID 2
collectionNumber K33790044488E11B7
subject General Inquiry
firstName HERBERT
lastName SAMPLE

emailAddress

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Washington Mutual Bank
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ECC-Albion

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Please consider the environment before printing this email.
From: Battaglia, Paul J. <paul.battaglia@wamu.net>
Sent: Wednesday, July 30, 2008 12:45 PM
To: Sonstroem, Jed P. <jed.sonstroem@wamu.net>
Subject: RE: KANA / Email (Richardson, Laura)

REDACTED

Paul J. Battaglia
First Vice President and Senior Counsel
Washington Mutual Bank
1301 2nd Avenue, WMC 3501
Seattle WA 98101
Phone: 206-500-4261
Fax: 206-377-2784

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From: Sonstroem, Jed P.
Sent: Wednesday, July 30, 2008 8:17 AM
To: Battaglia, Paul J.
Subject: FW: KANA / Email (Richardson, Laura)

REDACTED

Jed P. Sonstroem
First Vice President and Assistant General Counsel
Washington Mutual Bank
The WaMu Center
1301 2nd Avenue
WMC 3501
Seattle WA 98101
Telephone: (206) 500-4266
Fax: (206) 377-2784
jed.sonstroem@wamu.net

From: Spyropoulos, Jane
Sent: Wednesday, July 30, 2008 8:29 AM
To: Sonstroem, Jed P.
Good Morning Ted ~

Below is an email we received regarding a foreclosed home that was sold at an auction on May 7th for $388,000.00, however we have issued a notice to rescind the sale. Can you please review the below email and advise on how to respond to the customers inquiry? Thank you in advance for your assistance!

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http://en.wikipedia.org/wiki/Laura_Richardson

Thank You
Jane Spyropoulos
Sr. Team Lead
ECC Mortgage & Retail
eCare/Correspondence
585-590-5237
jane.spyropoulos@wamu.net

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From: Battaglia, Katherine R.
Sent: Tuesday, July 29, 2008 3:59 PM
To: Spyropoulos, Jane
Subject: KANA / Email

Host-Verified Secure Message
Spanish False
Topic Other
cisNumber

dateTimeStamp 07/28/2008 6:36:39 PM
applicationID 2
confirmationNumber K3379004448E11B7
subject General Inquiry
firstName HERBERT
lastName SAMPLE
emailAddress
comments Nice going. WAMU!! A member of Congress (Laura Richardson) gets foreclosed on by you folks, it hits the papers and, voila! WAMU breaks its back to help her out by essentially returning the house to her after it had already been sold at an auction. Can any of your other customers expect such generous assistance? Your spokeswoman says: We’re committed to treating all of our customers with the same level of consideration and fairness. Yea, right!

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Katherine Battaglia
Washington Mutual Bank
Processing Rep-Sr
ECC-Albion

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Please consider the environment before printing this email.
From: Sonstroem, Jed P. <jed.sonstroem@wamu.net>
Sent: Wednesday, July 30, 2008 11:47 AM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: FW: KANA / Email (Richardson, Laura)

REDACTED

Jed P. Sonstroem
First Vice President and Assistant General Counsel
Washington Mutual Bank
The Wamu Center
1301 2nd Avenue
WMC 3501
Seattle WA 98101
Telephone: (206) 500-4266
Fax: (206) 377-2784
jed.sonstroem@wamu.net

From: Spyropoulos, Jane
Sent: Wednesday, July 30, 2008 8:29 AM
To: Sonstroem, Jed P.
Cc: Sniek, Christina A.; Battaglia, Katherine R.
Subject: FW: KANA / Email

Good Morning Jed –

Below is an email we received regarding a foreclosed home that was sold at an auction on May 7th for $388,000.00; however, we have issued a notice to rescind the sale. Can you please review the below email and advise on how to respond to the customers inquiry? Thank you in advance for your assistance!

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http://en.wikipedia.org/wiki/Laura_Richardson

Thank You
Jane Spyropoulos
From: Battaglia, Katherine R.
Sent: Tuesday, July 29, 2008 3:59 PM
To: Spyropoulos, Jane
Subject: KANA / Email

Host-Verified Secure Message

Spanish False
Topic: Other
cisNumber: 77-77-77
dateTimeStamp 07/28/2008 6:36:39 PM
applicationID 2
confirmationNumber K33790444488E11B7
subject General Inquiry
firstName HERBERT
lastName SAMPLE
e-mailAddress: 77-77-77-77

comments Nice going, WAMU!! A member of Congress (Laura Richardson) gets foreclosed on by you folks, it hits the papers and, voilà! WAMU breaks its back to help her out by essentially conniving the house to her after it had already been sold at an auction. Can any of your other customers expect such generous assistance? Your spokeswoman says: We're committed to treating all of our customers with the same level of consideration and fairness. Yea, right!

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Katherine Battaglia
Washington Mutual Bank
Processing Rep~Sr

ECC~Albion

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Please consider the environment before printing this email.
From: Barthces, Leah
Sent: Wednesday, July 23, 2008 5:25:31 PM
To: Betteslke, Paul J
Subject: [REDACTED] Richardson, Laura / TCH [REDACTED]
Attachments: Picture (Metafile)

Barthces, Leah
Consumer Group Paralegal
Washington Mutual
1301 2nd Avenue, WMC3501
Seattle, WA 98101
206.500.4262 direct / 206.377.2784 fax

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From: GM Paralegal Support
Sent: Wednesday, July 16, 2008 10:38 AM
To: Barthces, Leah
Subject: [REDACTED] Richardson, Laura / TCH [REDACTED]

Please advise.

Sophia H Dabashi
Research Support Analyst I
Legal Department Business Planning and Operations
Washington Mutual
9200 Oakdale St., N110214
Chatsworth, CA 91311
818.775.4867 direct. 818.775.7350 fax.
Faxnet: H restrainOakdale@wmny.net

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From: McKiel, Ummiris
Sent: Thursday, July 03, 2008 8:44 AM
To: Thomas, Michelle M; DelLusito, Shoplin
Cc: Pound, Robert A
Subject: [REDACTED]

Good Morning,

I didn’t put the stop there manually therefore I can’t remove it. The stop was place once the F/C workstations were updated to reflect a 3rd party sale on this property which at that time was a man code R. It has since rescinded now man code W. so it is no longer in my area. We process payments for this particular man code, but we don’t remove stops.

Also if you read the notes on the loan you will see:

06/12/08 18:14:35 JAW FROM MEMI:

PLEASE CONTACT SOPHIA DABASHI IN LEGAL @ 818 775 6867 PRIOR TO PROCESSING ANY ACTION ON THIS LOAN OR CONTACTING/SPEAKING WITH THE

JPMC - 001916
CONFIDENTIAL
CSOC.RICH.003405
This might be your first stop. Sorry I couldn't help you with removing the stop.

Hope this was helpful to you.

Sophia,
Can you assist Michelle with her questions?

You all have a safe and wonderful holiday weekend....

Ms. Veronica Sowell-McNeil
LS Cashiering Rep II
Cash Operations
Foreclosure-UNIT
Mail Stop JAXB2007

Fax: (904) 886-1646
Direct: 904-462-

CONFIDENTIALLY NOTICE: This electronic mail transmission may contain legally privileged, confidential information belonging to the sender. The information is intended only for the use of the individual or entity named above. If you are not the intended recipient, you are hereby notified that any disclosure, copying, distribution or taking any action based on the contents of this electronic mail is strictly prohibited. If you have received this electronic mail in error, please contact sender and delete all copies.

---

From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 9:24 AM
To: McNeil, Veronica
Cc: Pound, Robert A.
Subject: [T] [ ] [ ]
Importance: [- - -]

Veronica

Is it possible for you to remove the disbursement stop from the above referenced loan number, in order that we may disburse tax payments? If so, please do so as soon as possible.

Thank you in advance.
Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4720
e-mail: michelle.m.thomas@wanu.net

The Elite Group
BE RECOGNIZED

---

JPMC - 001917
CONFIDENTIAL
CSOG.RICH.003406
Calling her again at 1:30.

---

Ann Thorn, EVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
cell: 414-416-5174

For Internal Use Only

---

Daryl W. Lyman
First Vice President & Senior Counsel

Washington Mutual
Legal Department
1301 Second Avenue, WMC 3501
Seattle, WA  98101

206.500.4260 direct  |  206.377.2784 fax
From: Rogers, Savannah L.
Sent: Thursday, July 10, 2008 6:17 AM
To: Thorn, Ann; Lyman, Daryl W.
Cc: Mathis, Julie A.; Richardson
Subject: [REDACTED]

Without the $100,000 corporate advance the Mod terms would be adjusted to the following:

Current UPB $533,465.31
Capitalized Amount $63,875.45
Delinquent Interest 07/07-08/08 $50,856.13
Escrow (Taxes) $9,030.56
Foreclosure Fees $3,336.76
New Modified UPB $597,330.76
1st payment date 9/1/08 $4,352.32
New P&I $4,267.58
New Escrow $94.74
Amortization term 480; Maturity term 342

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 461 549 5978

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From: Mathis, Julie A.
Sent: Thursday, July 10, 2008 8:41 AM
To: Thurns, Michelle M.; Thorn, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.; Found, Robert A.
Subject: [REDACTED]

Savannah, does this change your figures?

Thanks,

Julie

From: Thomas, Michelle M.
Sent: Thursday, July 10, 2008 8:39 AM
To: Mathis, Julie A.; Thorn, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.; Found, Robert A.
Subject: RE: Richardson

Julie

The taxes have been paid current. The negative escrow balance is the total amount paid for taxes which is $6,087.44. Tax lines have been updated and are correct. The escrow analysis is handled in the escrow department.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
e-mail: michelle.m.thomas@wamu.net

From: Mathis, Julie A.
Sent: Thursday, July 10, 2008 8:25 AM
To: Thorn, Ann; Thomas, Michelle M.; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: Richardson

No. I had to leave a message and she has not called back yet.

Michelle, has the tax issue been resolved? We need to have a response asap please.

Thanks,

Julie

From: Thorn, Ann
Sent: Thursday, July 10, 2008 7:27 AM
To: Mathis, Julie A.; Thomas, Michelle M.; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: Richardson

did you talk to her?

Is the tax issue resolved and the system is correct?

From: Mathis, Julie A.
Sent: Wed 07/09/2008 01:32 PM
To: Thomas, Michelle M.; Thorn, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: Richardson

I just left a msg for Ms. Richardson to call me so we can schedule time to discuss the mod. We obviously need the below tax issue resolved first though.

Thanks,

Julie
From: Rogers, Savannah L.  
Sent: Wednesday, July 09, 2008 2:25 PM  
To: Thomas, Michelle M.  
Cc: Mathis, Julie A.; -- ; -- ; -- ; Richardson  
Subject: FW: -- ; -- ; -- ; Richardson  
Importance: High  

Michelle,

Can you explain why the escrow required from ANA 1 8/08 was $10,031.70 yesterday and today the required amount shows $383.72? Will it be adjusting again? I need to verify this for the Mod term before we call the mgmt today.

Thanks,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 855 926 8937  
Direct fax 469 549 5976  

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.  
Sent: Wednesday, July 09, 2008 2:17 PM  
To: Rogers, Savannah L.  
Cc: Coker, Darlene; Beal, Pamela S.; Thorn, Ann; Lyman, Daryl W.; Battaglia, Paul J.  
Subject: RE: -- ; -- ; -- ; Richardson  
Importance: High  

Savannah, please bring the file over.

thanks,

Julie

From: Thorn, Ann  
Sent: Wednesday, July 09, 2008 1:39 PM  
To: Lyman, Daryl W.; Rogers, Savannah L.  
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.  
Subject: RE: -- ; -- ; -- ; Richardson  

great

Julie, please call Richardson today and get documents out.

Ann Thorn, FVP  
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
cell: 414-418-8174

For Internal Use Only

From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:38 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.
Subject: RE: Richardson

REDACTED

-Daryl

From: Thorn, Ann
Sent: Wednesday, July 09, 2008 10:31 AM
To: Lyman, Daryl W.; Rogers, Savannah L.; Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: Richardson

REDACTED

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
cell: 414-418-8174

For Internal Use Only

From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:24 PM
To: Thorn, Ann; Rogers, Savannah L.; Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: Richardson

REDACTED
Daryl W. Lyman
First Vice President & Senior Counsel

Washington Mutual
Legal Department
1301 Second Avenue, WMC 3801
Seattle, WA 98101

206.569.4260 direct | 206.377.2704 fax
daryl.lyman@wamu.net

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From: Thorn, Ann
Sent: Tuesday, July 08, 2008 5:44 AM
To: Rogers, Savannah L.; Battaglia, Paul J.; Lyman, Daryl W.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: REDACTED

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-402-2150
cell: 414-418-3174

For Internal Use Only

From: Rogers, Savannah L.
Sent: Tuesday, July 08, 2008 8:42 AM
To: Battaglia, Paul J.
Cc: Thorn, Ann; Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: REDACTED

Paul,
Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8537  
Direct fax 469 549 5978  
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From: Thorn, Ann  
Sent: Monday, July 07, 2008 6:12 PM  
To: Thomas, Michelle M.; Pounds, Robert A.; Rogers, Savannah L.  
Cc: Coker, Darlene Vale, Julie A.  
Subject: RE: Richardson  

thank you for your help.

Savannah, let's get our part done tomorrow and get copies of new documents out and communicated to Richardson

From: Thomas, Michelle M.  
Sent: Mon 07/07/2008 6:00 PM  
To: Thorn, Ann; Pounds, Robert A.  
Cc: Coker, Darlene Vale, Julie A.  
Subject: RE: Richardson  

Done

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext 4726  
email: michelle.m.thomas@wamu.net

From: Thorn, Ann  
Sent: Monday, July 07, 2008 5:33 PM  
To: Pounds, Robert A.  

From: Pound, Robert A.
Sent: Mon 07/07/2008 04:16 PM
To: Thorn, Ann
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: > Richardson

Remove the stop and pay the taxes.

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound
Washington Mutual
LS Section Manager I
814 972 4997

From: Thorn, Ann
Sent: Monday, July 07, 2008 3:39 PM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.; Coker, Darlene
Subject: RE: Richardson

Michelle, can you please get this changed today as this is a highly escalated matter. Thank you.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
Office: 904-462-2150
Cell: 414-418-9174

For Internal Use Only

From: Rogers, Savannah L.
Sent: Monday, July 07, 2008 3:39 PM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: FW: Richardson
Importance: High
Michelle,

Please request the disbursement stop be removed so we can get this file cut immediately. Ann Thorn is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8537
Direct fax 469 549 5978

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From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 10:38 AM
To: Rogers, Savannah L.
Cc: Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Foud, Robert A.
Subject: RE: Richardson

Savannah

There is now a disbursement stop preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3900 ext. 4720
e-mail: michelle.m.thomas@wamu.net

<< OLE Object: Picture (Metafile) >>

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 10:38 AM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.
Subject: FW: Richardson

Hi Michelle,

Can you give us an idea of how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?

Thank you very much.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8537
Direct fax 469 549 5978

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---

From: Thorn, Ann  
Sent: Thursday, July 03, 2008 10:19 AM  
To: Rogers, Savannah L.; Battaglia, Paul J.  
Cc: Beal, Pamela S.; Mathis, Julie A.  
Subject: b Richardson  

Ok, that is probably going to be a problem...........  

What are the new numbers and what changes are being made?  Paul, fy.........

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2150  
For Internal Use Only

---

From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 9:50 AM  
To: Thorn, Ann  
Cc: Beal, Pamela S.; Mathis, Julie A.  
Subject: RE: b Richardson  

Yes, you are correct.

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 409 549 5978  
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---

From: Thorn, Ann  
Sent: Thursday, July 03, 2008 9:58 AM  
To: Rogers, Savannah L.; Mathis, Julie A.  
Cc: Beal, Pamela S.  
Subject: RE: b Richardson  
Importance: High
Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal........please clarify.

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

---

From: Rogers, Savannah I.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thorn, Ann
Cc: Mathis, Julie A.; Bei, Pamela S.; Thomas, Michelle M.
Subject: Richardson

Ann,
Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 0537
Direct Fax 469 549 5978

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---

From: Thorn, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah I.; Thomas, Michelle M.
Cc: Mathis, Julie A.; Bei, Pamela S.
Subject: Richardson

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150
Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:36 AM
To: Thomas, Michelle M.
Cc: Thom, Ann; Mathis, Julie A.; Beal, Pamela S.
Subject: FW 5 Richardson

Hi Michelle,
Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 409-549-3978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Wednesday, July 02, 2008 3:39 PM
To: Mathis, Julie A.; Beal, Pamela S.; Rogers, Savannah L.
Subject: FW: Richardson

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Boulton, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thorn, Ann  
Subject: RE: Richardson

Done.

Thank you.

Beth

---

From: Thorn, Ann  
Sent: Wednesday, July 02, 2008 1:01 PM  
To: Bolton, Elizabeth A.  
Subject: FW: Richardson  
Importance: High

Can you change back to presale stop code

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2150

For Internal Use Only

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From: Mathis, Julie A.  
Sent: Wednesday, July 02, 2008 12:01 PM  
To: Thorn, Ann  
Cc: Rogers, Savannah L.; Beal, Pamela S.  
Subject: FW: Richardson  
Importance: High

Ann, do you know how we can have the FC stop 7 removed?

---

From: Rogers, Savannah L.  
Sent: Wednesday, July 02, 2008 10:57 AM  
To: Mathis, Julie A.  
Cc: Beal, Pamela S.  
Subject: RE: 0729942433 Richardson

I sent an email to Chrisey 6/26/08 but didn't hear anything back. Do you know how when the FC stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<<Message: RE: Richardson >>

Thank you.
Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 800-926-8937  
Direct fax 469-540-5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.  
Sent: Tuesday, July 01, 2008 9:20 PM  
To: Rogers, Savannah L.  
Cc: Beal, Pamela S.  
Subject: FW: [___] Richardson

Are we ok with this one?

Thanks!

Julie

From: Thomas, Michelle M.  
Sent: Thursday, June 26, 2008 11:03 AM  
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Orlisa S.; Mathis, Julie A.  
Cc: Springs, Sonya E.; Pound, Robert A.  
Subject: re: [___] Richardson

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net  
<< OLE Object: Picture (Metafile) >>

From: Thomas, Michelle M.  
Sent: Thursday, June 26, 2008 9:57 AM  
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Orlisa S.; Mathis, Julie; Mathis@wamu.net  
Cc: Springs, Sonya E.; Pound, Robert A.  
Subject: RE: [___] Richardson

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net  
<< OLE Object: Picture (Metafile) >>
From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:17 PM
To: Thomas, Michelle M.; Richardson
Subject: FW... Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tax Migration Specialist, Senior
Phone: (843) 675-3706
Fax: (843) 672-4728
Mailstop PCCS211
Sonya.Springs@Invaso.net

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Please refer to tax notes dated 06.26.08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop =7 is removed. I will monitor account for the removal of the stop.

From: Pound, Robert A.
Sent: Wednesday, June 25, 2008 2:23 PM
To: Springs, Sonya E.; Morris, Linda
Cc: Kirby, Louise L.
Subject: RE... Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stop / is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:08 PM
To: Morris, Linda
Cc: Pound, Robert A.; Kirby, Louise L.
Subject: RE... Richardson
Importance: High

Louise,
There is already a NON123 task open and its assigned to Linda Morris.

Linda,
Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

**Thanks,**  
Sonya Springs

<< OLE Object: Picture (Metafile) >>

Tax Mitigation Specialist, Senior
Phone: (843) 673-3705  
Fax: (843) 673-4728  
Mailstop FSC0211

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---

From: Kirby, Louise L.  
Sent: Wednesday, June 25, 2008 12:02 PM  
To: Loper, Christina; Rogers, Savannah L.  
Cc: Springs, Sonya L.  
Subject: Reference Richardson

Sonya,  
Please assign this account to someone on the non-esc team to follow up and respond to Savannah and Christine.

Thanks.

LOUISE KIRBY  
LS Section Manager II  
Tax Mitigation  
(843) 673-4737 (phone)  
(843) 673-4728 (fax)

---

From: Lopez, Christina  
Sent: Wednesday, June 25, 2008 9:16 AM  
To: Rogers, Savannah L.  
Cc: Kirby, Louise L.  
Subject: Reference Richardson

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?
Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christina
Cc: Kirby, Louise L.; Richardson

Cherie,
This fs sale was rescinded... what should I do to get this moving? Do you know if the fs dept should remove their stops?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8537
Direct fax 469 549 5978
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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Rogers, Savannah L.
Subject: RE: Richardson

Savannah,
Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the main code is "W" with disbursement stop 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7--conveyed, which also prevents us from paying.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:35 AM
To: Kirby, Louise L.
Subject: FW: Richardson
Importance: High

Louise,
Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/20/08 saying the taxes were not going to be paid because of the manicure. Now that the manicure is W- can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
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From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:39 AM
To: Johnson, Wonza L.
Cc: Haywood, Gloria P.; Melina, Julie A.
Subject: Richardson
Importance: High

Hi Wonza,
There were two checks returned 4/21/08 for delinquent property taxes 86109.51 + 8405.49. This loan went to fs safe which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Thorn, Ann <ann.thorn@wamu.net>
Sent: Thursday, July 10, 2008 10:32 AM
To: Lyman, Daryl W. <daryl.lyman@wamu.net>; Rogers, Savannah L. <savannah.rogers@wamu.net>
Cc: Mathis, Julie A. <julie.mathis@wamu.net>, Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: Richardson

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
ccel: 414-416-9174

For Internal Use Only

From: Lyman, Daryl W.
Sent: Thursday, July 10, 2008 10:31 AM
To: Rogers, Savannah L; Thorn, Ann
Cc: Mathis, Julie A.; Battaglia, Paul J.
Subject: RE: Richardson

Daryl W. Lyman
First Vice President & Senior Counsel

Washington Mutual
Legal Department
1301 Second Avenue, NMC 3501
Seattle, WA 98101

206.500.4260 direct | 206.377.2784 fax
daryl.lyman@wamu.net

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From: Rogers, Savannah L.
Sent: Thursday, July 10, 2008 6:17 AM
To: Thorn, Ann; Lyman, Daryl W.
Without the $100,000 corporate advance the Mod terms would be adjusted to the following:

Current UPB $533,455.31
Capitalized Amount $353,875.45
Delinquent Interest 07/07-08/08 $50,855.13
Escrow (Taxes) $6,850.54
Foreclosure Fees $3,338.76
New Modified UPB $597,330.76
1st payment date 01/08 $4,352.32
New P&I $4,267.58
New Escrow $84.74
Amortization term 480; Maturity term 342

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.
Sent: Thursday, July 10, 2008 8:41 AM
To: Thomas, Michelle M.; Thorn, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.; Found, Robert A.
Subject: RE: [ ] [ ] [ ] Richardson

Savannah, does this change your figures?

Thanks,

Julie

From: Thomas, Michelle M.
Sent: Thursday, July 10, 2008 8:59 AM
To: Mathis, Julie A.; Thorn, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.; Found, Robert A.
Subject: [ ] [ ] [ ] [ ] Richardson

Julie

The taxes have been paid current. The negative escrow balance is the total amount paid for taxes which is $9,087.44. Tax liens have been updated and are correct. The escrow analysis is handled in the escrow department.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

From: Mathis, Julie A.
Sent: Thursday, July 10, 2008 8:25 AM
To: Thorn, Ann; Thomas, Michelle M.; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: [: : : : : : Richardson
Importance: High

No, I had to leave a message and she has not called back yet.

Michelle, has the tax issue been resolved? We need to have a response asap please.

Thanks,
Julie

From: Thorn, Ann
Sent: Thursday, July 10, 2008 7:27 AM
To: Mathis, Julie A.; Thomas, Michelle M.; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: [: : : : : : Richardson

did you talk to her?

Is the tax issue resolved and the system is correct?

From: Mathis, Julie A.
Sent: Wed 07/09/2008 01:32 PM
To: Thomas, Michelle M.; Thorn, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: [: : : : : : Richardson

I just left a msg for Ms. Richardson to call me so we can schedule time to discuss the mod. We obviously need the below tax issue resolved first though.

Thanks,
Julie

From: Rogers, Savannah L.
Sent: Wednesday, July 09, 2008 2:25 PM
To: Thomas, Michelle M.
Cc: Mathis, Julie A.
Subject: FW: [: : : : : : Richardson
Importance: High

Michelle,
Can you explain why the escrow required from ANA1 8/08 was $10,031.70 yesterday and today the required
amount shows $593.12? Will it be adjusting again? I need to verify this for the Mod terms before we call the mtgr today.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

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From: Mathis, Julie A.
Sent: Wednesday, July 09, 2008 2:17 PM
To: Rogers, Savannah L.
Cc: Coker, Darlene; Beal, Pamela S.; Thorn, Ann; Lyman, Daryl W.; Battaglia, Paul J.
Subjects: RE: [ ] [ ] [ ] Richardson
Importance: High

Savannah, please bring the file over.

thanks,

Julie

From: Thorn, Ann
Sent: Wednesday, July 09, 2008 1:39 PM
To: Lyman, Daryl W.; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.
Subjects: RE: [ ] [ ] [ ] Richardson

great

Julie, please call Richardson today and get documents out.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
cell: 414-418-8174

For Internal Use Only
From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:38 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.
Subject: RE: [REDACTED] Richardson

-Daryl

[REDACTED]

From: Thorn, Ann
Sent: Wednesday, July 09, 2008 10:31 AM
To: Lyman, Daryl W.; Rogers, Savannah L.; Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [REDACTED] Richardson

Ann Thorn, FVP
Washington Mutudl
National Asset Recovery Manager
office: 904-462-2150
cell: 414-418-8174

For Internal Use Only

From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:24 PM
To: Thorn, Ann; Rogers, Savannah L.; Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: Re: [REDACTED] Richardson

[REDACTED]

[REDACTED]

Daryl W. Lyman
First Vice President & Senior Counsel

Washington Mutual
Legal Department
1301 Second Avenue, WMC 3501
Seattle, WA 98101
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From: Thorn, Ann  
Sent: Tuesday, July 08, 2008 5:44 AM  
To: Rogers, Savannah L.; Battaglia, Paul J.; Lyman, Daryl W.  
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.  
Subject: RE:[ ]: [ ] Richardson

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
Office: 904-462-2150  
Cell: 414-418-8174  

For Internal Use Only

From: Rogers, Savannah L.  
Sent: Tuesday, July 08, 2008 8:42 AM  
To: Battaglia, Paul J.  
Cc: Thorn, Ann; Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.  
Subject: RE:[ ]: [ ] Richardson

Paul,

[REDACTED]
Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 549 5978  
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann  
Sent: Monday, July 07, 2008 6:12 PM  
To: Thomas, Michelle M.; Pound, Robert A.; Rogers, Savannah L.  
Cc: Coker, Darlene; Mathis, Julie A.  
Subject: RE: [REDACTED] Richardson  

thank you for your help.

Savannah, let’s get our part done tomorrow and get copies of new documents out and communicated to Richardson

From: Thomas, Michelle M.  
Sent: Mon 07/07/2008 05:00 PM  
To: Thorn, Ann; Pound, Robert A.  
Cc: Coker, Darlene  
Subject: RE: [REDACTED] Richardson

Done

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext 4726  
email: michelle.m.thomas@wamu.net

From: Thorn, Ann  
Sent: Monday, July 07, 2008 5:33 PM  
To: Pound, Robert A.  
Subject: RE: [REDACTED] Richardson

Remove the stop and pay the taxes

From: Pound, Robert A.  
Sent: Mon 07/07/2008 04:16 PM  
To: Thorn, Ann  
Cc: Coker, Darlene; Thomas, Michelle M.  
Subject: RE: [REDACTED] Richardson

JPIC - 0801943  
CONFIDENTIAL  
CSOC.RICH.003432
Ann,

In regards to your request, we have reached out to several people to have the disbursement stop removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound
Washington Mutual
I.S. Service Manager I
843-673-4907

Michelle, can you please get this changed today as this is a highly sensitized matter.
Thank you

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
cell: 414-419-8174

For Internal Use Only

Michelle,

Please request the disbursement stop be removed so we can get this file cut immediately. Ann Thorn is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 10:38 AM
To: Rogers, Savannah L.
Cc: Thorn, Ann; Battaglia, Paul J.; Bell, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: FW: Richardson

Savannah

There is now a disbursement stop preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-555-5900 ext. 4726
e-mail: michelle.m.thomas@swapa.net
<< OLE Object: Picture (Metafile) >>

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 10:38 AM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Bell, Pamela S.; Mathis, Julie A.
Subject: FW: Richardson

Hi Michelle,
Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?

Thank you very much-

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Thursday, July 03, 2008 10:39 AM
To: Rogers, Savannah L.; Battaglia, Paul J.
Cc: Bell, Pamela S.; Mathis, Julie A.
Subject: RE: Richardson

Ok, that is probably going to be a problem........

What are the new numbers and what changes are being made?  Paul, fyi.......

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 9:50 AM
To: Thorn, Ann
Cc: Beal, Pamela S.; Mathis, Julie A.
Subject: RE: Richardson

Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-626-8537
Direct fax 469-549-5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Thursday, July 03, 2008 9:03 AM
To: Rogers, Savannah L.; Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE: Richardson

Importance: High

Ok, I need to understand something. We already talked to Richardson and told her the terms of the modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal.........please clarify.

**********Please note my phone number has changed to 904-462-2150
Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thom, Ann
Cc: Mathis, Julie A.; Beal, Pamela S.; Thomas, Michelle M.
Subject: RE: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]

Ann,

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 409-349-3976

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah L.; Thom, Michelle M.
Cc: Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ] [ ]

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Hi Michelle,

Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 469 549 5974

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the content.

********** Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

Done.

Thank you,

Beth
From: Thom, Ann  
Sent: Wednesday, July 02, 2008 1:01 PM  
To: Poulton, Elizabeth A.  
Subject: FW:FH Richardson  
Importance: High  

Can you change back to presale stop code  

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2150  

For Internal Use Only

From: Mathis, Julie A.  
Sent: Wednesday, July 02, 2008 3:17 PM  
To: Thom, Ann  
Cc: Rogers, Savannah L; Beal, Pamela S.  
Subject: FW:FH Richardson  
Importance: High  

Ann, do you know how we can have the FC stop 7 removed?

From: Rogers, Savannah L.  
Sent: Wednesday, July 02, 2008 10:57 AM  
To: Mathis, Julie A.  
Cc: Beal, Pamela S.  
Subject: RE:FH Richardson  

I sent an email to Chibsly 6/26/08 but didn't hear anything back. Do you know when the FC stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

-- Message, RE:FH Richardson --

Thank you,
Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 540 5978  

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately destroy the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.
Sent: Tuesday, July 01, 2008 9:30 PM
To: Rogers, Savannah L.
Cc: Swail, Pamela G.
Subject: FW: Richardson

Are we ok with this one?

Thanks!

Julie

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 11:03 AM
To: Rogers, Savannah L; Lopez, Christina; Haywood, Oriska S.; Mathis, Julie A.
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure step 7 has been removed. I will monitor the account for the removal of the foreclosure step.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
e-mail: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM
To: Rogers, Savannah L; Lopez, Christina; Haywood, Oriska S.; 'Julie.Mathis@wamu.net'
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
e-mail: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:27 PM
To: Thomas, Michelle M.
Subject: FW: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,
Sonya Springs  
<< OLE Object: Picture (Metafile) >>  
Tax Migration Specialist, Senior  
Phone: (843) 673-3706  
Fax: (843) 673-4728  
Mailstop  FSC0211

Sonya_Springs@Wachovia.com  

"The information above shall be treated as confidential and is intended solely for the named recipient(s). Without Washington Metropolitan's prior written consent, the information shall not be disclosed to any person other than an officer or employee of the recipient(s)' company with a need to know the information. If you are not the intended recipient(s), any review, dissemination, distribution, disclosure, or copying of this message is strictly prohibited. If you have received this communication in error, please notify the sender immediately by reply e-mail, and delete the original message."

Please refer to tax notes dated 06-26-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop #7 is removed. I will monitor account for the removal of the stop.

From: Pound, Robert A.  
Sent: Wednesday, June 25, 2008 2:13 PM  
To: Sonya Springs, Sonya E.; Morris, Linda  
Cc: Kirby, Louise L.  
Subject: RE: [ ] [ ] Recked

I have reassigned this to Michelle Thomas. But until the FCL Stop # is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.  
Sent: Wednesday, June 25, 2008 2:08 PM  
To: Morris, Linda  
Cc: Pound, Robert A.; Kirby, Louise L.  
Subject: RE: [ ] [ ] Recked  
Importance: High

Louise,

There is already a NON123 task open and its assigned to Linda Morris.

Linda,

Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,

Sonya Springs  
<< OLE Object: Picture (Metafile) >>  
Tax Migration Specialist, Senior  
Phone: (843) 673-3706  
Fax: (843) 673-4728  
Mailstop FSC0211

JPMC - 061951  
CONFIDENTIAL  
CSOC.RICH.083440
From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 1:02 PM
To: Lopez, Christina; Rogers, Savannah L.
Cc: Sonya E.
Subject: RE: Richardson

Sonya,
Please assign this account to someone on the nonesco team to follow up and respond to Savannah and Christina.

Thanks.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Lopez, Christina
Sent: Wednesday, June 25, 2008 9:16 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.
Subject: RE: Richardson

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christina
Cc: Kirby, Louise L.
Subject: RE: Richardson

Cherie,
This fc sale was rescinded...what should I do to get this moving? Do you know if the fc dept
should remove their stops?

Thanks,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 549 5978

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From: Kirby, Louise L.  
Sent: Wednesday, June 25, 2008 8:35 AM  
To: Rogers, Savannah L.  
Subject: RE: Richardson

Savannah,

Per instructions we received by Christina Lopez dated 12/23/07, we cannot disburse tax if the main code is "W" with disbursement step 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7--conveyed, which also prevents us from paying.

LOUISE KIRBY  
LS Section Manager II  
Tax Mitigation  
(843) 573-4737 (phone)  
(843) 573-4728 (fax)

From: Rogers, Savannah L.  
Sent: Wednesday, June 25, 2008 8:39 AM  
To: Kirby, Louise L.  
Subject: FW: Richardson  
Importance: High

Louise,

Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/20/08 saying the taxes were not going to be paid because of the mancode. Now that the mancode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,
Hi Wonza,

There were two checks returned 4/21/08 for delinquent property taxes $8109.81 + 6405.49. This loan went to fo sale which has been rescinded and we will be modifying this loan. Who can send the task to eat up the escrow for these taxes and possibly research if these taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8537
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Lyman, Daryl W. <daryl.lyman@wamu.net>
Sent: Thursday, July 10, 2008 10:31 AM
To: Rogers, Savannah L. <savannah.rogers@wamu.net>; Thorn, Ann <ann.thorn@wamu.net>
Cc: Mathis, Julie A. <julie.mathis@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: [REDACTED]

Daryl W. Lyman
First Vice President & Senior Counsel

Washington Mutual
Legal Department
1301 Second Avenue, WMC 3501
Seattle, WA 98101

206.800.4360 direct | 206.377.2764 fax
daryl.lyman@wamu.net

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From: Rogers, Savannah L.
Sent: Thursday, July 10, 2008 6:17 AM
To: Thorn, Ann; Lyman, Daryl W.
Cc: Mathis, Julie A.
Subject: [REDACTED]

Without the $100,000 corporate advance the Mod terms would be adjusted to the following:

Current UPB $533,455.31
Capitalized Amount 363,075.45
Delinquent Interest 07/07-08/08 550,461.13
Escrow (Taxes) $6,030.56
Foreclosure Fees $3,338.75
New Modified UPB $507,320.76
1st payment date 9/1/08 $4,352.32
New P&I $4,267.58
New Escrow $84.74
Amortization term 480; Maturity term 342

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tell Free 866 926 8937
Direct fax 469-549-5978.
The communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

---

From: Mathis, Julie A.
Sent: Thursday, July 10, 2008 8:11 AM
To: Thomas, Michelle M.; Thom, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.; Found, Robert A.
Subject: RE: Richardson

Savannah, does this change your figures?

Thanks,
Julie

---

From: Thomas, Michelle M.
Sent: Thursday, July 10, 2008 8:39 AM
To: Mathis, Julie A.; Thom, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.; Found, Robert A.
Subject: RE: Richardson

Julie

The taxes have been paid current. The negative escrow balance is the total amount paid for taxes which is $6,087.44. Tax lines have been updated and are correct. The escrow analysis is handled in the escrow department.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

---

From: Mathis, Julie A.
Sent: Thursday, July 10, 2008 8:25 AM
To: Thom, Ann; Thomas, Michelle M.; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: Richardson
Importance: High

No, I had to leave a message and she has not called back yet.

Michelle, has the tax issue been resolved? We need to have a response asap please.

Thanks,
Julie

---

From: Thom, Ann
Sent: Thursday, July 10, 2008 7:27 AM
To: Mathis, Julie A.; Thomas, Michelle M.; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: Richardson

did you talk to her?

Is the tax issue resolved and the system is correct?

From: Mathis, Julie A.
Sent: Wed 07/09/2008 01:32 PM
To: Thomas, Michelle M.; Thorn, Ann; Lyman, Daryl W.
Cc: Rogers, Savannah L.
Subject: RE: Richardson

I just left a msg for Ms. Richardson to call me so we can schedule time to discuss the mod. We obviously need the below tax issue resolved first though.

Thanks,

Julie

From: Rogers, Savannah L.
Sent: Wednesday, July 09, 2008 2:25 PM
To: Thomas, Michelle M.
Cc: Mathis, Julie A.
Subject: FW Richardson
Importance: High

Michelle,
Can you explain why the escrow required from ANA1 5/08 was $10,031.70 yesterday and today the required amount shows $5,031.72? Will it be adjusting again? I need to verify this for the Mod forms before we call the mgmt today.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 0997
Direct fax 469 549 5978

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From: Mathis, Julie A.
Sent: Wednesday, July 09, 2008 2:17 PM
To: Rogers, Savannah L.
Cc: Coker, Darlene; Beal, Pamela S.; Thorn, Ann; Lyman, Daryl W.; Battaglia, Paul J.
Subject: RE: Richardson
Importance: High

JPMC - 001957
CONFIDENTIAL
CSOC.RICH.003446
Savannah, please bring the file over.

thanks,

Julie

From: Thorn, Ann
Sent: Wednesday, July 09, 2008 1:39 PM
To: Lyman, Daryl W.; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.
Subject: RE: ______ ______ Richardson

great

Julie, please call Richardson today and get documents out.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 601-462-2160
cell: 414-418-8174

For Internal Use Only

---------------------------------------------

From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:38 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.
Subject: RE: ______ ______ Richardson

- Daryl

---------------------------------------------

From: Thorn, Ann
Sent: Wednesday, July 09, 2008 10:31 AM
To: Lyman, Daryl W.; Rogers, Savannah L.; Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: ______ ______ Richardson

---------------------------------------------
From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:24 PM
To: Thorn, Ann; Rogers, Savannah L.; Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [REDACTED]

Daryl W. Lyman
First Vice President & Senior Counsel

Washington Mutual
Legal Department
1301 Second Avenue, WMC 3501
Seattle, WA 98101

206.560.4260 direct | 206.377.2784 fax
daryl.lyman@wamu.net

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From: Thorn, Ann
Sent: Tuesday, July 08, 2008 5:14 AM
To: Rogers, Savannah L.; Battaglia, Paul J.; Lyman, Daryl W.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [REDACTED]
From: Rogers, Savannah L.
Sent: Tuesday, July 08, 2008 8:42 AM
To: Battaglia, Paul J.
Cc: Thorn, Amy; Coker, Darlene; Mathis, Julie A.; Beal, Patricia S.
Subject: RE: [ ] Richardson

Paul,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8537
Direct fax 469 549 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Monday, July 07, 2008 6:12 PM
To: Thomas, Michelle M.; Pound, Robert A.; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.
Subject: RE: [ ] Richardson

thank you for your help.

Savannah, let's get our part done tomorrow and get copies of new documents out and
communicated to Richardson

From: Thomas, Michelle M.
Sent: Mon 07/07/2008 05:00 PM
To: Thorn, Ann; Pound, Robert A.
Cc: Coker, Darlene
Subject: RE: Richardson

Done

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
e-mail: michelle.m.thomas@wamu.net

From: Thorn, Ann
Sent: Monday, July 07, 2008 5:33 PM
To: Pound, Robert A.
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Remove the stop and pay the taxes

From: Pound, Robert A.
Sent: Mon 07/07/2008 04:36 PM
To: Thorn, Ann
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound
Washington Mutual
LS Section Manager 1
643-073-4007

From: Thorn, Ann
Sent: Monday, July 07, 2008 3:59 PM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Raffaglio, Paul J.; Rich, Pamela S.; Martin, Julee A.; Pound, Robert A.; Coker, Darlene
Subject: RE: Richardson

Michelle, can you please get this changed today as this is a highly escalated matter.
Thank you.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
Office: 904-452-2150
Cell: 414-418-8174

For Internal Use Only

From: Rogers, Savannah L.
Sent: Monday, July 07, 2008 3:39 PM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Bial, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: WAHLP - Richardson
Importance: High

Michelle,

Please request the disbursement stop be removed so we can get this file cut immediately. Ann Thorn is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel/Fax 866-926-9237
Direct Fax 469-549-5978
This communication may contain privileged or other confidential information. If you have received it in error, please delete the message and any attachments without copying or disclosing the contents.

From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 10:51 AM
To: Rogers, Savannah L.
Cc: Thorn, Ann; Battaglia, Paul J.; Bial, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: WAHLP - Richardson

Savannah

There is now a disbursement stop preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Alice California tax office are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.
From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 10:38 AM
To: Thomas, Michelle M.
Cc: Thom, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.
Subject: FW

Hi Michelle,
Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?

Thank you very much.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8037
Direct fax 469-549-5078

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 10:19 AM
To: Rogers, Savannah L., Battaglia, Paul J.
Cc: Beal, Pamela S.; Mathis, Julie A.
Subjects: RE

Ok, that is probably going to be a problem.........

What are the new numbers and what changes are being made?  Paul. fyi......

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
901-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 6:06 AM
To: Thom, Ann
Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 489 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Ann Thorn
Sent: Thursday, July 03, 2008 9:03 AM
To: Rodgers, Savannah L.; Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE: Richardson
Importance: High

Ok. I need to understand something. We already talked to Richardson and told her the terms of the modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal. Please clarify.

**********Please note my phone number has changed to 904-462-2150**********

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thorn, Ann
Cc: Mathis, Julie A.; Beal, Pamela S.; Thomas, Michelle M.
Subject: RE: Richardson

Ann

Once the taxes are disbursed and the escrow is set up, I will work up the modification terms. We will contact the mortgager to verify the terms and have the documents sent.
Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathis, Julie A.; Beal, Pamela S.
Subject: Richardson

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:30 AM
To: Thomas, Michelle M.
Cc: Thom, Ann; Mathis, Julie A.; Beal, Pamela S.
Subject: PW Richardson

Hi Michelle,

Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Thorn, Ann
Sent: Wednesday, July 02, 2008 3:30 PM
To: Mathis, Julie A.; Beal, Pamela S.; Rogers, Savannah L.
Subject: Please note my phone number has changed to 904-462-2150

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Boukis, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thorn, Ann
Subject: RE: Richardson

Done.

Thank you,

Beth

From: Thorn, Ann
Sent: Wednesday, July 02, 2008 3:38 PM
To: Boukis, Elizabeth A.
Subject: FW: Richardson

Can you change back to presale stop code

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only
Ann, do you know how we can have the FC stop 7 removed?

I sent an email to Chissy 6/28/08 but didn't hear anything back. Do you know how/when the FC stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE:  Richardson >>

Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents.

Are we ok with this one?

Thanks!

Julie

Please see tax notes on the above reference loan number indicating I will not be able to disburse
tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3560 ext. 4726
e-mail: michelle.m.thomas@wamu.net

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Oriska S.; "Julie.Mathis@wamu.net"
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3560 ext. 4726
e-mail: michelle.m.thomas@wamu.net

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:27 PM
To: Thomas, Michelle M.
Subject: FW: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,
Sonya Springs

"The information above shall be treated as confidential and is intended solely for the named recipient(s). Without Washington Mutual's prior written consent, this information shall not be disclosed to any person other than an officer or employee of the recipient(s) company with a need to know the information. If you are not the intended recipient(s), any review, dissemination, distribution, disclosure, or copying of this message is strictly prohibited. If you have received this communication in error, please notify the sender immediately by reply e-mail, and delete the original message."

Please refer to tax notes dated 05-26-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop #7 is removed. I will monitor account for the removal of the stop.
From: Pound, Robert A.
Sent: Wednesday, June 25, 2008 2:13 PM
To: Springs, Sonya E.; Morris, Linda
Cc: Kirby, Louise L.
Subject: RE: Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stop 7 is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:08 PM
To: Morris, Linda
Cc: Pound, Robert A.; Kirby, Louise L.
Subject: RE: Richardson
Importance: High

Louise,
There is already a NON123 task open and its assigned to Linda Morris.

Linda,
Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>
Tax Migration Specialist, Senior
Phone (940)673-3726
Fax (940)673-4726
Mailbox FSC2211
SonyaSprings@bcom.net

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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 12:02 PM
To: Lopez, Christine; Rogers, Savannah L.
Cc: Springs, Sonya E.
Subject: RE: Richardson

Sonya,
Please assign this account to someone on the nonesc team to follow up and respond to Savannah and Christine.

Thanks.
LOUISE KIRBY  
LS Section Manager II  
Tax Mitigation  
(843) 673-4737 (phone)  
(843) 673-4726 (fax)

From: Lopez, Christina  
Sent: Wednesday, June 25, 2008 9:16 AM  
To: Rogers, Savannah L.  
Cc: Kirby, Louise L.  
Subject: RE: Richardson

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.  
Sent: Wednesday, June 25, 2008 8:56 AM  
To: Lopez, Christina  
Cc: Kirby, Louise L.  
Subject: RE: Richardson

Chessey,  
This fo sale was rescinded...what should I do to get this moving? Do you know if the fo dept should remove their stops?

Thanks,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct Fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Kirby, Louise L.  
Sent: Wednesday, June 25, 2008 8:59 AM  
To: Rogers, Savannah L.  
Subject: RE: Richardson

Savannah,
Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the man code is "W" with disbursement stop 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7 conveyed, which also prevents us from paying.

LOUISE KIRBY
LG Decision Manager II
Tax Mitigation
(843) 672-4737 (phone)
(843) 673-4728 (fax)

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:35 AM
To: Kirby, Louise L.
Subject: Tax Richardson
Importance: High

Louise,

Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/20/08 saying the taxes were not going to be paid because of the mancode. Now that the mancode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8037
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:30 AM
To: Johnson, Wonza L.
Cc: Haywood, Omar S.; Mathis, June A.
Subject: Tax Richardson
Importance: High

Hi Wonza,

There were two checks returned 4/21/08 for delinquent property taxes $6109.81 + $405.49. This loan went to fc sale which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still
delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Mathis, Julie A. <julie.mathis@wamu.net>
Sent: Wednesday, July 09, 2008 2:17 PM
To: Rogers, Savannah L. <savannah.rogers@wamu.net>
Cc: Coker, Darlene <darlene.coker@wamu.net>; Beal, Pamela S. <pamela.beal@wamu.net>; Thorn, Ann <ann.thorn@wamu.net>; Lyman, Daryl W. <daryl.lyman@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: RE: Richardson

Savannah, please bring the file over.

thanks,

Julie

From: Thorn, Ann
Sent: Wednesday, July 09, 2008 1:39 PM
To: Lyman, Daryl W.; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.
Subject: RE: Richardson

great

Julie, please call Richardson today and get documents out.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
FAX: 414-416-8174

For internal Use Only

From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:38 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.
Subject: RE: Richardson

- Daryl
From: Thorn, Ann  
Sent: Tuesday, July 08, 2008 5:44 AM  
To: Rogers, Savannah L.; Battaglia, Paul J.; Lyman, Daryl W.  
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.  
Subject: RE: ⬬ ⬬ ⬬ ⬬ Richardson

REDACTED

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
Office: 904-462-2130  
Cell: 414-418-8174

For Internal Use Only

From: Lyman, Daryl W.  
Sent: Wednesday, July 09, 2008 1:24 PM  
To: Thorn, Ann; Rogers, Savannah L.; Battaglia, Paul J.  
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.  
Subject: RE: ⬬ ⬬ ⬬ ⬬ Richardson

REDACTED

Daryl W. Lyman  
First Vice President & Senior Counsel  
Washington Mutual  
Legal Department  
1301 Second Avenue, WMC 3501  
Seattle, WA 98101  
206.501.4260 direct  |  206.377.2764 fax  
daryl.lyman@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.
Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
Office: 904-462-2190
Cell: 414-416-4817

For Internal Use Only

From: Rogers, Savannah L.
Sent: Tuesday, July 08, 2008 8:42 AM
To: Battaglia, Paul J.
Cc: Thom, Amy; Coxen, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [REDACTED]

Paul,

[REDACTED]

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 469 549 5978
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JPML - 001975
CONFIDENTIAL
CSOC.RICH.003464
From: Thorn, Ann  
Sent: Monday, July 07, 2008 6:12 PM  
To: Thomas, Michelle M.; Pound, Robert A.; Rogers, Savannah I.  
Cc: Coker, Darlene; Mathis, Julie A.  
Subject: RE: [ ] [ ] [ ] Richardson  

thank you for your help.

Savannah, let's get our part done tomorrow and get copies of new documents out and communicated to Richardson

From: Thomas, Michelle M.  
Sent: Mon 07/07/2008 03:00 PM  
To: Thorn, Ann; Pound, Robert A.  
Cc: Coker, Darlene  
Subject: RE: [ ] [ ] [ ] Richardson  

Done

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
e-mail: michelle.m.thomas@wamu.net

From: Thorn, Ann  
Sent: Monday, July 07, 2008 5:33 PM  
To: Pound, Robert A.  
Cc: Coker, Darlene; Thomas, Michelle M.  
Subject: RE: [ ] [ ] [ ] Richardson  

Remove the stop and pay the taxes

From: Pound, Robert A.  
Sent: Mon 07/07/2008 04:16 PM  
To: Thorn, Ann  
Cc: Coker, Darlene; Thomas, Michelle M.  
Subject: RE: [ ] [ ] [ ] Richardson  

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound  
Washington Mutual  
LS Section Manager I  
843-673-4007
Michelle, can you please get this changed today as this is a highly escalated matter. Thank you.

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
cell: 414-418-8174

For Internal Use Only

Michelle,
Please request the disbursement stop be removed so we can get this settled out immediately. Ann Thom is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 449 549 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 10:31 AM
To: Rogers, Savannah L.
Cc: Thom, Ann; Battaglia, Paul J.; Deal, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: FHFA Richardson

Importance: High

Michelle,
I have set up an appointment to close this matter. We can do it in person or by phone. Let me know when you are available.

Thank you,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 449 549 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
Savannah

There is now a disbursement stop preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

--- OLE Object: Picture (Motif) ---

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 10:38 AM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.
Subject: FW: ] _ _ _ [ Richardson

Hi Michelle,
Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?

Thank you very much.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 409 349 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Thursday, July 03, 2008 10:19 AM
To: Rogers, Savannah L.; Battaglia, Paul J.
Cc: Beal, Pamela S.; Mathis, Julie A.
Subject: [ ] _ _ _ Richardson

Ok, that is probably going to be a problem.........

What are the new numbers and what changes are being made? Paul, fyi......

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only
Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 464 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

---

From: Thorn, Ann
Sent: Thursday, July 03, 2008 9:03 AM
To: Rogers, Savannah L., Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE: Richardson

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal.........please clarify.

*******Please note my phone number has changed to 964-462-2150

Ann Thorn, EVP
Washington Mutual
National Asset Recovery Manager
964-462-2150

For Internal Use Only

---

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thorn, Ann
Cc: Mathis, Julie A.; Beal, Pamela S.; Thomas, Michelle M.
Subject: RE: Richardson
Ann.
Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8937
Direct fax 469-549-5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Thursday, July 03, 2008 8:49 AM
To: Rogers, Savannah L; Thomas, Michele M.
Cc: Mathis, Julie A.; Beal, Pamela S.
Subject: RE: Richardson

What is going on with the Mod?

**********Please note my phone number has changed to 904-482-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-482-2150

For Internal Use Only

From: Rogers, Savannah L
Sent: Thursday, July 03, 2008 8:36 AM
To: Thomas, Michele M.
Cc: Thorn, Ann; Mathis, Julie A.; Beal, Pamela S.
Subject: FW[1]: Richardson

Hi Michelle,
Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8937
Direct fax 469-549-5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the
sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann  
Sent: Wednesday, July 02, 2008 3:29 PM  
To: Mathis, Julie A.; Beall, Pamela S.; Rogers, Savannah L.  
Subject: FWD: Richardson

************Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Boulton, Elizabeth A.  
Sent: Wednesday, July 02, 2008 3:37 PM  
To: Thorn, Ann  
Subject: RE: Richardson

Done.

Thank you,

Beth

From: Thorn, Ann  
Sent: Wednesday, July 02, 2008 3:41 PM  
To: Boulton, Elizabeth A.  
Subject: FWD: Richardson  
Importance: High

Can you change back to presale stop code

************Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only
From: Mathis, Julie A.
Sent: Wednesday, July 02, 2008 12:01 PM
To: Mathis, Julie A.
Cc: Rogers, Savannah L.; Beal, Pamela S.
Subject: Richardson

Ann, do you know how we can have the FC stop 7 removed?

From: Rogers, Savannah L.
Sent: Wednesday, July 02, 2008 12:57 PM
To: Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: Richardson

I sent an email to Chrissy 6/20/08 but didn’t hear anything back. Do you know how when the FC stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: Richardson >>

Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.
Sent: Tuesday, July 01, 2008 9:20 PM
To: Rogers, Savannah L.
Cc: Beal, Pamela S.
Subject: Richardson

Are we ok with this one?

Thanks!

Julie

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 11:33 AM
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Greta S.; Mathis, Julie A.
Cc: Spinoge, Gary E.; Pound, Robert A.
Subject: Richardson
Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net

<< OLE Object: Picture (Metafile) >>

---

From: Thomas, Michelle M.  
Sent: Thursday, June 26, 2008 9:57 AM  
To: Rogers, Savannah L; Lopez, Christina; Haywood, Criska S.; 'Julie.Mathis@wamu.net'  
Cc: Springs, Sonya E.; Poudid, Robert A.  
Subject: RE: [j c r] Richardson

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net

<< OLE Object: Picture (Metafile) >>

---

From: Springs, Sonya E.  
Sent: Wednesday, June 25, 2008 2:27 PM  
To: Thomas, Michelle M.  
Subject: FW: [c r] Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,  
Sonya Springs

<< OLE Object: Picture (Metafile) >>

Tax Migration Specialist, Senior  
Phone (847)473-3756  
Fax (847) 673-4726  
Mailstop FSC0211

sonya springs@wamu.net

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Please refer to tax notes dated 06-26-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop 7 is removed. I will monitor account for the removal of the stop.
From: Pound, Robert A.
Sent: Wednesday, June 25, 2008 2:23 PM
To: Springs, Sonya E.; Morris, Linda
Cc: Kirby, Louise L.
Subject: Re: Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stoo 7 is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:08 PM
To: Morris, Linda
Cc: Pound, Robert A.; Kirby, Louise L.
Subject: Re: Richardson
Importance: High

Louise,

There is already a NCN123 task open and its assigned to Linda Morris.

Linda,

Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,

Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tel: Mitigation Coordinator, Denver
Phone: (303) 739-3006
Fax: (303) 673-4728
Mailstop FSC2011

Sonya.Springs@wamu.net

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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 12:02 PM
To: Lopez, Christina; Rogers, Savannah L.
Cc: Springs, Sonya E.
Subject: Re: Richardson

Sonya,

Please assign this account to someone on the non/esc team to follow up and respond to Savannah and Christina.

Thanks.
LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Lopez, Christina
Sent: Wednesday, June 25, 2008 9:16 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.
Subject: RE: Richardson

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn’t appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christina
Cc: Kirby, Louise L.
Subject: RE: Richardson

Chris,
This fsale was rescinded...what should I do to get this moving? Do you know if the fc dept should remove their stops?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
This communications may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 8:50 AM
To: Rogers, Savannah L.
Subject: Richardson

Savannah,
Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the man
code is "w" with disbursement stop 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7—conveyed, which also prevents us from paying.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 9:35 AM
To: Kirby, Louise L.
Subject: Pa(5197, 106) Richardson
Importance: High

Louise,
Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/20/08 saying the taxes were not going to be paid because of the manocode. Now that the manocode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-925-8937
Direct Fax 469-549-5978

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From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:29 AM
To: Johnson, Wonza L.
Cc: Haywood, Oshika S.; Metha, Julie A.
Subject: [Subject]
Importance: High

Hi Wonza,
There were two checks returned 4/21/08 for delinquent property taxes $3109.81 + $425.49. This loan want to fo sale which has been rescinded and we will be modifying the loan. Who can send the task to set up the escrow for these taxes and possibly research if these taxes are still delinquent since the checks came back from Sacramento County?
Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
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great

Julie, please call Richardson today and get documents out.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-962-2150
cell: 414-418-8174

For Internal Use Only

From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:38 PM
To: Thorn, Ann; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.; Battaglia, Paul J.
Subject: RE: [REDACTED] Richardson

-Daryl

From: Thorn, Ann
Sent: Wednesday, July 09, 2008 10:31 AM
To: Lyman, Daryl W.; Rogers, Savannah L.; Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [REDACTED] Richardson

[REDACTED]
From: Lyman, Daryl W.
Sent: Wednesday, July 09, 2008 1:24 PM
To: Thorn, Ann; Rogers, Savannah L.; Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [REDACTED]

Daryl W. Lyman
First Vice President & Senior Counsel
Washington Mutual
Legal Department
1301 Second Avenue, WMC 3501
Seattle, WA 98101

206.503.4250 direct | 206.377.2784 fax
daryl.lyman@wm.com

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the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank
you.

From: Thorn, Ann
Sent: Tuesday, July 08, 2008 5:44 AM
To: Rogers, Savannah L.; Battaglia, Paul J.; Lyman, Daryl W.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [REDACTED]
From: Rogers, Savannah L.
Sent: Tuesday, July 08, 2008 8:42 AM
To: Battaglia, Paul J.
Cc: Thorn, Ann; Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [C; (; ; C] Richardson

Paul,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Monday, July 07, 2008 6:12 PM
To: Thomas, Michelle M.; Pound, Robert A.; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.
Subject: RE: [C; (; ; C] Richardson

thank you for your help.

Savannah, let's get our part done tomorrow and get copies of new documents out and communicated to Richardson.
From: Thomas, Michelle M.
Sent: Mon 07/07/2008 05:00 PM
To: Thorn, Ann; Pound, Robert A.
Cc: Coker, Darlene
Subject: RE: Richardson

Done

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

From: Thorn, Ann
Sent: Monday, July 07, 2008 5:33 PM
To: Pound, Robert A.
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Remove the stop and pay the taxes

From: Pound, Robert A.
Sent: Mon 07/07/2008 04:16 PM
To: Thorn, Ann
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound
Washington Mutual
LS Section Manager I
843-673-4007

From: Thorn, Ann
Sent: Monday, July 07, 2008 3:50 PM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Battaglia, Paul J.; Seal, Pamela S.; Mathis, Julie A.; Pound, Robert A.; Coker, Darlene
Subject: RE: Richardson

Michelle, can you please get this changed today as this is a highly escalated matter. Thank you.
Michelle,

Please request the disbursement stop be removed so we can get this file out immediately. Ann Thom is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 8978

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---

Savannah

There is now a disbursement stop 1 preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3850 ext. 4726
e-mail: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile)>>
From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 10:35 AM  
To: Thomas, Michelle M.  
Cc: Thorn, Ann; Battaglia, Paul J.; Deel, Pamela S.; Mathis, Julie A.  
Subject: RE:  

Hi Michelle,  

Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?  

Thank you very much.  

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct Fax 469 549 5978  
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.  

From: Thorn, Ann  
Sent: Thursday, July 03, 2008 10:19 AM  
To: Rogers, Savannah L.; Battaglia, Paul J.  
Cc: Deel, Pamela S.; Mathis, Julie A.  
Subject: RE:  

Ok, that is probably going to be a problem........  

What are the new numbers and what changes are being made? Paul, fyi......  

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-452-2150  

For Internal Use Only  

From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 9:00 AM  
To: Thorn, Ann  
Cc: Deel, Pamela S.; Mathis, Julie A.  
Subject: RE:  

Yes, you are correct.  

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

---

From: Thom, Ann
Sent: Thursday, July 03, 2008 9:06 AM
To: Rogers, Savannah L.; Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE Richardson
Importance: High

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal........please clarify.

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

---

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thom, Ann
Cc: Mathis, Julie A.; Beal, Pamela S.; Thomas, Michelle M.
Subject: RE Richardson

Ann,
Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

JPMC - 001994
CONFIDENTIAL
CSOC.RICH.003483
From: Thom, Ann
Sent: Thursday, July 03, 2008 8:36 AM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Harsh, Julie A.; Reid, Pamela S.
Subject: RE: [ ] Richardson

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:36 AM
To: Thomas, Michelle M.
Cc: Thom, Ann; Mathis, Julie A.; Reid, Pamela S.
Subject: FW: [ ] Richardson

Hi Michelle,

Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel Free 866 926 8937
Direct fax 469 549 5976

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From: Thom, Ann
Sent: Wednesday, July 02, 2008 3:59 PM
To: Mathis, Julie A.; Reid, Pamela S.; Rogers, Savannah L.
Subject: FW: [ ] Richardson

JPMC - 001995
CONFIDENTIAL
CSOC.RICH.003484
**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Boulton, Elizabeth A,
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thom, Ann
Subject: RE: Richardson

Done.

Thank you,

Deth

From: Thom, Ann
Sent: Wednesday, July 02, 2008 3:01 PM
To: Boulton, Elizabeth A,
Subject: FW: Richardson
Importance: High

Can you change back to pro rate stop code

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Mathis, Julie A.
Sent: Wednesday, July 02, 2008 12:01 PM
To: Thom, Ann
Cc: Rogers, Savannah L.; Beal, Pamela S.
Subject: FW: Richardson
Importance: High

Ann, do you know how we can have the FC stop 7 removed?
I sent an email to Chrissy 6/25/08 but didn't hear anything back. Do you know how when the foreclosure stop will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: Richardson >>
Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866.926.8937
Direct fax 469.549.5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

Are we ok with this one?

Thanks!

Julie

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4725
crmichelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>
Michelle M. Thomas
Real Estate Tax Associate Sr.
1-900-365-3000 ext. 4726
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile)>>

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:27 PM
To: Thomas, Michelle M.
Subject: FW: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile)>>
Tax Lien Specialist, Senior
Phone: (312) 673-3006
Fax: (312) 673-0728
M ailbox: PSC0211
Sonya.Springs@wamu.net

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Please refer to my notes dated 06-26-08. I will not be able to disturb tax payment for the delinquent taxes until the foreclosure stop is removed. I will maintain account for the removal of the stop

From: Pound, Robert A.
Date: Wednesday, June 25, 2008 2:40 PM
To: Springs, Sonya E.; Morris, Linda
Cc: Kirby, Louise L.
Subject: RE: Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stop 7 is removed she will not be able to pay taxes.

Robert Pound
Sent: Wednesday, June 25, 2008 2:08 PM
To: Morris, Linda
Cc: Round, Robert A.; Kirby, Louise L.
Subject: RE: Richardson

Louise,
There is already a NON123 task open and its assigned to Linda Morris.

Linda,
Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>
Tax Mitigation Specialist, Senior
Phone (843) 673-3265
Fax (843) 673-4726
Mailstop: FG00011

Sonya.Springs@Wells.net

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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 12:02 PM
To: Lopez, Christina; Rogers, Savannah L.
Cc: Springs, Sonya E.
Subject: RE: Richardson

Sonya,
Please assign this account to someone on the noncon task to follow up and respond to Savannah and Christina.

Thanks,

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4726 (fax)

From: Lopez, Christina
Sent: Wednesday, June 25, 2008 9:16 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.

Subject: RE: [---] Richardson

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christina
Cc: Kirby, Louise L.
Subject: RE: [---] Richardson

Chrsissy,
This fs sale was rescinded...what should I do to get this moving? Do you know if the fs dept should remove their stops?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tell Free 888 926 8937
Direct fax 469 549 5978
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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Rogers, Savannah L.
Subject: RE: [---] Richardson

Savannah,
Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the man code is "w" with disbursement stop 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7--conveyed, which also prevents us from paying.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 873-4787 (phone)
(843) 873-4728 (fax)

From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:39 AM
To: Johnson, Wonna L.
Cc: Hayden, Chele C.; Mathis, Julie A.
Subject: Richardson
Importance: High

Hi Wonna,

There were two checks returned 4/21/08 for delinquent property taxes $810.01 + $405.40. This loan want to be sold which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sumter County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel Free 866 926 8937
Direct fax 469 549 5978

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Ann, FVP
Washington Mutual
National Asset Recovery Manager
Office: 904-402-2100
Cell: REDACTED

For Internal Use Only

From: Rogers, Savannah L.
Sent: Tuesday, July 08, 2008 8:42 AM
To: Battaglia, Paul J.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: REDACTED

Paul,
thank you for your help.

Savannah, let's get our part done tomorrow and get copies of now documents out and communicated to Richardson.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

Remove the stop and pay the taxes
From: Pound, Robert A.
Sent: Mon 07/07/2008 04:16 PM
To: Thorn, Ann
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: [ ] Richardson

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound
Washington Mutual
LS Section Manager I
843-673-4007

From: Thorn, Ann
Sent: Monday, July 07, 2008 3:30 PM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.; Coker, Darlene
Subject: RE: [ ] Richardson

Michelle, can you please get this changed today as this is a highly escalated matter. Thank you.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
cell: [ ]

For Internal Use Only

From: Rogers, Savannah L.
Sent: Monday, July 07, 2008 3:30 PM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: RE: [ ] Richardson

Michelle,

Please request the disbursement stop be removed so we can get this file out immediately. Ann Thorn is requesting we escalate this issue... In case you are not getting a response.

Please let us know this has been taken care of so Loss Mgr can proceed.
Thank you,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Tell Free 866 926 8937  
Direct fax 469 549 5978

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From: Thomas, Michelle M.  
Sent: Thursday, July 03, 2008 10:51 AM  
To: Rogers, Savannah L.  
Cc: Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Paun, Robert A.  
Subject: Richardson

Savannah

There is now a disbursement stop that is preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net

<< OLE Object: Picture (Metafile) >>

From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 10:38 AM  
To: Thomas, Michelle M.  
Cc: Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.  
Subject: FW: Richardson

Hi Michelle,

Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?

Thank you very much-

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Tell Free 866 926 8937  
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you receive it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Thursday, July 03, 2008 10:19 AM  
To: Rogers, Savannah L.; Battaglia, Paul J.  
Cc: Beal, Pamela S.; Mathis, Julie A.  
Subject: Richardson  

Ok, that is probably going to be a problem........

What are the new numbers and what changes are being made? Paul, if.....

---

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2190  

For Internal Use Only

---

From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 9:50 AM  
To: Thorn, Ann  
Cc: Beal, Pamela S.; Mathis, Julie A.  
Subject: Richardson  

Yes, you are correct.

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 549 5978  
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---

From: Thorn, Ann  
Sent: Thursday, July 03, 2008 9:03 AM  
To: Rogers, Savannah L.; Mathis, Julie A.  
Cc: Beal, Pamela S.  
Subject: Richardson  

Importance: High  

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal........please clarify.
**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thom, Ann
Cc: Mathis, Julie A.; Beal, Pamela S.; Thomas, Michelle M.
Subject: RE: Richardson

Ann,

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgager to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or otherwise confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah L.; Thom, Michele M.
Cc: Mathis, Julie A.; Beal, Pamela S.
Subject: RE: Richardson

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only
Hi Michelle,

Please see below, the foreclosure step 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 419 549 5978

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----------

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

----------

From: Boulton, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thom, Ann
Subject: FW Richardson

Done.

Thank you,

Beth
From: Thorn, Ann
Sent: Wednesday, July 02, 2008 1:01 PM
To: Boulton, Elizabeth A.
Subject: RE: Can you change back to presale stop code
Importance: High

Can you change back to presale stop code

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Mathis, Julie A.
Sent: Wednesday, July 02, 2008 12:01 PM
To: Thorn, Ann
Cc: Rogers, Savannah L.; Beal, Pamela S.
Subject: RE: Can you change back to presale stop code
Importance: High

Ann, do you know how we can have the FC stop 7 removed?

From: Rogers, Savannah L.
Sent: Wednesday, July 02, 2008 10:57 AM
To: Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE: Can you change back to presale stop code

I sent an email to Cheriec R/D/R but didn't hear anything back. Do you know how when the fc stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: Can you change back to presale stop code
Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8937
Direct fax 449-549-5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.>>
From: Mathis, Julie A.
Sent: Tuesday, July 01, 2008 9:20 PM
To: Rogers, Savannah L.
Cc: Real, Pamea S.
Subject: FW: Richardson

Are we ok with this one?

Thanks!

Julie

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 11:03 AM
To: Rogers, Savannah L.; Lopez, Christine; Haywood, Orisca S.; Mathis, Julie A.
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3800 ext. 4726
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM
To: Rogers, Savannah L.; Lopez, Christine; Haywood, Orisca S.; 'Julie.Mathis@wamu.net'
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3800 ext. 4726
e-mail: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:27 PM
To: Thomas, Michelle M.
Subject: FW: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tax Litigation Specialist, Senior
Phone  (843)673-3706
Fax   (843)673-4728
Mailstop FSC0211
Sonya.Springs@wmu.com

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Please refer to tax notes dated 06-26-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop #7 is removed. I will monitor account for the removal of the stop.

From: Pound, Robert A
Sent: Wednesday, June 25, 2008 2:23 PM
To: Springs, Sonya E.; Morris, Linda
Cc: Kirby, Louise
Subject: RE: [7] Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stop 7 is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:08 PM
To: Morris, Linda
Cc: Pound, Robert A.; Kirby, Louise L.
Subject: RE: [7] Richardson
Importance: High

Linda,

There is already a NON123 task open and it's assigned to Linda Morris.

Linda,

Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>
Tax Litigation Specialist, Senior
Phone  (843)673-3706
Fax   (843)673-4728
Mailstop FSC0211
Sonya.Springs@wmu.com

JPMC - 062013
CONFIDENTIAL
CSOC_RICH.000902
From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 12:02 PM
To: Lopez, Christina; Rogers, Savannah L.
Cc: Sonya, Louise L.
Subject: RE: Richardson

Sonya,

Please assign this account to someone on the non/esc team to follow up and respond to Savannah and Christine.

Thanks.

LOUISE KIRBY
LS Section Manager II
1st Mortgage
(646) 972-4727 (phone)
(845) 875-4728 (fax)

From: Lopez, Christina
Sent: Wednesday, June 25, 2008 9:16 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.
Subject: RE: Richardson

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christina
Cc: Kirby, Louise L.
Subject: RE: Richardson

Chadney,

This fn sale was rescinded - what should I do to get this moving? Do you know if the fn dept should remove their stops?
Thanks,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Tel Free 866 926 8937  
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Kirby, Louise L.  
Sent: Wednesday, June 25, 2008 8:00 AM  
To: Rogers, Savannah  
Subject: RE: Richardson

Savannah,

Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the main code is “W” with disbursement stop 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7–conveyed, which also prevents us from paying.

LOUISE KIRBY  
LS Section Manager II  
Tax Mitigation  
(843) 673-4737 (phone)  
(843) 673-4728 (fax)

From: Rogers, Savannah L.  
Sent: Wednesday, June 25, 2008 9:35 AM  
To: Kirby, Louise L.  
Subject: FW: Richardson  
Importance: High

Louise,

Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Monza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/20/08 saying the taxes were not going to be paid because of the mancode. Now that the mancode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Tel Free 866 926 8937
Direct fax 469-549-5978
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From: Rogers, Savannah L.
Sent: Tuesday, June 25, 2002 5:25 AM
To: Johnson, Warren L.
Cc: Haywood, Oriska S.; Mothes, Julie A.
Subject: Richardson
Importance: High

Hi Wonze,
There were two checks returned 4/21/02 for delinquent property taxes $6109.91 + $405.49. This loan went to fc sale which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if these taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8937
Direct fax 469-549-5978
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JPIN - 062016
CONFIDENTIAL
CSOC.RICH.003905
Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 901-462-2140
cell: [REDACTED]

For Internal Use Only

From: Rogers, Savannah L.
Sent: Tuesday, July 08, 2008 10:42 AM
To: Battaglia, Paul J.
Cc: Thorn, Ann; Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: [REDACTED] Richardson

Paul,

[REDACTED]

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 920 8937
Direct fax 469 819 5078

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Thorn, Ann
Sent: Monday, July 07, 2008 6:12 PM
To: Thomas, Michelle M.; Pound, Robert A.; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.
Subject: RE: Richardson

thank you for your help.

Savannah, let's get our part done tomorrow and get copies of new documents out and communicated to Richardson

From: Thomas, Michelle M.
Sent: Mon 07/07/2008 05:00 PM
To: Thorn, Ann; Pound, Robert A.
Cc: Coker, Darlene
Subject: RE: Richardson

Done

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

From: Thorn, Ann
Sent: Monday, July 07, 2008 5:33 PM
To: Pound, Robert A.
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Remove the stop and pay the taxes.

From: Pound, Robert A.
Sent: Mon 07/07/2008 04:15 PM
To: Thorn, Ann
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound
Washington Mutual
LS Section Manager I
Michelle, can you please get this changed today as this is a highly escalated matter. Thank you.

Michelle, please request the disbursement stop be removed so we can get this file out immediately. Ann Thorn is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
Subject: RE: [_______] Richardson

Savannah

There is now a disbursement stop preventing me from disbursing those taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 10:38 AM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.
Subject: FW: [_______] Richardson

Hi Michelle,
Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?

Thank you very much-

Savannah Rogers
Homeownerships Preservation
Washington Mutual
Toll Free 866 926 8037
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Thursday, July 03, 2008 10:19 AM
To: Rogers, Savannah L.; Battaglia, Paul J.
Cc: Beal, Pamela S.; Mathis, Julie A.
Subject: RE: [_______] Richardson

Ok, that is probably going to be a problem........

What are the new numbers and what changes are being made? Paul, fyi........

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150
For Internal Use Only

---

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 9:50 AM
To: Thorn, Ann
Cc: Beal, Pamela S.; Mathis, Julie A.
Subject: Richardson

Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel: phone 360-926-8027
Direct fax 469-549-5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents.

---

From: Thorn, Ann
Sent: Thursday, July 03, 2008 9:03 AM
To: Rogers, Savannah L.; Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: Richardson
Importance: High

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal.........please clarify.

*******Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

---

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 9:55 AM
To: Thorn, Ann
Ann,

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Tel: 866 926 8937  
Direct Fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

--

From: Thorn, Ann  
Sent: Thursday, July 03, 2008 8:47 AM  
To: Rogers, Savannah L; Thomas, Michelle M.  
Cc: Kathie, Julie A.; Beat, Pamela S.  
Subject: RE: [ $ $$ ] Richardson

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2150

For Internal Use Only

--

From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 8:36 AM  
To: Thomas, Michele M.  
Cc: Thorn, Ann; Mathis, Julie A.; Beat, Pamela S.  
Subject: [FW: $ $$ ] Richardson

Hi Michelle,

Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers  
Homeownership Preservation  
Washington Mutual
From: Thorn, Ann
Sent: Wednesday, July 02, 2008 3:39 PM
To: Mathis, Julie A.; Beal, Pamela S.; Rogers, Savannah L.
Subject: FW Richardson

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

---

From: Boulton, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thorn, Ann
Subject: RE Richardson

Done.

Thank you,

Beth

---

From: Thorn, Ann
Sent: Wednesday, July 02, 2008 1:01 PM
To: Boulton, Elizabeth A.
Subject: FW Richardson

Importance: High

Can you change back to presale stop code

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
From: Mathis, Julie A.  
Sent: Wednesday, July 02, 2008 12:01 PM  
To: Iann, Ann  
Cc: Rogers, Savannah L; Beil, Pamela S.  
Subject: FW: Richardson  
Importance: High

Ann, do you know how we can have the FC stop 7 removed?

From: Rogers, Savannah L.  
Sent: Wednesday, July 02, 2008 10:57 AM  
To: Mathis, Julie A.  
Cc: Beil, Pamela S.  
Subject: RE: Richardson

I sent an email to Chrissy 6/20/08 but didn't hear anything back. Do you know how/when the fc stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: Richardson >> 

Thank you, 
Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 855 926 9037  
Direct fax 469 549 5978 

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.  
Sent: Tuesday, July 01, 2008 05:36 PM  
To: Rogers, Savannah L.  
Cc: Beil, Pamela S.  
Subject: FW: Richardson

Are we ok with this one?

Thanks!  
Julie

From: Thomas, Michelle M.  
Sent: Thursday, June 26, 2008 11:03 AM  
To: Rogers, Savannah L; Lopez, Christina; Haywood, Onike S.; Mathis, Julie A.  
Cc: Spring, Sonya E.; Found, Robert A.  

JPMC - 002925  
CONFIDENTIAL  
CSOC.RICH.003914
Subject: RE: Richardson

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM
To: Rogers, Savannah L.; Lopez, Christine; Haywood, Orisaka S.; Julie.Matthis@wamu.net
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:27 PM
To: Thomas, Michelle M.
Subject: FW: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,

Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tax Mitigation Specialist, Senior
Phone: (843)673-3706
Fax: (843) 673-5728
Mainstop P620211

Sonya.Springs@wamu.net

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Please refer to tax notes dated 06-20-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop 7 is removed. I will monitor account for the removal of the stop.
From: Pound, Robert A.
Sent: Wednesday, June 25, 2008 2:23 PM
To: Springs, Sonya E.; Morris, Linda
Cc: Kirby, Louise L.
Subject: RE: Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stop 7 is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:58 PM
To: Morris, Linda
Cc: Pound, Robert A.; Kirby, Louise L.
Subject: RE: Richardson
Importance: High

Louise,
There is already a NON 123 task open and it's assigned to Linda Morris.

Linda,
Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,

Sonya Springs
<< OLE Object: Picture (Metefitte) >>
Tax Mitigation Specialist, Senior
Phone: (845) 673-3706
Fax: (845) 673-6720
Mailstop FG0211

Sonya.Springs@Wamu.net

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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 3:02 PM
To: Lopez, Christina; Rogers, Savannah L.
Cc: Springs, Sonya E.
Subject: RE: Richardson

Sonya,
Please assign this account to someone on the non/reso team to follow up and respond to Savannah and Christina.

Thanks,

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Lopez, Christine
Sent: Wednesday, June 25, 2008 9:06 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.
Subject: RE: [Redacted] Richardson

Louise,

Lose Mit only blocks taxes on short sales. This is not a short sale and it doesn’t appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christine
Cc: Kirby, Louise L.
Subject: RE: [Redacted] Richardson

Chrissey,

This fc sale was rescinded...what should I do to get this moving? Do you know if the fc dept should remove their stop?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free #666.936.8933
Direct fax 469.549.5978

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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 8:50 AM
To: Rogers, Savannah L.
Subject: RE: [Redacted] Richardson

Savannah,

Per instructions we have received by Christina Lopez dated 12/2/07, we cannot disburse tax if the man code is "W" with disbursement stop 1.
So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7-conveyed, which also prevents us from paying.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 813-4728 (fax)

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:35 AM
To: Kirby, Louise L.
Subject: Proprio- Richardson
Importance: High

Louise,
Management is requesting we get this Mod out soon. I just want to make sure I asked the right person (Wonda) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/2008 saying the taxes were not going to be paid because of the mortgage. Now that the mortgage is paid - can this be taken care of?
Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 855.926.8937
Direct fax 469 549 5978
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From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 6:20 AM
To: Johnson, Wonda L.
Cc: Heywood, Oriska S.; Mathis, Julie A.
Subject: Proprio - Richardson
Importance: High

Hi Wonda,
There were two checks returned 4/21/08 for delinquent property taxes $3109.81 + $405.40. This loan went to escrow which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if these taxes are still delinquent since the checks came back from Sacramento County?

Thanks,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 220 8937
Direct fax 469 549 5078

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Lyman, Daryl W. <daryl.lyman@wamu.net>
Sent: Wednesday, July 9, 2008 1:24 PM
To: Thorn, Ann <ann.thorn@wamu.net>; Rogers, Savannah L. <savannah.rogers@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>
Cc: Coker, Darlene <darlene.coker@wamu.net>; Mathis, Julie A. <julie.mathis@wamu.net>; Beal, Pamela S. <pamela.beal@wamu.net>
Subject: RE: _REDACTED_ Richardson

Daryl W. Lyman
First Vice President & Senior Counsel
Washington Mutual
Legal Department
1301 Second Avenue, WMC 3801
Seattle, WA 98101
206.500.4280 direct | 206.377.2784 fax
daryl.lyman@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

From: Thorn, Ann
Sent: Tuesday, July 08, 2008 5:44 AM
To: Rogers, Savannah L.; Battaglia, Paul J.; Lyman, Daryl W.
Cc: Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: _REDACTED_ Richardson

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2450
cell: _REDACTED_

For Internal Use Only

From: Rogers, Savannah L.
Sent: Tuesday, July 08, 2008 8:42 AM
To: Battaglia, Paul J.
Cc: Thorn, Ann; Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.
Subject: RE: _REDACTED_ Richardson
Paul,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Monday, July 07, 2008 6:12 PM
To: Thomas, Michelle M.; Pound, Robert A.; Rogers, Savannah L.
Cc: Coker, Darlene; Mathis, Julie A.
Subject: RE: Richard "Richardson"

thank you for your help.

Savannah, let's get our part done tomorrow and get copies of new documents out and communicated to Richardson.

From: Thomas, Michelle M.
Sent: Mon 07/07/2008 05:00 PM
To: Thorn, Ann; Pound, Robert A.
Cc: Coker, Darlene
Subject: Re: Richard "Richardson"

Done
Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net

---

From: Thorn, Ann  
Sent: Tuesday, July 07, 2008 5:33 PM  
To: Pound, Robert A.  
Cc: Coker, Darlene; Thomas, Michelle M.  
Subject: RE: Richardson

Remove the stop and pay the taxes.

---

From: Pound, Robert A.  
Sent: Mon 07/07/2008 04:16 PM  
To: Thorn, Ann  
Cc: Coker, Darlene; Thomas, Michelle M.  
Subject: RE: Richardson

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound  
Washington Mutual  
LS Section Manager I  
843-673-4307

---

From: Thorn, Ann  
Sent: Monday, July 07, 2008 3:59 PM  
To: Rogers, Savannah L.; Thomas, Michelle M.  
Cc: Delaquille, Paul J.; Delauney, Renee J.; Medina, Julie A.; Pound, Robert A.; Coker, Darlene  
Subject: Richardson

Michelle, can you please get this changed today as this is a highly escalated matter. Thank you.

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
office: 916-482-2459  
cell:  
For Internal Use Only
From: Rogers, Savannah L.
Sent: Monday, July 07, 2008 3:20 PM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Beat, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: FW [Richmond Richardson]
Importance: High

Michelle,

Please request the disbursement stop be removed so we can get this file out immediately. Ann is requesting we escalate this issue… in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866.926.9037
Direct fax 469.549.5978
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From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 10:51 AM
To: Rogers, Savannah L.
Cc: Thorn, Ann; Battaglia, Paul J.; Beat, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: RE [Richmond Richardson]

Savannah

There is now a disbursement stop 1 preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
e-mail: michelle.m.thomas@wamu.net

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 10:38 AM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Battaglia, Paul J.; Beat, Pamela S.; Mathis, Julie A.
Subject: FW [Richmond Richardson]

Hi Michelle,

Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take
until Monday to see the changes in the system?

Thank you very much.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 886 926 8937
Direct fax 469 549 5978

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Ok, that is probably going to be a problem.......... 
What are the new numbers and what changes are being made? Paul, ly......

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 886 926 8937
Direct fax 469 549 5978

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From: Thorn, Ann
Sent: Thursday, July 03, 2008 9:03 AM
To: Rogers, Savannah L.; Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE: Richardson

Oh, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal...........please clarify.

******* Please note my phone number has changed to 904-462-2150 *******

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 6:56 AM
To: Thorn, Ann
Cc: Mathis, Julie A.; Beal, Pamela S.; Thomas, Michelle M.
Subject: RE: Richardson

Ann,

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

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From: Thorn, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah L.; Thomas, Michele M.
Hi Michelle,

Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel: Free 800-926-8037
Direct fax 469-549-5976

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For Internal Use Only

From: Boulton, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thorn, Ann
Subject: RE: Richardson

Done.

Thank you,
Beth

From: Thorn, Ann
Sent: Wednesday, July 02, 2008 1:01 PM
To: Boulton, Elizabeth A.
Subject: FW: Richardson
Importance: High

Can you change back to presale stop code

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-402-2150

For Internal Use Only

From: Mathis, Julie A.
Sent: Wednesday, July 02, 2008 12:51 PM
To: Thorn, Ann
Cc: Rogers, Savannah L.; Beal, Pamela S.
Subject: FW: Richardson
Importance: High

Ann, do you know how we can have the FC stop 7 removed?
I sent an email to Chrissy 6/25/08 but didn't hear anything back. Do you know how/when the foreclosure stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: [chrissy] Richardson >>
Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel: 866 926 8037
Direct Fax 469-549-5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by replying email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.
Sent: Tuesday, July 01, 2008 9:20 PM
To: Rogers, Savannah L.
Cc: Real, Pamela S.
Subject: FW: [chrissy] Richardson

Are we ok with this one?

Thanks!

Julie

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 11:03 AM
To: Rogers, Savannah L.; Lopez, Christine; Haywood, Oriska S.; Mathis, Julie A.
Cc: Spring, Sonya E.; Pound, Robert A.
Subject: RE: [chrissy] Richardson

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile)>>

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM
To: Rogers, Savannah L.; Lopez, Christine; Haywood, Oriska S.; 'Julie.Mathis@wamu.net'
Cc: Spring, Sonya E.; Pound, Robert A.
Subject: RE: [chrissy] Richardson

Michelle M. Thomas
Real Estate Tax Associate Sr.
I am copying you on this email so you can respond to the original parties on the email.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tax Migration Specialist, Senior
Phone: (845) 673-2706
Fax: (845) 673-4728
Mailstop: F503211

sonya Springs@wamu.net

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Please refer to tax notes dated 06-26-06. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop #7 is removed. I will monitor account for the removal of the stop.

Robert Pound

Linda,
There is already a NON123 task open and its assigned to Linda Morris.
Linda,
Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,
Sonya Springs
Text Mitigation Specialist, Senior
Phone: (843) 673-3106
Fax: (843) 673-4728
Mailstop F902011
SonyaSprings@WAMU.net

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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 12:02 PM
To: Lopez, Christina; Roxies, Savannah L.
Cc: Springs, Sonya E.
Subject: RF: [123] Richardson

Sonya,
Please assign this account to someone on the non/esc team to follow up and respond to Savannah and Christina.

Thanks,

LOUISE KIRBY
LS Section Manager II
Text Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Lopez, Christine
Sent: Wednesday, June 25, 2008 9:36 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.
Subject: Meeting Richardson

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNiel-Ellis. Can you check with her to determine if the block can be removed?

Thanks
From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:36 AM
To: Lopez, Christina
Cc: Kirby, Louise L.
Subject: RE: Richardson

Christy,
This fee sale was recorded ... what should I do to get this moving? Do you know if the fee dept should remove their stops?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8937
Direct fax 469-549-5978
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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 8:30 AM
To: Rogers, Savannah L.
Subject: RE: Richardson

Savannah
Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the tax code is "W" with disbursement stop 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7—conveyed, which also prevents us from paying.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:35 AM
To: Kirby, Louise L.
Subject: [redacted]
Importance: High

Louise,
Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/2008 saying the taxes were not going to be paid because of the mancode. Now that the mancode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tell Free 856 926 8937
Direct fax 469 549 5978

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From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:36 AM
To: Johnson, Wonza L.
Cc: Haywood, Onika S.; Mathis, Julie A.
Subject: [Redacted]
Importance: High

Hi Wonza,

There were two checks returned 4/21/08 for delinquent property taxes $3109.81 + $405.49. This loan went to foreclosure which has been rescinded and we will be modifying this loan. Who can send the teak to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tell Free 856 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Martin T. McGuinn
Sent: Tuesday, July 8, 2008 3:12 PM
To: Thorn, Ann <ann.thorn@wamu.net>; Brignac, Deborah P. <deborah.brignac@wamu.net>
Cc: Cook, Don <donald.cook@wamu.net>; Battaglia, Paul J. <paul.battaglia@wamu.net>
Subject: FINAL VERSION OF RICHARDSON SETTLEMENT 7-8-08.pdf - Adobe Acrobat Professional
Attach: FINAL VERSION OF RICHARDSON SETTLEMENT 7-8-08.pdf

Martin T. McGuinn
Kirby & McGuinn, A P.C.
600 B Street, Ste. 1950
San Diego, CA 92101
mmcguinn@wamu.net
Direct Dial: (619) 525-4167
Direct Fax: (619) 525-4050

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SETTLEMENT AND RELEASE AGREEMENT

This Settlement and Release Agreement ("Agreement") is entered into as of June 18, 2008, by and between Washington Mutual Bank, a federally chartered savings association ("WaMu"), California Reconveyance Company ("CRC"), James York ("York") and Red Rock Mortgage Inc. ("Red Rock"). York and Red Rock shall hereafter be collectively referred to as Red Rock. For purposes of this Agreement, the term "WaMu" shall also refer to all predecessors, successors, assigns and investors of WaMu, including, without limitation, any person or entity taking assignment of the Note and Deed of Trust originated by WaMu as described below, except as specifically identified herein. WaMu, CRC, York and Red Rock are at times referred to in this Agreement individually as a "Party" and, collectively, as the "Parties."

RECITALS

A. On or about January 4, 2007, WaMu made a loan to Laura Richardson, ("Richardson") evidenced by a promissory note in the sum of $535,001.00 (the "Note").

B. On or about January 4, 2007, Richardson executed and delivered to WaMu a Deed of Trust (the "WaMu Deed of Trust") securing the real property located at 3622 West Curtis Drive, Sacramento, California 95810 ("the Property"). On or about January 10, 2007, the WaMu Deed of Trust was recorded in the County Recorder's Office for Sacramento County, California at Book 20070110, Page 1818.

C. Richardson became delinquent on the Note and on December 14, 2007, WaMu caused CRC to record a Notice of Default against the Property at Book 20071214, Page 356. Thereafter, CRC recorded a Notice of Sale on March 19, 2008 setting the original sale date for the Property on April 7, 2008 at Book 20080319, Page 352. CRC conducted a foreclosure sale on May 7, 2008, and Red Rock was the highest bidder at the sale. On or about May 19, 2008, Red Rock recorded a Trustees Deed Upon Sale, which was recorded, at Book 20080519, Page 0487 in the Official Records of the Sacramento County Recorder.

D. Prior to the foreclosure sale through which Red Rock claims title to the Property, WaMu claims it had agreed in writing to provide Richardson with a postponement of the foreclosure sale to June 4, 2008. Red Rock acknowledges that it received a copy of said letter after the foreclosure sale. WaMu and CRC contend that as a result of their purported agreement to postpone the foreclosure sale to June 4, 2008, CRC did not have the requisite legal authority to proceed with the foreclosure sale on May 7, 2008, and that the sale to Red Rock was invalid and could be rescinded. On June 2, 2008, CRC recorded a Notice of Rescission of Trustee's Deed Upon Sale at Book 20080602, Page 0885 in the Official Records of the Sacramento County Recorder.

E. Red Rock disagrees that CRC had the right to rescind the foreclosure sale conducted on May 7, 2008. Red Rock claims the foreclosure sale was final and that it was a bona fide purchaser for value and that it was not aware of the postponement issue until after May 7, 2008. On June 12, 2008, Red Rock filed a lawsuit in Sacramento County
Superior Court under cause number 34-2008-00013081-CU-OR-GDS (the “Action”) seeking, among other things, to quiet title to the Property in Red Rock’s name.

F. The parties wish to resolve their differences and avoid further litigation over the nature and extent of WaMu’s and CRC’s rights to rescind the foreclosure sale conducted on May 7, 2008, to confirm title to the Property in favor of Richardson subject to the lien of WaMu, and to reimburse Red Rock for its out of pocket expenses related to the Property and incurred in the Action and any related claims for loss arising over the quieting of title to the Property and any claims Red Rock may have against WaMu, CRC, or their agents or employees related to the rescission of the Trustee’s Deed Upon Sale to Red Rock, and any dispute over title to the Property prior, during and after the foreclosure sale conducted on May 7, 2008.

G. The Parties desire to rescind the effect of the foreclosure sale through this Agreement whereby WaMu will pay a settlement to Red Rock and Red Rock will execute and deliver to WaMu a quittance deed from Red Rock to Richardson. Red Rock further agrees that by executing this Agreement, it is disclaiming any interest in the Property.

H. The Parties desire to clarify and confirm how the title to the Property will be held, resolve their differences, and confirm their understanding of how the foreclosure sale will be rescinded. The parties are entering into this Agreement in order to avoid the costs and uncertainty of litigation and settle all alleged claims Red Rock has against WaMu or CRC, known and unknown arising from the May 7, 2008 foreclosure sale and the rescission of the foreclosure sale and restoration of the viability of the Note and WaMu’s Deed of Trust against the Property.

AGREEMENT

The Parties, on behalf of themselves and on behalf of their respective principals, officers, directors, investors, parents, affiliates, employees, trustees, attorneys, agents, predecessors and successors, and on behalf of all other nonparties, in consideration of the promises set forth below, agree as follows:

1. OBLIGATIONS OF WaMu AND CRC.

   1.1. WaMu agrees to pay the sum of $100,000.00 to Red Rock upon the execution of the Agreement by all Parties. The sum of $100,000.00 includes sums to reimburse Red Rock for any out of pocket expenses it has incurred related to the Property, any interest on the funds paid by Red Rock at the foreclosure sale on May 7, 2008; Red Rock’s anticipated profits on the resale of the Property and any legal fees incurred by Red Rock prior to and after the Action was filed.

   1.2. WaMu, contemporaneously with the payment of the sum of $100,000.00, shall also return the sum of $366,000.01 paid by Red Rock at the foreclosure sale conducted on May 7, 2008.

   1.3. WaMu and CRC agree to execute this Agreement and be bound by the terms of the Agreement.
2. **Obligations of Red Rock and York under this Agreement.**

   2.1. Red Rock agrees to be bound by the terms of this Agreement and execute the Agreement.

   2.2. Red Rock agrees to accept the sum of $100,000.00, plus the return of the $388,000.01 paid at the foreclosure sale on May 7, 2008.

   2.3. Upon execution of the Agreement Red Rock also agrees to contemporaneously execute a quitclaim deed in recordable form for the Property to Richardson in the form attached hereto and incorporated herein by reference as Exhibit A.

   2.4. Red Rock warrants and represents that it has not encumbered or transferred the Property to any third party after May 7, 2008 to, and including, the date of the execution of this Agreement.

   2.5. Red Rock shall immediately file a dismissal of the Action with prejudice.

   2.6. Red Rock will deliver with its signatures to this Agreement all sets of the keys to the Property in its possession or control.

3. **Release of All Claims.**

   3.1. Upon execution of this Agreement by the Parties, and performance of all acts required to be done by each of them under this Agreement, the Parties release each other and all who acted in concert or participation with them, their officers, directors, employees, agents, attorneys, investors, predecessors, successors, assigns, parents, affiliates, and all others (the “Related Parties”) from and against all claims, causes of action, liabilities, demands, obligations, damages, costs, expenses, and attorneys fees, of whatever kind or nature, whether known or unknown, whether accrued or not yet accrued, based on, arising out of, or relating to the foreclosure sale of May 7, 2008, the delivery of the Trustee’s Deed from CRC to the Red Rock on or about May 19, 2008, all claims alleged in the Action, and any claims of loss or reimbursement of expenses or legal fees, including interest on said sums, arising out of or relating to the foreclosure sale of May 7, 2008, and the rescission of the Trustee’s Deed Upon Sale by CRC.

   3.2. In consideration of this Agreement, the Parties further waive and will not assert against the Related Parties, any claim, counterclaim, defense, offset, action, or cause of action under common law or any federal or state statute, rule, or regulation, that the Parties may have prior to the date of this Agreement, based on, arising out of, or relating to the foreclosure sale of May 7, 2008, and the delivery of the Trustee’s Deed from CRC to Red Rock on or about May 19, 2008, including, but not limited to, all claims alleged in the Action and any claims of loss or reimbursement of expenses or legal fees, including interest on said sums, arising out of or relating to the purchase of the Property by Red Rock at the May 7, 2008 foreclosure sale and the rescission of the Trustee’s Deed Upon Sale by CRC.

4. **Waiver of California Civil Code Section 1542.**
4.1. It is the intention of the Parties to this Agreement that this Agreement shall be effective as a full and complete release of each and every claim that the Parties may have against each other and the Released Parties based on, arising out of, or relating to the foreclosure sale of May 7, 2008, the delivery of the Deed from CRC to the Red Rock on or about May 19, 2008, including, but not limited to, all claims alleged in the Action and any claims of loss or reimbursement of expenses or legal fees, including interest on said sums, arising out of or relating to the purchase of the Property by Red Rock and the rescission of the Trustees Deed Upon Sale by CRC, with the exception of obligations created under this Agreement.

4.2. The Parties acknowledge each of them have been advised, and is familiar with, Section 1542 of the California Civil Code, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor.

(York) Red Rock WMB CRC

4.3. The Parties waive and release any right, claim, or benefit which each of them now has or may have under Civil Code Section 1542 to the full extent that each of them may lawfully waive all such rights and benefits in connection with the claims released in the Agreement.

5. **Time of the Essence.** The Parties agree time is of the essence in the Agreement.

6. **Assumption of Risk.** Each Party expressly elects to assume all risks arising prior to this Agreement based on, arising out of, or relating to the foreclosure sale of May 7, 2008 and the delivery of the Deed from CRC to the Red Rock on or about May 19, 2008, including, but not limited to, all claims alleged in the Action and any claims of loss or reimbursement of expenses or legal fees, including interest on said sums, arising out of or relating to the purchase of the Property by Red Rock at the foreclosure sale of May 7, 2008 and the rescission of the Trustees Deed Upon Sale by CRC.

6.1. Each Party fully understands that the facts upon which this Agreement is executed may be found hereafter to be other than or different from the facts now believed by them and their attorneys (if any) to be true, and expressly accept to assume the risks of such possible differences and facts and agree that the Agreement shall remain effective notwithstanding any such difference in facts.

7. **Governing Law.** This Agreement is made and entered into in the State of California and shall be enforced and governed by the laws of the State of California.
8. **No Admission of Liability.** This Agreement is entered into solely as a settlement and compromise of disputed claims; this Agreement shall not be deemed to constitute an admission of guilt or liability by any Party.

9. **Drafting Ambiguities.** The terms of this Agreement are contractual in nature and are not merely recitals. This Agreement shall not be construed in favor of or against any Party to this Agreement, but shall be construed as if all Parties prepared the Agreement. If any term, provision, covenant, or condition to this Agreement is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired, or invalidated, unless such invalid, void or unenforceable provision is determined to be material to this Agreement.

10. **Entire Agreement.** This Agreement, and all prior or contemporaneous agreements, understandings, representations and statements, whether oral or written, and whether by a Party or a Party’s legal counsel, are merged herein. No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by all Parties hereto. This Agreement constitutes the entire Agreement between the Parties as to the subject matter contained in this Agreement.

11. **Warranty of No Sale or Assignment.** All Parties to this Agreement represent, agree, and warrant to each other that each has not sold, assigned, or otherwise transferred in any manner to any person or entity, any rights, duties, obligations, claims, causes of action or other interests which are the subject matter of this Agreement, either in whole or in part, and each agrees to indemnity and hold harmless each other from and against all claims of every nature whatsoever which are based on or arise out of or in any way relate to any such sale, assignment, or transfer.

12. **Execution of Other Documents.** The Parties agree to execute and deliver any and all further documents and shall do all acts which may be necessary and appropriate to fully implement the provisions of this Agreement within the time required by this Agreement.

13. **Enforcement of the Agreement.** In the event that any Party brings any action or proceeding against the other for the recovery of any sum due pursuant to this Agreement, or due to any provision of this Agreement, or for any other relief, declaratory or otherwise, including appeal, the prevailing Party in each such action or proceeding shall recover its reasonable attorneys’ fees and all costs from other Party to the action or proceeding, and that the right to reasonable attorneys’ fees and costs shall be enforceable whether or not the actual proceeding is prosecuted to final judgment.

14. **Authority to Execute Agreement.** Each individual signing this Agreement warrants and represents that the individual has full authority to execute the Agreement on behalf of the Party on whose behalf the individual signs.

15. **Counterparts.** This Agreement may be executed in counterparts, and the counterparts shall constitute one and the same document.

16. **Costs and Attorneys’ Fees.** The Parties agree that they shall be responsible for their own respective costs and attorneys’ fees in connection with the drafting and
negotiation of this Agreement, except as the parties may otherwise agree in a separate writing.

17. **Venue.** Should any dispute arise between the Parties as to the meaning and interpretation of this Agreement or should any of the parties be required to take legal action to enforce the terms of this Agreement, venue for any dispute shall be in Sacramento County, California.

18. **Attorney Review.** The Parties hereby represent and warrant and in executing this Agreement, that they have relied upon legal advice from an attorney of their choice; that the terms of this Agreement have been read and its consequences have been completely explained to them by that attorney; and that they fully understand the terms of this Agreement. The Parties further represent and warrant that in executing this Agreement, they have not relied on any inducements, promises or representations made by the other party or any person serving another party.

19. **Survivability of Agreement.** Any and all executory provisions under the Agreement and the documents referred to herein shall survive consummation of the Agreement and shall continue in full force and effect until fully performed and satisfied.

20. **Notices.** All notices under the Agreement shall be in writing and shall be deemed effective on the date of delivery (if delivered personally and a receipt obtained therefore), or on the third calendar day after mailing if mailed by first-class mail, registered or certified, postage prepaid, and shall be addressed as follows or as may be amended by written communication pursuant to this paragraph:

Washington Mutual Bank
California Reconveyance Company
P.O. Martin McGuinn
Kirby & McGuinn A P. C.
600 B Street, Suite 1950
San Diego, CA 92101
Telephone: (619) 525-1659
Facsimile: (619) 525-1669

Washington Mutual Bank
California Reconveyance Company
Attn.: Paul Battaglia
1301 Second Avenue, WaMuT 3501
Seattle, WA 98101
Telephone: (206) 500-4261
Facsimile: (206) 377-2784

Red Rock Mortgage Inc.
James York
P.O. Thomas B. Sheridan
Wagner Kirkman Blaine
Klopmans & Youmans LLC
10640 Mather Blvd., Suite 2001
Mather, CA 95654
Telephone: (916) 920-5289
Facsimile: (916) 920-8608
21. Other Agreements with WaMu or CRC. Nothing contained herein shall effect, amend or modify any provision of any checking account, savings account, loan agreement, deed of trust, mortgage or any other contract or agreement between Red Rock or York and WaMu or CRC except as expressly set forth herein.

22. Taxes. WaMu makes no representation or warranty as to effect of this Agreement upon Red Rock’s liabilities pursuant to federal, state or local tax laws, including, but not limited to, real property taxes or regulations. Red Rock acknowledges that any and all tax consequences of this Agreement are their sole responsibility.

23. Confidentiality. This Agreement and its terms as recited herein are and shall be treated as strictly confidential so that no Party, nor his, her, or its counsel may disclose the fact or the terms of, or the negotiation or circumstances surrounding the negotiation of, this Agreement to anyone, except with respect to any disclosure necessary to record any document with the Sacramento County Recorder; to an insurer for purposes of obtaining insurance; or to a tax preparer/accountant for tax or financial reporting purposes (however, upon disclosure for such tax or financial reporting purposes, the person making the disclosure shall advise the person to whom disclosure is made of this confidentiality provision). A Party may disclose the fact and terms of this Agreement in order to satisfy disclosure or reporting requirements imposed by law or to enforce the terms of this Agreement. In response to any inquiry by a non-party to this Agreement concerning the Agreement, the terms of this Agreement, the negotiation or circumstances surrounding the negotiation of this Agreement, whether such inquiry is formal, at a deposition, in any proceeding, or otherwise, a Party or counsel may respond only that the Action was resolved to the satisfaction of all Parties. Furthermore, the Parties and their respective counsel agree that they will not discuss with or disclose to any non-party to this Agreement the facts, circumstances and documents relating, giving rise to or alleged in the Action, except as may be required to be provided in connection with testimony under oath by judicial process, or as required by law. Breach or the threatened breach of this confidentiality clause shall entitle the non-breaching party to seek any remedy available under the law, including injunctive relief and/or damages. Any other provision of this paragraph notwithstanding, Red Rock is authorized to: (i) file a dismissal with prejudice in the Sacramento Superior Court, such as it is a part of the record in the Action and available for public inspection; and (ii) disclose the amounts received and all other terms of this settlement in connection with reporting and accounting requirements under the Internal Revenue Code.

I CERTIFY THAT I HAVE READ AND FULLY UNDERSTAND THE ENTIRE AGREEMENT

WASHINGTON MUTUAL BANK

By: ____________________________

Its: ____________________________
CALIFORNIA RECONVEYANCE COMPANY

By: ____________________________
   Deborah Brignac
   Its: ____________________________Vice President

RED ROCK MORTGAGE INC.

By: ____________________________
   James York, President

______________________________
James York
From: Thorn, Ann <ann.thorn@wamu.net>
Sent: Tuesday, July 8, 2008 8:44 AM
To: Rogers, Savannah L. <savannah.rogers@wamu.net>; Battaglia, Paul J.<paul.battaglia@wamu.net>; Lyman, Daryl W. <daryl.lyman@wamu.net>
Cc: Coker, Darlene <darlene.coker@wamu.net>; Mathis, Julie A. <julie.mathis@wamu.net>; Beal, Pamela S. <pamela.beal@wamu.net>
Subject: RE: [REDACTED]Richardson

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
office: 904-462-2150
cell: 414-418-8174

For internal Use Only

From: Rogers, Savannah L.  
Sent: Tuesday, July 08, 2008 8:42 AM  
To: Battaglia, Paul J.  
Cc: Thorn, Ann; Coker, Darlene; Mathis, Julie A.; Beal, Pamela S.  
Subject: RE: [REDACTED]Richardson

Paul,

[REDACTED]

[REDACTED]
Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866-920-8937  
Direct fax 460-540-5078  
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

---

From: Thorn, Ann  
Sent: Monday, July 07, 2008 0:12 PM  
To: Thomas, Michelle M.; Pound, Robert A.; Rogers, Savannah L.  
Cc: Coker, Darlene; Mathis, Julie A.  
Subject: RE: Richardson  

thank you for your help.  

Savannah, let's get our part done tomorrow and get copies of new documents out and communicated to Richardson

---

From: Thomas, Michelle M.  
Sent: Mon 07/07/2008 0:00 PM  
To: Thorn, Ann; Pound, Robert A.  
Cc: Coker, Darlene  
Subject: RE: Richardson  

Done

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3850 ext. 4726  
external email: michelle.m.thomas@wemu.net

---

From: Thorn, Ann  
Sent: Monday, July 07, 2008 5:33 PM  
To: Pound, Robert A.  
Cc: Coker, Darlene; Thomas, Michelle M.  
Subject: RE: Richardson  

Remove the stop and pay the taxes

---

From: Pound, Robert A.  
Sent: Mon 07/07/2008 0:16 PM  
To: Thorn, Ann  
Cc: Coker, Darlene; Thomas, Michelle M.  
Subject: RE: Richardson  

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have
been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound
Washington Mutual
LS Section Manager I
843-673-4007

From: There, Ann
Sent: Monday, July 07, 2008 3:50 PM
To: Rogers, Savannah L; Thomas, Michelle M.
Cc: Battaglia, Paul J; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.; Coker, Darlene
Subject: RE: Richardson

Michelle, can you please get this changed today as this is a highly escalated matter. Thank you.

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
Office: 904-462-2150
Cell: 

For Internal Use Only

From: Rogers, Savannah L.
Sent: Monday, July 07, 2008 3:00 PM
To: Thomas, Michelle M.
Cc: Ann, Thorn, Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: FW: Richardson
Importance: High

Michelle,

Please request the disbursement stop be removed so we can get this file out immediately. Ann Thorn is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free: 866-026-8037
Direct Fax: 469-549-5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
Savannah

There is now a disbursement stop preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

Hi Michelle,
Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?

Thank you very much.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tell Free 866 026 8937
Direct Fax 469 549 5078
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

Ok, that is probably going to be a problem........

What are the new numbers and what changes are being made? Paul, tyi........
From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 9:10 AM
To: Thom, Ann
Cc: Beal, Pamela S.; Mathis, Julie A.
Subject: RE: Richardson

Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8937
Direct Fax: 469-549-6978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 9:03 AM
To: Rogers, Savannah L.; Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE: Richardson
Importance: High

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal........please clarify.

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150
For Internal Use Only
From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thomas, Ann
Cc: Mathis, Julie A.; Beal, Pamela S.; Thomas, Michelle M.
Subject: RE: Team Richardson

Ann,

Once the boxes are disbursed and the escrow is set up I will work up the modification terms. We will contact the mortgagee to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 906.926.8927
Direct fax 409.549.5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thomas, Ann
Sent: Thursday, July 03, 2000 8:47 AM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathis, Julie A.; Beal, Pamela S.
Subject: RE: Team Richardson

What is going on with the Mod?

*********Please note my phone number has changed to 904-462-2150

Ann, Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:36 AM
To: Thomas, Michelle M.
Cc: Thom, Ann, Mathis, Julie A.; Beal, Pamela S.
Subject: FW: Team Richardson

Hi Michelle,

Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks
Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 800 920 8937  
Direct fax 460 549 5078  
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

---

From: Thorn, Ann  
Sent: Wednesday, July 02, 2008 3:38 PM  
To: Metzler, Julie A.; Augel, Pamela L.; Rogers, Savannah L.  
Subject: Richardson  

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2150

For Internal Use Only

---

From: Boulton, Elizabeth A.  
Sent: Wednesday, July 02, 2008 3:30 PM  
To: Thorn, Ann  
Subject: RE: Richardson  

Done.

Thank you,

Beth

---

From: Thorn, Ann  
Sent: Wednesday, July 02, 2008 1:01 PM  
To: Boulton, Elizabeth A.  
Subject: Richardson  
Importance: High  

Can you change back to presale stop code  

**********Please note my phone number has changed to 904-462-2150
Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Mathis, Julie A.
Sent: Wednesday, July 02, 2008 12:01 PM
To: Thom, Ann
Cc: Rogers, Savannah L.; Beal, Pamela S.
Subject: FW: Richardson
Importance: High

Ann, do you know how we can have the FC stop 7 removed?

From: Rogers, Savannah L.
Sent: Wednesday, July 02, 2008 01:57 AM
To: Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE: Richardson

I sent an email to Chrissy 6/20/08 but didn't hear anything back. Do you know how/when the fc stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: Richardson >>

Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 9937
Direct fax 409 549 8976

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.
Sent: Tuesday, July 01, 2008 9:26 PM
To: Rogers, Savannah L.
Cc: Beal, Pamela S.
Subject: Richardson

Are we ok with this one?

Thanks!

Julio

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM  
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Orlska S.; Mathis, Julie A. 
Cc: Springs, Sonya E.; Pound, Robert A. 
Subject: RE: Richardon

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net  
<< OLE Object: Picture (Metafile) >>  

From: Thomas, Michelle M. 
Sent: Thursday, June 26, 2008 9:57 AM  
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Orlska S.; 'Julie.Mathis@wamu.net'  
Cc: Springs, Sonya E.; Pound, Robert A. 
Subject: RE: Richardon

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net  
<< OLE Object: Picture (Metafile) >>  

From: Springs, Sonya E.  
Sent: Wednesday, June 25, 2008 2:27 PM  
To: Thomas, Michelle M.  
Subject: FW: Richardon

Hello,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>  

Tax Mitigation Specialist, Senior  
Phone: (843)765-3706  
Fax: (843)765-4736  
Mailstop FSG0211

Sonya_Springs@Wamu.net

"The information above shall be treated as confidential and is intended solely for the named recipient(s). Without Washington Mutual’s prior written consent, this information shall not be disclosed to any person other than an officer or employee of the recipient(s) company with a need to know the information. If you are not the intended recipient(s), any review, dissemination, distribution, disclosure or copying of this message is strictly prohibited. If you have received this communication in error, please notify the sender immediately by reply e-mail, and delete the original message."
Please refer to fax notes dated 06-26-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop #7 is removed. I will monitor account for the removal of the stop.

From: Pound, Robert A.  
Sent: Wednesday, June 25, 2008 2:23 PM  
To: Springs, Sonya E.; Morris, Linda  
Cc: Kirby, Louise L.  
Subject: RE: [REDACTED] Richardson  

I have reassigned this to Michelle Thomas. But until the FCL Stop 7 is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.  
Sent: Wednesday, June 25, 2008 2:58 PM  
To: Morris, Linda  
Cc: Pound, Robert A.; Kirby, Louise L.  
Subject: RE: [REDACTED] Richardson  
Importance: High  

LOUISA,  
There is already a NON123 task open and it's assigned to Linda Morris.

Linda,  
Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,  
Sonya Springs  
<< OLE Object: Picture (Metafile) >>
Tax Mitigation Specialist, Senior  
Phone: (843)973-3766  
Fax: (843)673-4720  
Mailstop FSC0211  
Sonya_Springs@WACHB.com  

"The information above shall be treated as confidential and is intended solely for the named recipient(s). Without Washington Mutual's prior written consent, this information shall not be disclosed to any person other than an officer or employee of the recipient(s) company with a need to know the information. If you are not the intended recipient(s), any review, dissemination, distribution, disclosure, or copying of this message is strictly prohibited. If you have received this communication in error, please notify the sender immediately by reply e-mail, and delete the original message."  

From: Kirby, Louise L.  
Sent: Wednesday, June 25, 2008 12:02 PM  
To: Lopez, Christine; Rogers, Savannah L.  
Cc: Springs, Sonya E.  
Subject: [REDACTED] Richardson  

Sonya,
Please assign this account to someone on the nonesc team to follow up and respond to Savannah and Christina.

Thanks.

LOUISE KIRBY
LG Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per 3AF1, processor EDC placed the block on there on 6/14/08. It appears her name is Veronics McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christine
Cc: Kirby, Louise L.
Subject: RE: [WIRCH] Richardson

Chripsy,
This fc sale was rescinded…what should I do to get this moving? Do you know if the fc dept should remove their stops?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 409 549 5978
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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 8:50 AM
To: Rogers, Savannah L.
Subject: RE: Richardson

Savannah,

Per instructions we have received by Christiina Lopez dated 12/3/07, we cannot disburse tax if the man code is "W" with disbursement step 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7--conveyed, which also prevents us from paying.

LOUISE KIRBY
LG Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Rogers, Savannah L.
Date: Wednesday, June 25, 2008 8:09 AM
To: Kirby, Louise
Subject: FW: Richardson
Importance: High

Louise,

Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/20/08 saying the taxes were not going to be paid because of the mancode. Now that the mancode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers
Housewoclng Preservation
Washington Mutual
Tell Free 866 926 8937
Direct fax 469 549 5978

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From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:39 AM
To: Johnson, Wonza L.
Cc: Haywood, Orake S.; Mathis, Julie A.
Subject: Richardson
Importance: High

Hi Wonza,

There were two checks returned 4/21/08 for delinquent property taxes $8109.81 + $405.49. This loan went to fo sale
which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-520-9937
Direct fax 460-519-6978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Rogers, Savannah L. <savannah.rogers@wamu.net>
Sent: Tuesday, July 8, 2008 8:42 AM
To: Battaglia, Paul J. <paul.battaglia@wamu.net>
Cc: Thorn, Ann <ann.thorn@wamu.net>; Coker, Darlene <darlene.coker@wamu.net>; Mathis, Julie A. <julie.mathis@wamu.net>; Beal, Pamela S. <pamela.beal@wamu.net>
Subject: RE: __________ Richardson

Paul,

[REDACTED]

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 549 5978

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From: Thorn, Ann  
Sent: Monday, July 07, 2008 6:12 PM  
To: Thomas, Michelle M.; Pound, Robert A.; Rogers, Savannah L.  
Cc: Coker, Darlene; Mathis, Julie A.  
Subject: RE: __________ Richardson

thank you for your help.

Savannah, let's get our part done tomorrow and get copies of new documents out and communicated to Richardson
From: Thomas, Michelle M.
Sent: Mon 07/07/2008 05:00 PM
To: Thorn, Ann; Pound, Robert A.
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3960 ext. 4726
email: michelle.m.thomas@wamu.net

From: Thorn, Ann
Sent: Monday, July 07, 2008 5:33 PM
To: Pound, Robert A.
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Remove the stop and pay the taxes

From: Pound, Robert A.
Sent: Mon 07/07/2008 04:16 PM
To: Thorn, Ann
Cc: Coker, Darlene; Thomas, Michelle M.
Subject: RE: Richardson

Ann,

In regards to your request, we have reached out to several people to have the disbursement stop 1 removed and have been unsuccessful. If you give me permission to remove the stop, we will be able to disburse taxes.

Thanks

Robert Pound
Washington Mutual
LS Section Manager I
843-573-4007

From: Thorn, Ann
Sent: Monday, July 07, 2008 3:50 PM
To: Roper, Severnan T.; Thomas, Michelle M.
Cc: Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.; Coker, Darlene
Subject: RE: Richardson

Michelle, can you please get this changed today as this is a highly escalated matter. Thank you.
Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
office: 904-462-2150

cell: 2725

For Internal Use Only

From: Rogers, Savannah L.
Sent: Monday, July 07, 2008 3:35 PM
To: Thomas, Michelle M.
Cc: Thom, Ann; Battaglia, Paul J.; Reel, Pamela S.; Mathis, Julie A.; Found, Robert A.
Subject: FW: Richardson
Importance: High

Michelle,  
Please request the disbursement stop be removed so we can get this file out immediately. Ann Thorn is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8927  
Direct fax 469 549 9978

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From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 10:51 AM
To: Rogers, Savannah L.
Cc: Thom, Ann; Battaglia, Paul J.; Reel, Pamela S.; Mathis, Julie A.; Found, Robert A.
Subject: RE: Richardson

Savannah

There is now a disbursement stop preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
e-mail: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>
Hi Michelle,
Can you give us an idea on how long it will take for the escrow to appear? Can this be done today or will it take until Monday to see the changes in the system?

Thank you very much-

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
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Ok, that is probably going to be a problem........

What are the new numbers and what changes are being made? Paul, yu......

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150
For Internal Use Only

Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual  
Tell Free 866-926-8937  
Direct fax 469-549-5078

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---

From: Thorn, Ann  
Sent: Thursday, July 03, 2008 9:03 AM  
To: Rogers, Savannah L; Mathis, Julie A.  
Cc: Beal, Pamela S.  
Subject: re: Richardson  
Importance: High

Ok. I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal........please clarify.

**********Please note my phone number has changed to 904-462-2150**********

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2150

For Internal Use Only

---

From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 8:56 AM  
To: Thorn, Ann  
Cc: Mathis, Julie A.; Beal, Pamela S.; Thomas, Michele M.  
Subject: re: Richardson

Ann,

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagee to verify the terms and have the documents sent.

Thanks,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 549 3978

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JPMC - 002670  
CONFIDENTIAL  
CSOC.RICH.0000550
From: Thorn, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathis, Julie A.; Best, Pamela S.
Subject: RE: Richardson

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:36 AM
To: Thomas, Michelle M.
Cc: Thorn, Ann; Mathis, Julie A.; Best, Pamela S.
Subject: RE: Richardson

Hi Michelle,
Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel: Phone 866-936-8937
Direct fax 469-549-5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thorn, Ann
Sent: Wednesday, July 03, 2008 5:36 PM
To: Mathis, Julie A.; Best, Pamela S.; Rogers, Savannah L.
Subject: RE: Richardson

**********Please note my phone number has changed to 904-462-2150
From: Saulito, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thom, Ann
Subject: RE: [ ] Richardson

Done.

Thank you,

Beth

From: Thom, Ann
Sent: Wednesday, July 02, 2008 1:01 PM
To: Saulito, Elizabeth A.
Subject: FWO [ ] Richardson
Importance: High

Can you change back to presale stop code

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Mather, Julie A.
Sent: Wednesday, July 02, 2008 12:01 PM
To: Thom, Ann
Cc: Rogers, Savannah L.; Beal, Pamela S.
Subject: FW: [ ] Richardson
Importance: High

Ann, do you know how we can have the FC stop 7 removed?
From: Roger, Savannah L.
Sent: Wednesday, July 02, 2008 10:57 AM
To: Nathan, Jake A.
Cc: Beal, Pamela S.
Subject: Re: Richardson

I sent an email to Chrissy 6/26/08 but didn't hear anything back. Do you know/when the 7c stop will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

--- Message: RE: Richardson ---
Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8937
Direct fax 469-549-5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

---

From: Mathis, Julie A.
Sent: Tuesday, July 01, 2008 9:20 PM
To: Rogers, Savannah L.
Cc: Beal, Pamela S.
Subject: FW: Richardson

Are we ok with this one?

Thanks!

Julie

---

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 11:03 AM
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Orlisa S.; Mathis, Julie A.
Cc: Springs, Sonya E; Pound, Robert A.
Subject: RE: Richardson

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

---

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Orlisa S.; Julie.Mathis@wamu.net
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net
<< OLE Object: Picture (Metafile) >>

From: Springs, Sonya E.  
Sent: Wednesday, June 25, 2008 2:27 PM  
To: Thomas, Michelle M.  
Subject: FW: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tax Mediation Specialist, Senator  
Phone: (843)773-3766  
Fax: (843)773-4728  
Website: FSC0211

Sonya_Springs@wamu.net

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Please refer to tax notices dated 06-28-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop #7 is removed. I will monitor account for the removal of the stop.

From: Pound, Robert A.  
Sent: Wednesday, June 25, 2008 2:23 PM  
To: Springs, Sonya E.; Morris, Linda  
Cc: Kirby, Louise L.  
Subject: RE: Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stop 7 is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.  
Sent: Wednesday, June 25, 2008 2:08 PM  
To: Morris, Linda  
Cc: Pound, Robert A.; Kirby, Louise L.
Louise,

There is already a NCO123 task open and its assigned to Linda Morris.

Linda,

Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,

Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tax Mitigation Specialist, Senator
Phone: 843-973-M706
Fax: (843) 673-4728
Mailstop FSC0211

SonyaSprings@Kom.net

“The information above shall be treated as confidential and is intended solely for the named recipient(s). Without Washington Mutual’s prior written consent, this information shall not be disclosed to any person other than an officer or employee of the recipient(s) company with a need to know the information. If you are not the intended recipient(s), any review, dissemination, distribution, disclosure or copying of this message is strictly prohibited. If you have received this communication in error, please notify the sender immediately by reply e-mail, and delete the original message.”

From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 12:02 PM
To: Lopez, Christina; Rogers, Savannah L.
Cc: Springs, Sonya E.
Subject: RE: Richardson

Sonya,

Please assign this account to someone on the newseco team to follow up and respond to Savannah and Christine.

Thanks.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673 4737 (phone)
(843) 673-4728 (fax)

From: Lopez, Christina
Sent: Wednesday, June 25, 2008 9:16 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.
Subject: RE: Richardson

Louise,
Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christiana
Cc: Kirby, Louise L.
Subject: RE: Richardson

Chrissy,
This fc sale was rescinded...what should I do to get this moving? Do you know if the fc dept should remove their stops?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel: 866-606-8637
Direct fax: 469-549-8978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 8:52 AM
To: Rogers, Savannah L.
Subject: Richardson

Savannah,
Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the man code is "w" with disbursement stop 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7--conveyed, which also prevents us from paying.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

From: Rogers, Savannah L
Louise,

Management is requesting we get this Mod out ASAP. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/20/08 saying the taxes were not going to be paid because of the escrow. Now that the escrow is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

Hi Wonza,

There were two checks returned 4/21/08 for delinquent property taxes $8109.81 + $405.49. This loan went to foreclosure and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From:  Thorn, Ann  
Sent:  Monday, July 07, 2008 3:49:35 PM  
To:  Rogers, Savannah L.; Thomas, Michelle M.  
CC:  Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.; Coker, Darlene  
Subject:  RE: Richardson  

Michelle, can you please get this changed today as this is a highly escalated matter.  
Thank you.

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
office:  904-462-2150  
cell:  
For Internal Use Only  

From:  Rogers, Savannah L.  
Sent:  Monday, July 07, 2008 3:29 PM  
To:  Thomas, Michelle M.  
CC:  Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.  
Subject:  FW: Richardson  
Importance:  High  

Michelle,  
Please request the disbursement stop be removed so we can get this file out immediately. Ann Thorn is requesting we escalate this issue... In case you are not getting a response.  
Please let us know this has been taken care of so Loss Mit can proceed.  
Thank you,  

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 920 8937  
Direct fax 460 540 5078  
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the content.

From:  Thomas, Michele M.  
Sent:  Thursday, July 03, 2008 10:01 AM  
To:  Rogers, Savannah L.  
CC:  Thorn, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.  
Subject:  RE: Richardson  

Savannah  

There is now a disbursement stop 1 preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.  
Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wamu.net  
<< OLE Object: Picture (Motafilo) >>

JPMC - 002678  
CONFIDENTIAL  
CSOC.RICH.003967
Importance: High

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized the taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal. Please clarify.

************Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thom, Ann
Cc: Mathis, Julie A.; Beal, Janelle S.; Thomas, Michelle M.
Subject: RE: Richardson

Ann

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

************Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Thom, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathis, Julie A.; Beal, Janelle S.
Subject: RE: Richardson

What is going on with the Mod?

************Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:36 AM
To: Thomas, Michelle M.
Cc: Thom, Ann; Mathis, Julie A.; Beal, Pamela S.
Subject: FW: Richardson
Hi Michelle,

Please see below, the foreclosure stop has been removed. Please disburse the tax payment so we can proceed with the Med.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 026 8037
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

---

From: Thom, Ann
Sent: Wednesday, July 02, 2008 3:39 PM
To: Mundy, Jule A.; Bial, Pamela S.; Rogers, Savannah L
Subject: FWD: Richardson

----------

Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

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From: Boulton, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thom, Ann
Subject: RE: Richardson

Done.

Thank you,

Beth

---

From: Thom, Ann
Sent: Wednesday, July 02, 2008 3:01 PM
To: Boulton, Elizabeth A.
Subject: FWD: Richardson

Can you change back to pretax stop code

----------

Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

---
From: Mathis, Julie A. 
Sent: Wednesday, July 02, 2008 12:01 PM 
To: Thom, Ann 
Cc: Rogers, Savannah L.; Real, Pamela S. 
Subjects: FW: Richardson 
Importance: High 

Ann, do you know how we can have the FC stop 7 removed?

From: Rogers, Savannah L. 
Sent: Wednesday, July 02, 2008 10:57 AM 
To: Mathis, Julie A. 
Cc: Real, Pamela S. 
Subject: RE: Richardson 

I sent an email to Chrsy 02/26/08 but didn't hear anything back. Do you know how/when the FC stop 7 will be removed? That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: Richardson >>
Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 425 849 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A. 
Sent: Tuesday, July 01, 2008 9:20 PM 
To: Rogers, Savannah L. 
Cc: Real, Pamela S. 
Subject: FW: Richardson 

Are we ok with this one?

Thanks!

Julia

From: Thomas, Michele M. 
Sent: Thursday, June 26, 2008 11:03 AM 
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Oriska S.; Mathis, Julie A. 
Cc: Springs, Sonya E.; Pound, Robert A. 
Subject: RE: Richardson 

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michele M. Thomas
Real Estate Tax Associate 6th
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

<< OLE Object: Picture (Metafile) >>

From: Thomas, Michele M. 
Sent: Thursday, June 26, 2008 9:57 AM 
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Oriska S.; 'Julie.Mathis@wamu.net'
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Michelle M. Thomas  
Real Estate Tax Associate Sr.  
1-800-353-3860 ext. 4726  
email: michelle.m.thomas@wm.com

<< OLE Object: Picture (Metafile) >>

_______________________________________________________
From: Springs, Sonya E.  
Sent: Wednesday, June 25, 2008 2:27 PM  
To: Thomas, Michelle M.  
Subject: FW: RE: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,

Sonya Springs  
<< OLE Object: Picture (Metafile) >>

Tax Mitigation Specialist, Senior  
Phone: (843)673-3706  
Fax: (843)673-4728  
Mailstop FSC0211  
Sonya.Springs@wm.com

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Please refer to tax notes dated 06-26-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop #7 is removed. I will monitor account for the removal of the stop.

From: Pound, Robert A.  
Sent: Wednesday, June 25, 2008 2:23 PM  
To: Springs, Sonya E.; Morris, Linda  
Cc: Kirby, Louise L.  
Subject: RE: Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stop 7 is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.  
Sent: Wednesday, June 25, 2008 2:08 PM  
To: Morris, Linda  
Cc: Pound, Robert A.; Kirby, Louise L.  
Subject: RE: Richardson  
Importance: High

Louise,

There is already a NON123 task open and its assigned to Linda Morris.

Linda,

Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,
Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tax Mitigation Specialist, Senior
Phone (843) 673-3706
Fax (843) 673-4728
Mailstop FSC0211
sonya_springs@wmu.net

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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 12:03 PM
To: Lopez, Christine; Rogers, Savannah L.
Cc: Spragg, Savag E.
Subject: RE: Richardson

Sonya,
Please assign this account to someone on the non/resc team to follow up and respond to Savannah and Christina.

Thanks.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4726 (fax)

From: Lopez, Christine
Sent: Wednesday, June 25, 2008 9:16 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.
Subject: RE: Richardson

Louise,

Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNeil-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:56 AM
To: Lopez, Christine
Cc: Kirby, Louise L.
Subject: RE: Richardson

Christy,
This fc sale was rescinded...what should I do to get this moving? Do you know if the fc dept should remove their stops?

Thanks,
Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Kirby, Louise L.  
Sent: Wednesday, June 25, 2008 8:35 AM  
To: Rogers, Savannah L.  
Subject: RE: Richardson

Savannah,

Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the man code is "W" with disbursement step 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7--conveyed, which also prevents us from paying.

LOUISE KIRBY  
LS Section Manager II  
Tax Mitigation  
(843) 673-4737 (phone)  
(843) 673-4720 (fax)

From: Rogers, Savannah L.  
Sent: Wednesday, June 25, 2008 8:35 AM  
To: Kirby, Louise L.  
Subject: FW: Richardson  
Importance: High

Louise,

Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/2008 saying the taxes were not going to be paid because of the manocode. Now that the manocode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Rogers, Savannah L.  
Sent: Tuesday, June 24, 2008 9:38 AM  
To: Johnson, Wonza L.  
Cc: Alwood, Opal S.; Mathis, Julie A.  
Subject: Richardson  
Importance: High

Hi Wonza,

There were two checks returned 4/21/08 for delinquent property taxes $3100.91 + $405.40. This loan went to fc sale
which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 876 6078

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
Michelle,

Please request the disbursement stop be removed so we can get this file out immediately. Ann Thom is requesting we escalate this issue... in case you are not getting a response.

Please let us know this has been taken care of so Loss Mit can proceed.

Thank you,

Savannah Rogers
Homeowners Preservation
Washington Mutual
Toll Free 866 920 8937
Direct fax 460 540 5078
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 10:31 AM
To: Rogers, Savannah L.
Cc: Thom, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: RE: Richardson

Savannah

There is now a disbursement stop 1 preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll.

I have to verify them with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4720
email: michelle.m.thomas@wamu.net

The Elite Group
BE RECOGNIZED

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 10:38 AM
To: Thomas, Michelle M.
Cc: Thom, Ann; Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.
Subject: FW: Richardson

Redacted
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 10:19 AM
To: Rogers, Savannah L.; Mathis, Julie A.
Cc: RE: [REDACTED]
Subject: Richardson

REDACTED

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 9:50 AM
To: Thom, Ann
Cc: RE: [REDACTED] Mathis, Julie A.
Subject: RE: [REDACTED] Richardson

Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 9:03 AM
To: Rogers, Savannah L.; Mathis, Julie A.
Cc: RE: [REDACTED]
Subject: Richardson
Importance: High

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal. Please clarify.

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150
For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thrash, Ann
Cc: Mathis, Julie A.; Reel, Pamela S.; Thomas, Michelle M.
Subject: RE: [Richardson]

Ann,

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thrash, Ann
Sent: Thursday, July 03, 2008 8:57 AM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathis, Julie A.; Reel, Pamela S.
Subject: RE: [Richardson]

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thrash, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:36 AM
To: Thrash, Michelle M.
Cc: Thrash, Julie A.; Reel, Pamela S.
Subject: FW: [Richardson]

Hi Michelle,

Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.
From: Thorn, Ann
Sent: Wednesday, July 02, 2008 3:39 PM
To: Mathis, Julie A.; Beal, Pamela S.; Rogers, Savannah L.
Subjects: FW Richardson

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Bolton, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thorn, Ann
Subjects: RE: FW Richardson

Done.

Thank you,

Both

From: Thorn, Ann
Sent: Wednesday, July 02, 2008 1:01 PM
To: Bolton, Elizabeth A.
Subject: FW Richardson
Importance: High

Can you change back to presale stop code

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Mathis, Julie A.
Sent: Wednesday, July 02, 2008 12:01 PM
To: Thorn, Ann
Cc: Rogers, Savannah L.; Beal, Pamela S.
Subject: FW Richardson
Importance: High

Ann, do you know how we can have the FC stop 7 removed?

From: Rogers, Savannah L.
Sent: Wednesday, July 02, 2008 11:57 AM
To: Mathis, Julie A.
Cc: Beal, Pamela S.
Subject: RE FW Richardson

I sent an email to Chrissy 6/26/08 but didn't hear anything back. Do you know how/when the FC stop 7 will be removed?
That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: Richardson >>
Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978
This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Mathis, Julie A.
Sent: Tuesday, July 01, 2008 9:20 PM
To: Rogers, Savannah L.
Cc: Bell, Pamela S.; Richardson
Subject: RE: Richardson

Are we ok with this one?

Thanks!

Julie

From: Thomas, Michele M.
Sent: Thursday, June 26, 2008 11:03 AM
To: Rogers, Savannah L.; Lopes, Christine; Haywood, Oricka S.; Mathis, Julie A.
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Please see fax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas
Real Estate Tax Associates Sr.
1-800-353-3860 ext. 4756
email: michelle.m.thomas@wamur.net

<< OLE Object: Picture (Metafile) >>

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM
To: Rogers, Savannah L.; Lopes, Christine; Haywood, Oricka S.; "Julie.Mathis@wamur.net"
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Michelle M. Thomas
Real Estate Tax Associates Sr.
1-800-353-3860 ext. 4756
email: michelle.m.thomas@wamur.net

<< OLE Object: Picture (Metafile) >>

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:27 PM
To: Thomas, Michele M.
Subject: FW: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,

Sonya Springs

<< OLE Object: Picture (Metafile) >>

Tax Lienage Specialist, Senior
Phone (843) 673-3700
Fax (843) 875-4726
Mosaic FSC021

Sonya Springs@Wamu.net

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Please refer to tax notes dated 06-25-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop #7 is removed. I will monitor account for the removal of the stop.

From: Found, Robert A.
To: Springs, Sonya E.; Morris, Linda
Cc: Kirby, Louise L.
Subject: RFJ Richardson

I have reassigned this to Michelle Thomas. But until the FCL Step 7 is removed she will not be able to pay taxes.

Robert Found

From: Springs, Sonya E.
To: Morris, Linda
Cc: Found, Robert A.; Kirby, Louise L.
Subject: RFJ Richardson

Importance: High

Louise,

There is already a NON123 task open and it is assigned to Linda Morris.

Linda,

Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,

Sonya Springs

<< OLE Object: Picture (Metafile) >>

Tax Lienage Specialist, Senior
Phone (843) 673-3700
Fax (843) 875-4726
Mosaic FSC021

Sonya.Springs@Wamu.net

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Subject: RE: Richardson

Sonya,
Please assign this account to someone on the non/esc team to follow up and respond to Savannah and Christina.

Thanks.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

Subject: RE: Richardson

Louise,
Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn't appear that we placed the disbursement stop. Per SAF 1, processor EDC placed the block on there on 5/14/09. It appears her name is Veronica McNeill-Ellis. Can you check with her to determine if the block can be removed?

Thanks

Subject: RE: Richardson

Chissy,
This is a sale was rescinded...what should I do to get this moving? Do you know if the line dept should remove their stops?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tel: Free 866-626-8902
Direct fax 469-549-5978

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Subject: RE: Richardson

Kirby, Louie L.
Savannah,

Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the man code is "W" with disbursement step 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7- conveyed, which also prevents us from paying.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4720 (fax)

From: Rogers, Savannah L.
Sent: Wednesday, June 25, 2008 8:30 AM
To: Kirby, Louisa L. Richardson
Subject: High
Importance: High

Louisa,

Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/2008 saying the taxes were not going to be paid because of the manocode: Now that the manocode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 326 8937
Direct fax 469 549 5978

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From: Rogers, Savannah L.
Sent: Tuesday, June 24, 2008 9:39 AM
To: Joseph, Wonza L.
Cc: Haywood, Donna S.; Martin, Julie A.
Subject: High
Importance: High

Hi Wonza,

There were two checks returned 4/21/08 for delinquent property taxes $3163.81 + $405.49. This loan went to 1st sale which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if these taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 326 8937
Direct fax 469 549 5978

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Thanks!

Leah Bartoces
Washington Mutual
1301 2nd Avenue, WMC 3501
Seattle, WA 98101

206.500.4262 direct
206.377.2784 fax
leah.bartoces@wamu.net

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply e-mail and immediately delete the message and any attachments without copying or disclosing the contents. Thank you.

---

Hi Leah,

Please advise.

Thank you,
Sophia H. Dahashy
Research Support Analyst I
Legal Department Business Planning and Operations
Washington Mutual
9200 Grandview Dr., N.10214
Chatsworth, CA 91311

818.775.8867, direct; 818.775.7350 fax.
Sjahana.Hossain@calbush@wamu.net

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---

Good Morning.
I didn't put the stop there manually therefore I can't remove it. The stop was place once the F/C workstations were updated to reflect a 3rd party sale on this property which at that time was a man code R. It has since rescinded now man code W. so it is no longer in my area. We process payments for this particular man code, but we don't remove stops.

Also if you read the notes on the loan you will see:

**06/12/08 18:14:36 JAW FROM MEMI:**

PLEASE CONTACT SOPHIA MAHRASHT TO F/GAL. @ 818-775-6867 PRIOR TO PROCESSING ANY ACTION ON THIS LOAN OR CONTACTING/SPEAKING WITH THE BORROWER. PHONE # IS FOR INTERNAL USE ONLY.

This might be your first stop. Sorry I couldn't help you with removing the stop.

Hope this was helpful to you.

Sophia,
Can you assist Michelle with her questions?

You all have a safe a wonderful Holiday weekend.....

Ms. Veronica Sowell-McNeil
LS Cashiering Rep II
Cash Operations
Foreclosure-LMIT
Mail Stop JAXB2007

Fax: (304) 886-1646
Direct: 904-462-3153

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From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 9:24 AM
To: McNeil, Veronica
Cc: Young, Rupert A.
Subject: Is it possible for you to remove the disbursement stop from the above referenced loan number in order that we may disburse tax payments? If so, please do so as soon as possible.
Thank you in advance.
Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

The Elite Group
EL RECOGNIZED
From: Thomas, Michelle M.
Sent: Thursday, July 03, 2008 10:50:30 AM
To: Rogers, Savannah L.
CC: Thorn, Ann Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.; Pound, Robert A.
Subject: RE: Richardson

Savannah

There is now a disbursement stop I preventing me from disbursing these taxes. I am attempting to contact the appropriate person to have that stop removed. Also California tax offices are adding redemption amounts to their tax roll. I have to verify with them the new amount to be paid for the month of July after it becomes available.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 10:38 AM
To: Thomas, Michelle M.
Cc: Thorn, Ann Battaglia, Paul J.; Beal, Pamela S.; Mathis, Julie A.
Subject: FW: REDACTED

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tell Free 866 926 8937
Direct fax 425 549 5978

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From: Thorn, Ann
Sent: Thursday, July 03, 2008 10:19 AM
To: Rogers, Savannah L.; Battaglia, Paul J.
Cc: Beal, Pamela S.; Mathis, Julie A.
Subject: REDACTED

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 9:50 AM
Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

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From:  Thom, Ann
Sent: Thursday, July 03, 2008 9:03 AM
To:   Rogers, Savannah L.; Mathis, Julie A.
Cc:   Richardson
Subject:  Rich
Importance: High

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized loans were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal. Please clarify.

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:56 AM
To: Thom, Ann
Cc: Mathis, Julie A.; Thomas, Michele M.
Subject:  Rich

Ann,

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgagor to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah L.; Thomas, Michele M.
Cc: Mathis, Julie A.; Beal, Pamela S.
Subject: RE: Richardson

What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 02, 2008 8:36 AM
To: Thom, Ann; Mathis, Julie A.; Beal, Pamela S.
Cc: Richardson

Hi Michelle,
Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Home Ownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct line 469 670 8978

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From: Thom, Ann
Sent: Wednesday, July 02, 2008 3:39 PM
To: Mathis, Julie A.; Beal, Pamela S.; Rogers, Savannah L.
Cc: Richardson

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Beal, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thom, Ann
Cc: Richardson

Subject: RE: Richardson

Done.

Thank you,

Beth
Can you change back to presale stop code

******Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150
For Internal Use Only

Ann, do you know how we can have the FC stop 7 removed?

I sent an email to Chrissey 8/26/08 but didn't hear anything back. Do you know how/when the FC stop 7 will be removed?
That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: Richardson >>
Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-920-8907

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Are we ok with this one?

Thanks!

Julie
From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 11:03 AM
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Oriska S.; Mathis, Julie A.
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Please see tax notes on the above reference loan number indicating I will not be able to disburse tax payment until the foreclosure stop 7 has been removed. I will monitor the account for the removal of the foreclosure stop.

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

<< OLE Object: Picture (Metafile) >>

From: Thomas, Michelle M.
Sent: Thursday, June 26, 2008 9:57 AM
To: Rogers, Savannah L.; Lopez, Christina; Haywood, Oriska S.; 'Julie.Mathis@wamu.net'
Cc: Springs, Sonya E.; Pound, Robert A.
Subject: RE: Richardson

Michelle M. Thomas
Real Estate Tax Associate Sr.
1-800-353-3860 ext. 4726
email: michelle.m.thomas@wamu.net

<< OLE Object: Picture (Metafile) >>

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:27 PM
To: Thomas, Michelle M.
Subject: FW: Richardson

Michelle,

I am copying you on this email so you can respond to the original parties on the email.

Thanks,

Sonya Springs

<< OLE Object: Picture (Metafile) >>

Tax Mitigation Specialist, Senior

phone: (843) 876-3700
Fax: (843) 876-4726
Mailstop: FSC0511

sonya_springs@wamu.net

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Please refer to tax notes dated 06-26-08. I will not be able to disburse tax payment for the delinquent taxes until the foreclosure stop 7 is removed. I will monitor account for the removal of the stop.

From: Pound, Robert A.
Sent: Wednesday, June 25, 2008 2:23 PM

JPIC - 002102
CONFIDENTIAL
CSOC.RICH.000591
To: Springs, Sonya E.; Morris, Linda
Cc: Kirby, Louise L.
Subject: RE: Richardson

I have reassigned this to Michelle Thomas. But until the FCL Stop 7 is removed she will not be able to pay taxes.

Robert Pound

From: Springs, Sonya E.
Sent: Wednesday, June 25, 2008 2:00 PM
To: Morris, Linda
Cc: Powell, Robert A.; Kirby, Louise L.
Subject: RE: Richardson

Importance: High

Louise,

There is already a NCN123 task open and its assigned to Linda Morris.

Linda,

Can you go ahead and research this loan? Then e-mail a response to the all parties the e-mail below.

Thanks,

Sonya Springs
<< OLE Object: Picture (Metafile) >>

Tax Mitigation Specialist, Sanier
Phone: (843) 873-3706
Fax: (843) 873-4728
Mailstop: CSO3211

Sonya, Springs/Phaeas.net

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From: Kirby, Louise L.
Sent: Wednesday, June 25, 2008 12:02 PM
To: Lopez, Christina; Rogers, Savannah L.
Cc: Springs, Sonya E.
Subject: RE: Richardson

Sonya,

Please assign this account to someone on the non/eco team to follow up and respond to Savannah and Christina.

Thanks.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 873-4737 (phone)
(843) 873-4728 (fax)

From: Lopez, Christina
Sent: Wednesday, June 25, 2008 9:16 AM
To: Rogers, Savannah L.
Cc: Kirby, Louise L.
Subject: RE: Richardson

Louise,
Loss Mit only blocks taxes on short sales. This is not a short sale and it doesn’t appear that we placed the disbursement stop. Per SAF1, processor EDC placed the block on there on 5/14/08. It appears her name is Veronica McNell-Ellis. Can you check with her to determine if the block can be removed?

Thanks

From: Rogers, Savannah L.
To: Lopez, Christina
Cc: Kirby, Louise L.
Subject: Re: [ ] Richardson

Chrissey,
This fc sale was rescinded...what should I do to get this moving? Do you know if the fc dept should remove their stops?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866-926-8937
Direct Fax 460-540-9079
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---

From: Kirby, Louise L.
To: Rogers, Savannah L.
Subject: 

Savannah,
Per instructions we have received by Christina Lopez dated 12/3/07, we cannot disburse tax if the man code is “V” with disbursement stop 1.

So with the codes that are on the account now, we are not able to pay any tax payments.

Also there is a foreclosure code 7–conveyed, which also prevents us from paying.

LOUISE KIRBY
LS Section Manager II
Tax Mitigation
(843) 673-4737 (phone)
(843) 673-4728 (fax)

---

From: Rogers, Savannah L.
To: Kirby, Louise L.
Subject: PW [ ] Richardson
Importance:

Louise,
Management is requesting we get this Mod out asap. I just want to make sure I asked the right person (Wonza) to help me set up the escrow - property taxes are delinquent. There is a note on the loan from 5/20/08 saying the taxes were not going to be paid because of the mncode. Now that the mncode is W - can this be taken care of? Do you have a timeframe for completion so I can let management know?
Hi Wonza,

There were two checks returned 4/21/08 for delinquent property taxes $8109.81 + $405.49. The loan went to foreclosure which has been rescinded and we will be modifying this loan. Who can send the task to set up the escrow for these taxes and possibly research if those taxes are still delinquent since the checks came back from Sacramento County?

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
Tell Free 866 926 8937
Direct fax 469 549 5978

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REDACED

**********Please note my phone number has changed to 904-462-2150

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2150  

For Internal Use Only

Savannah Rogers  
Homeownership Preservation  
Washington Mutual  
Toll Free 866 926 8937  
Direct fax 469 549 8978  

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REDACED

Ann Thorn, FVP  
Washington Mutual  
National Asset Recovery Manager  
904-462-2150  

For Internal Use Only

From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 10:50:23 AM  
To: Thorn, Ann  
Cc: Bettaglia, Paul J.; Neal, Pamela S.; Mathis, Julie A.  
Subject: RE: [REDACTED] Richardson

From: Rogers, Savannah L.  
Sent: Thursday, July 03, 2008 10:38 AM  
To: Thorn, Ann; Bettaglia, Paul J.; Neal, Pamela S.; Mathis, Julie A.  
Cc:  
Subject: RE: [REDACTED] Richardson

From: Thorn, Ann  
Sent: Thursday, July 03, 2008 10:19 AM  
To: Rogers, Savannah L.; Bettaglia, Paul J.  
Cc: Neal, Pamela S.; Mathis, Julie A.  
Subject: RE: [REDACTED] Richardson

From: Thorn, Ann  
Sent: Thursday, July 03, 2008 9:50 AM  
To: Rogers, Savannah L.  
Cc: Neal, Pamela S.; Mathis, Julie A.  
Subject: RE: [REDACTED] Richardson
Yes, you are correct.

Savannah Rogers
Homeownership Preservation
Washington Mutual
tell Free 866 926 8937
direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 9:03 AM
To: Rogers, Savannah L.; Mathis, Julie A.
Cc: Real, Pamela S.; Richardson
Subject: Richardson
Importance: None

Ok, I need to understand something. We already talked to Richardson and told her the terms of the Modification as I understood. Then we realized taxes/insurance were not paid by Red Rock and now need to pay 2-3 weeks later and get back to her with new figures? Is that the case?

I need to understand this because it is my impression that Richardson thinks she has a new deal. Please clarify.

.........Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 8:26 AM
To: Thom, Ann
Cc: Mathis, Julie A.; Real, Pamela S.; Thomas, Michelle M.
Subject: Richardson

Ann.

Once the taxes are disbursed and the escrow is set up I will work up the Modification terms. We will contact the mortgage to verify the terms and have the documents sent.

Thanks,

Savannah Rogers
Homeownership Preservation
Washington Mutual
tell Free 866 926 8937
direct fax 469 549 5978

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Thursday, July 03, 2008 8:47 AM
To: Rogers, Savannah L.; Thomas, Michelle M.
Cc: Mathis, Julie A.; Real, Pamela S.
Subject: Richardson
What is going on with the Mod?

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Rogers, Savannah L.
Sent: Thursday, July 03, 2008 6:36 AM
To: Thomas, Michelle M.
Cc:
Subject: [PW] Richardson

Hi Michelle,
Please see below, the foreclosure stop 7 has been removed. Please disburse the tax payment so we can proceed with the Mod.

Thanks

Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 866 926 8937
Direct Fax 409 549 3973

This communication may contain privileged or other confidential information. If you have received it in error, please advise the sender by reply email and immediately delete the message and any attachments without copying or disclosing the contents.

From: Thom, Ann
Sent: Wednesday, July 02, 2008 3:39 PM
To: Mathis, Julie A.; Beal, Pamela S.; Rogers, Savannah L.
Subject: [PW] Richardson

**********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

From: Buxton, Elizabeth A.
Sent: Wednesday, July 02, 2008 3:37 PM
To: Thom, Ann
Subject: [PW] Richardson

Done.

Thank you,

Beth
Can you change back to presale stop code

*********Please note my phone number has changed to 904-462-2150

Ann Thom, FVP
Washington Mutual
National Asset Recovery Manager
904-462-2150

For Internal Use Only

Ann, do you know how we can have the FC stop 7 removed?

I sent an email to Chrissy 6/26/08 but didn't hear anything back. Do you know how/when the fc stop 7 will be removed?

That is preventing us from getting the taxes disbursed and escrow set up.

<< Message: RE: [Redacted] Richardson >>

Thank you,
Savannah Rogers
Homeownership Preservation
Washington Mutual
Toll Free 906-926-8937
Direct fax 469-549-5978

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Are we ok with this one?

Thanks!

Julie
House Report 111-523
Continued in Book 3