

IN THE CIRCUIT COURT OF THE FOURTH JUDICIAL CIRCUIT OF FLORIDA
IN AND FOR DUVAL COUNTY, FLORIDA, CIVIL DIVISION

DEUTSCHE BANK NATIONAL TRUST COMPANY
AS TRUSTEE IN TRUST FOR THE BENEFIT OF
THE CERTIFICATEHOLDERS FOR AMERIQUEST
MORTGAGE SECURITIES TRUST 2006-M3,
ASSET-BACKED PASS-THROUGH CERTIFICATES,
SERIES ARSI 2006-M3,

Plaintiff

Case No.: 16-2009-CA-00000

vs.

MISSY JONES., et al,

Defendant(s)

AFFIDAVIT OF EXPERT OPINION

STATE OF FLORIDA

COUNTY OF HILLSBOROUGH

BEFORE ME, an officer authorized to take oaths, this day personally appeared LANE A. HOUK, affiant, who first being duly sworn, deposes and says:

EXPERIENCE, QUALIFICATIONS AND EXPERTISE OF AFFIANT

1. I, Lane A. Houk, am a subject matter expert on foreclosure litigation, the secondary mortgage market, federal home loan compliance requirements pursuant to the Truth in Lending Act, the Equal Credit Opportunity Act, the Real Estate Settlement Procedures Act and am employed as a Mortgage Fraud and Forensic Analyst. I have eight years experience in the mortgage banking and finance profession along with over one thousand (1000) hours of research and study in the areas of the Truth in Lending Act (TILA), the Fair Debt Collection Practices Act (FDCPA), the Fair Credit Reporting Act (FCRA), Foreclosure

Litigation, Asset-Backed Securitization and its effects and applications in Foreclosure and Loss Mitigation.

2. I maintain regular continuing education in banking and finance in the state of Florida and nationally, am registered with the Nationwide Mortgage Licensing System, NMLS No. 374936, and am highly competent with the state and federal disclosure requirements in federally related mortgage loan transactions.
3. I developed Course No. 2567 with the Lee County Bar Association and Florida Bar Association to provide continuing legal education to attorneys and paralegals on the Truth in Lending Act, TILA Rescission Rights, foreclosure litigation, mortgage-backed securitization and how these issues find applicability in judicial foreclosure actions.
4. In the course of my practice I have read and/or reviewed tens of thousands of mortgage loan related documents including, but not limited to: home loan disclosures, settlement statements, appraisals, underwriting and processing documents, mortgages, notes, allonges, assignments, complaints, affidavits and trust documents such as pooling and servicing agreements, prospectuses and prospectus supplements.
5. I perform regular, ongoing research into the securitization, sale and transfer aspects of residential mortgage loans and mortgage-backed securities and am proficient in applying that research to the particular facts in a given foreclosure case.
6. I have testified as an expert witness in other proceedings and have undergone depositions relative to my expert opinions filed in other cases. I can and will testify in the instant case regarding my expert opinion should that be requested or required.

7. In September 2010, I was retained by the Defendant and Defendant's counsel to conduct an investigation and audit of the securitization aspects of this mortgage loan transaction , conduct due diligence inquiries on the Special Purpose Vehicle (the "SPV" and/or the "Trust" and/or the "Issuer") known as Asset-Backed Pass-Through Certificates Series ARSI 2006-M3 for which Deutsche Bank National Trust Company (the "Trustee") has assumed the role of Trustee along with reviewing the pleadings, motions and documents/exhibits, filed by the Plaintiff in the instant case.
8. This declaration of expert opinion is based upon my personal knowledge grounded in a thorough and complete review of the loan documents, servicing documents, trust documents and the pleadings motions, exhibits, affidavit(s) and other documents filed in the instant case. If called upon as an expert witness in this matter I could and would competently testify to the facts as set forth below.

DOCUMENTS RECEIVED, LOCATED, REVIEWED AND EXAMINED

9. In conducting my investigation, audit and analysis:
 - a) I reviewed various documents filed with the Duval County Clerk of Courts in the instant case, most notably the Complaint, pleadings, exhibits and affidavits filed by the Plaintiff;
 - b) I also specifically reviewed and analyzed the copy of the Mortgage (the "Mortgage") dated July 14, 2006 attached to Plaintiff's complaint and the Assignment of Mortgage (the "Assignment") dated February 18, 2009; both of which were recorded in Duval County Public Records on separate occasions. These documents are attached to this affidavit as *Exhibit A*.

- c) I analyzed and reviewed the Pooling and Servicing Agreement (the “PSA”) dated September 1, 2006 for Asset-Backed Pass-Through Certificates Series ARSI 2006-M3 which is the operative and governing document for this SPV/Trust/Issuing Entity and which governs the activities, powers and duties of the Trustee, Depositor, Sponsor, Seller, Master Servicer, any appointed Sub-Servicer(s), Document Custodian and any other party appointed to serve in any role for this SPV. This document consisted of 990 pages and was therefore too large to attach to this affidavit by way of exhibit but can be found directly on the Security and Exchange Commission’s website at http://www.sec.gov/Archives/edgar/data/1374618/000088237706003610/d570327_ex4.htm - certain material parts of the PSA which have direct relation to my findings are referenced in detail below and are attached to this affidavit as **Exhibit B**.
- d) I analyzed and reviewed the Prospectus Supplement, Form 424(B)(5) dated September 7, 2006 for Asset-Backed Pass-Through Certificates Series ARSI 2006-M3. This document consisted of 318 pages and was therefore too large to attach to this affidavit by way of exhibit but it can be found directly on the Security and Exchange Commission’s website at http://www.sec.gov/Archives/edgar/data/1374618/000088237706003212/d568210_424b5.htm - certain material parts of the Prospectus Supplement which have direct relation to my findings are referenced in detail below and are also attached to this affidavit as **Exhibit B**.
- e) I analyzed and reviewed the Underwriting Agreement dated September 12, 2006 for Asset-Backed Pass-Through Certificates Series ARSI 2006-M3. This document consisted

of 18 pages and was therefore too large to attach to this affidavit by way of exhibit but it can be found directly on the Security and Exchange Commission's website at <http://www.sec.gov/Archives/edgar/data/1374618/000088237706003610/d569142.htm> - certain material parts of the Underwriting Agreement which have direct relation to my findings are referenced in detail below and are also attached to this affidavit as ***Exhibit B.***

- f) I analyzed and reviewed the Registration Statement, Form 8-K dated September 1, 2006 for Asset-Backed Pass-Through Certificates Series ARSI 2006-M3.

SUMMARY

10. The Plaintiff brought a foreclosure action as Trustee for the benefit of the Certificateholders for Ameriquest Mortgage Securities Trust 2006-M3, Asset-Backed Pass-Through Certificates Series ARSI 2006-M3, alleging "owner and holder" status based on the Mortgage attached to the Complaint and an Assignment of Mortgage dated February 18, 2008 and recorded in Duval County Public Records on February 23, 2009 at 08:29 a.m in which the Assignment was also attached to the Complaint. Defendant Missy Jones filed her Answer on June 15, 2009. Final Judgment of Foreclosure was ordered on January 19, 2010 and the Foreclosure Sale was conducted on September 23, 2010. It is my opinion (more fully explained below) that the final judgment and sale should be vacated for fraud on the court committed by the Plaintiff and that the Plaintiff is not the lawful or legal owner of the subject Note and Mortgage as it alleged in its complaint and that the Plaintiff violated various provisions of the Pooling and Servicing Agreement governing the Plaintiffs actions as Trustee and, in so doing, the Plaintiff committed a serious breach of trust in its role and duties as trustee.

11. The Plaintiff is acting the Trustee for the investors in the certificates issued by the Issuer, Series ARSI 2006-M3. The PSA clearly describes and delineates the manner and order in which Notes and Mortgages (the “Mortgage Loans” as defined by the PSA in Section 1.01, page 20) are to be conveyed which is thoroughly outlined in Section 2.01 of the PSA and detailed more fully below in my affidavit.

LEGAL ASSUMPTIONS AND FRAMEWORK FOR ANALYSIS

12. In rendering my opinion(s), I am relying on the following facts and factual and legal assumptions:

- a) The documents that are described in Paragraph 9, were *provided* to me by counsel for all documents which were filed in the instant case with the Duval County Clerk of Court or were *located* by me on EDGAR, the Electronic Data Gathering, Analysis, and Retrieval system, performs automated collection, validation, indexing, acceptance, and forwarding of submissions by companies and others who are required by law to file forms with the U.S. Securities and Exchange Commission (SEC).
- b) The *operative and governing document* of this Trust is the Pooling and Servicing Agreement dated September 1, 2006 and which was filed with the SEC. This document was located by me and is detailed above in Paragraph 9.
- c) According to the Prospectus Supplement, page 26, filed with the Securities and Exchange Commission (the “SEC), the Issuing Entity (ie. the “Trust”) is a New York common law trust established pursuant to the Pooling and Servicing Agreement dated September 1, 2006;

- d) The Plaintiff, Deutsche Bank National Trust Company, is a New York corporation and is the Trustee of the trust and also serves as the document Custodian for the trust;
- e) The Trust and the Trustee are governed by the Laws of the State of New York as it relates to the governance of the Trust by the Trustee and the activities of the Trust;
- f) New York Trust law says every sale, conveyance or other act of the trustee in contravention of the trust is void. “NY CLS EPTL § 7-2.4, *Application of Muratori*, 183 Misc. 967, 970 (N.Y. Sup. Ct. 1944) See also *Dye v Lewis* 67 Misc 2d 426, 324 NYS2d 172 (1971), mod on other grounds 39 App Div 2d 828, 332 NYS2d 968 (1972, 4th Dept). (The authority of a trustee to whom a mortgage had been delivered under a trust indenture was subject to any limitations imposed by the trust instrument, and every act in contravention of the trust was void.)
- g) In several different sections of the PSA, the Trust elected to be treated as a Real Estate Mortgage Investment Conduit (a “REMIC”) pursuant to the provisions and regulations of a REMIC found at 26 U.S.C. §§ 860A-F; Internal Revenue Code (the “Code”), Section 860;
- h) Election by the Trust to be treated as one or more REMIC’s imposes strict and absolute requirements regarding transfers of assets (ie. mortgage loans or notes) to the Trust and IRC Section 860 outlines and governs these strict requirements;
- i) The subject mortgage loan is a closed-end, federally-related mortgage loan transaction and is therefore covered under and regulated by:

- i. The Truth in Lending Act, 15 U.S.C. §§ 1601 *et seq.* (“TILA”), and its implementing regulations at 12 C.F.R. § 226 *et seq.* (“Reg. Z”);
- ii. The Equal Credit Opportunity Act, 15 U.S.C. §§ 1691 *et seq.* (ECOA), and its implementing regulations at 12 C.F.R. § 202 *et seq.* (“Reg. B”);
- iii. The Real Estate Settlement Procedures Act, 12 U.S.C. §§ 2601 *et seq.* (“RESPA”) and its implementing regulations at 24 C.F.R. § 3500 *et seq.* (“Reg. X”)

OVERVIEW OF TRANSACTION, FACTUAL BACKGROUND AND FACTS
CONCERNING ADMINISTRATION OF THE TRUST

13. On July 14, 2006 the Defendants, Missy Jones, consummated and ratified the subject mortgage loan by executing a Promissory Note and Mortgage in favor of the Lender, Argent Mortgage Company, LLC, a Delaware Limited Liability Company.
14. On May 18, 2009 the Plaintiff filed the instant foreclosure action against the named Defendants, including Missy Jones.
15. In its complaint, General Allegations, ¶ 3, the Plaintiff alleged that “Plaintiff is the owner and holder of the Promissory Note and Mortgage by a certain Assignment of Mortgage recorded on February 23, 2009 in Official Records Book/Instrument 14787, Page 2010 of the Public Records of Duval County, Florida.” A copy of that Assignment is attached to this affidavit as ***Exhibit A***.

16. At ¶ 10 of the Complaint, the Plaintiff alleged that “all conditions precedent to the acceleration of the Promissory Note and to foreclose the Mortgage have been performed or have occurred.”
17. In Count II, ¶¶ 18-23 of the Complaint, the Plaintiff sought to enforce a lost, stolen or destroyed Promissory Note pursuant to Section 673.3091, Florida Statutes and alleged that the Plaintiff is not in possession of the Note but is entitled to enforce it; alleged that the Plaintiff was in possession of the Note and entitled to enforce it when it was lost; alleged that the loss of possession was NOT the result of a transfer or a lawful seizure; alleged that the Plaintiff could not reasonably obtain possession of the Note because the whereabouts of the Note could not be determined and alleged that the terms of the Note were attached to its Complaint as *Exhibit B*.
18. In Count III, ¶¶ 26-30, the Plaintiff seeks to re-establish a lost or destroyed Mortgage pursuant to Section 71.011, Florida Statutes, alleged that the Mortgage had been lost or destroyed, had no knowledge of the manner of loss or destruction and that the persons named in the complaint were the “only persons known to Plaintiff who are interested for or against such reestablishment.”
19. On August 21, 2009, the Plaintiff filed an “Affidavit of Lost Original Instrument(s)” in the instant case which was allegedly executed by the Affiant, Tonya Hopkins, on August 6, 2009 and notarized by the notary, Linda Bayless, on August 6, 2009 in Duval County, Florida.
20. The Affiant stated that she is “an authorized signer on behalf of American Home Mortgage Servicing, Inc. as Attorney-in-fact for Deutsche Bank National Trust Company, as Trustee in

trust for the benefit of the Certificateholders for Ameriquest Mortgage Securities Trust 2006-M3, Asset-Backed Pass-Through Certificates, Series ARSI 2006-M3, and has the care, custody and control of the records of plaintiff concerning the loan which is the subject of this action...” (*underline emphasis mine*)

21. At ¶ 3 of the Affidavit of Lost Original Instrument(s), the Affiant stated under penalty of perjury that the “Affiant has caused an extensive search of plaintiff’s records...”
22. On October 22, 2009, in ¶ 7 of its “Motion for Summary Final Judgment of Foreclosure and for Award of Attorney’s Fees and Costs,” the Plaintiff assured the court that the “original promissory note, mortgage and assignment of mortgage will be filed on or before the hearing.”
23. The Plaintiff never filed the original note, mortgage or assignment of mortgage in the instant case on or before the hearing for Final Summary Judgment on January 19, 2010 and in fact not even a copy of the subject Note has ever been filed in the instant case.
 - a) By the very styling of this action and according to the Assignment of Mortgage filed in the instant case, the Plaintiff has alleged that the subject Note and Mortgage (ie. the Mortgage Loan) was conveyed and deposited into the Trust described as Ameriquest Mortgage Securities Trust 2006-M3.
24. According to the PSA and Prospectus Supplement, the parties duly appointed and involved in the administration of this Trust are:
 - a) Originating Lender: Argent Mortgage Company, LLC

- b) Seller & Sponsor: Ameritrust Mortgage Company
- c) Depositor: Ameritrust Mortgage Securities, Inc.
- d) Issuing Entity: Ameritrust Mortgage Securities Trust 2006-M3
- e) Trustee: Deutsche Bank National Trust Company
- f) Custodian: Deutsche Bank National Trust Company
- g) Master Servicer: Ameritrust Mortgage Company

25. According to the PSA, Article X, Section 10.01(b) The Startup Day for this Trust was elected to be the same date as the Closing Date which was: **September 27, 2006**

26. According to Internal Revenue Code, Section 860G, All of a REMIC's loans must be acquired on the startup day of the REMIC or within three months thereafter. Any contribution of an asset (other than cash) that is contributed to the REMIC after the Startup Day (or within the allowable 90 day window) is deemed an "unqualified or prohibited contribution" and can cause the entire REMIC Trust to lose its tax-free status which would be catastrophic to the Trust (and all the individual beneficiaries, shareholders or Certificateholders) because the Trust cash flow would be subjected to double-taxation or at a minimum, the prohibited transaction is taxed at 100% to the Trust.

27. For this reason, all parties serving as agents for the Trust must strictly adhere to the guidelines and conveyance clauses specifically delineated in Section 2.01 of the PSA lest the Trust lose its special REMIC tax status which would result in double taxation on all trust

income, or, at the very least, subject the Trust to a 100% tax on any and all prohibited transactions.

28. Section 3.01 of the PSA governing certain activities of the Master Servicer specifically says, *“(C) the Master Servicer shall not consent to (i) partial releases of Mortgages, (ii) alterations, (iii) removal, demolition or division of properties subject to Mortgages, (iv) modification_or (v) second mortgage subordination agreements with respect to any Mortgage Loan that would: (i) affect adversely the status of any Trust REMIC as a REMIC, (ii) cause any Trust REMIC to be subject to a tax on “prohibited transactions” or “contributions” pursuant to the REMIC Provisions, or (iii) both (x) effect an exchange or reissuance of such Mortgage Loan under Section 1001 of the Code (or Treasury regulations promulgated thereunder) and (y) cause any Trust REMIC constituting part of the Trust Fund to fail to qualify as a REMIC under the Code or the imposition of any tax on “prohibited transactions” or “contributions” after the Startup Day under the REMIC Provisions.”* (underline emphasis mine)
29. Section 2.01 of the PSA specifically and absolutely dictates that **all Mortgage Loans selected for inclusion into this specific Trust MUST be conveyed to the Trustee without recourse by the DEPOSITOR through a true purchase and sale conveyance.**
30. The Depositor in the securitization chain must purchase the mortgage loans from the Sponsor/Seller, (see Exhibit B, page 1 of the Underwriting Agreement) which means in the instant case, Ameriquest Mortgage Securities, Inc. (Depositor) would have purchased the subject mortgage loan from Ameriquest Mortgage Company (Sponsor and Seller) and then Ameriquest Mortgage Securities, Inc. (Depositor) would have conveyed all rights title and interest in the subject mortgage loan to Deutsche Bank National Trust Company (Trustee)

for the benefit of the Certificateholders of the Trust (again, see Exhibit B, page 1 of the Underwriting Agreement along with Section 2.01, page 40 of the PSA).

31. Section 2.01 of the PSA in the instant case specifically requires the Depositor (*and only the Depositor*) to convey the mortgage loans to the Trustee. Simply put, the PSA allows for absolutely no other form, method or chain of conveyance of mortgage loans to the Trust.
32. The Assignment of Mortgage filed by the Plaintiff in the instant case and which the Plaintiff relies on in its Complaint to substantiate its “owner and holder” status of the Note and Mortgage is IN DIRECT CONTRAVENTION to Section 2.01 of the PSA in several material aspects more fully explained in my Summary of Opinions and Explanation of Opinions.
 - a) **It is important to note again that New York Trust law says every sale, conveyance or other act of the trustee in contravention of the trust is void.** “NY CLS EPTL § 7-2.4, *Application of Muratori*, 183 Misc. 967, 970 (N.Y. Sup. Ct. 1944) See also *Dye v Lewis* 67 Misc 2d 426, 324 NYS2d 172 (1971), mod on other grounds 39 App Div 2d 828, 332 NYS2d 968 (1972, 4th Dept). (The authority of a trustee to whom a mortgage had been delivered under a trust indenture was subject to any limitations imposed by the trust instrument, and **every act in contravention of the trust was void.**)
33. For purposes of simplicity, I also created a Visual Map of the Chain of Conveyance, attached as **Exhibit C**, for all Mortgage Loans required under the PSA.

SUMMARY OF OPINIONS

34. Based on my review of the documents described in Paragraph 9 and the factual basis and legal assumptions in Paragraph 12 and the overall factual background of the instant case described in Paragraphs 13-31, ***it is my opinion that:***

- a) **Fraudulent Document Filed in the Court Record and in Public Records.** The Assignment of Mortgage filed in the instant case with the Complaint and again on October 22, 2009 and which was recorded in Duval County Public Records on February 23, 2009 constitutes a fraud upon the court.
- b) The Assignment of Mortgage which was recorded in the Public Records of Duval County unlawfully clouded the title of the subject property.
- c) **The Plaintiff, as Trustee for the benefit of the Certificateholders for Ameriquest Mortgage Securities Trust 2006-M3, Asset-Backed Pass-Through Certificates Series ARSI 2006-M3, had no requisite authority conferred upon it by the operative and governing documents, the PSA, to accept any conveyance of a mortgage loan in February 2009** or in the manner in which the Assignment of Mortgage purports to have conveyed the mortgage loan (*from Citi Residential Lending directly to the Trustee*) which is the subject of this action; and, in so doing, violated the PSA which is a serious act of infidelity to the Trust and violated several provisions of the Internal Revenue Code, Section 860 governing the REMIC provisions for this Trust since this conveyance allegedly took place nearly 27 months AFTER the very last date (December 27, 2006) a mortgage loan could have been conveyed to this Trust. The

Closing Date and Startup Day was September 27, 2006 and therefore 90 days from that date was the very last day for a mortgage loan or any non-cash asset to be conveyed to the Trust.

- d) **The conveyance of the mortgage loan is null and void under New York trust law** as it relates to the powers of the Trustee to accept and/or convey a mortgage loan for this trust in this manner.
- e) **The Trustee has no power or authority** to act outside of the scope of the powers conferred upon the Trustee under the PSA.
- f) **The Trustee has committed a serious breach of trust** and has also exposed the Trust to serious tax penalties and possible IRS and SEC audits of the entire conveyance practices of the Trust which jeopardizes the entire tax status of the Trust.
- g) **The subject Note and Mortgage likely did NOT get deposited or ultimately make it into this Trust** and, therefore, another entity is likely to be found to be the true and actual owner and holder of the Note and Mortgage, however further discovery would need to be conducted to make a final determination of exactly who at this point does own the subject Note and Mortgage and to determine if the Note and Mortgage have been bifurcated or not.
- h) **The Affiant, Tonya Hopkins, is most likely NOT an employee of either American Home Mortgage Servicing, Inc. OR the Plaintiff** and therefore it is highly unlikely that she actually has any personal knowledge of the facts she purportedly attested to under penalty of perjury.

- i) Further, it is likely that she made false statements in her Affidavit when she attested under penalty of perjury that “these records are maintained under Affiant’s direct supervision and control.”
- j) **The Assignment of Mortgage document was not created by the Plaintiff or the Servicer** but instead was created by a company called Nationwide Title Clearing (NTC), a Florida Corporation with its principal place of business at 2100 Alternate US 19 North, Palm Harbor, Florida 34683. **See Exhibit D** for further information on NTC and **Exhibit E** for further information on Bryan Bly who signed the Assignment of Mortgage.
- k) **The Assignment of Mortgage was created in Pinellas County, Florida by NTC and was signed in Pinellas County by NTC employee Bryan Bly** even though the Assignment purports to transfer the original Mortgage and Note from Citi Residential Lending, Inc. as Attorney in Fact for Argent Mortgage Company, LLC (Assignor) with its principal place of business at 10801 E. 6th Street, Rancho Cucamonga, California 91730 to the Plaintiff (Assignee) with its principal place of business at 1761 East St. Andrews Place, Santa Ana, California 92705.
- l) It is highly possible that the Affiant Tonya Hopkins is found to be an employee of NTC however further discovery and/or deposition would need to be conducted to make a final determination.
- m) Therefore, ***it is my opinion*** that the Plaintiff should not have been granted final summary judgment of foreclosure because it:

- i. Did not file even a copy of the Note in the instant case;
- ii. Did not file the original Note and Mortgage in the instant case even though its Motion for Summary Judgment was conditioned on that event taking place;
- iii. Filed a fraudulent Assignment of Mortgage in a legal proceeding;
- iv. Misrepresented its status as “owner and holder” of the Note and Mortgage;
- v. Filed an Affidavit in support of its Complaint on false pretenses, false testimony or both;
- vi. The Affiant produced none of the records she referred to in her Affidavit which is a violation of Rule 1.130, Florida Rules of Civil Procedure;
- vii. The Affiant produced none of the documentation substantiating the signing authority she claimed to have in her Affidavit;
- viii. The Plaintiff stated in its Complaint at Paragraph 30 that “the persons named in the Complaint are the only persons known to Plaintiff who are interested for or against such reestablishment” when the very fact that the Plaintiff is a Trustee for this Trust demonstrates that the Plaintiff must clearly know that there are several entities in the securitization chain that could or should be interested in the reestablishment of a lost original document. This fact therefore indicates that the Plaintiff possibly made a knowingly false statement in its Complaint.

EXPLANATION OF OPINIONS

35. The Pooling and Servicing Agreement and the Underwriting Agreement for this Trust are crystal clear. No mortgage loan in this trust could be conveyed by any entity other than the Depositor, Ameriquest Mortgage Securities, Inc. and no later than December 27, 2006 since the PSA specifically requires all parties to strictly adhere to Internal Revenue Code (the “IRC”), Section 860 provisions. The Depositor was under agreement to purchase all mortgage loans for this Trust from the Sponsor and Seller, Ameriquest Mortgage Company.
36. The Assignment of Mortgage filed by the Plaintiff alleges that this mortgage loan was conveyed to this Trust NOT by the Depositor but by an entity not even named in the PSA, Citi Residential Lending, Inc. allegedly as Attorney in Fact for Argent Mortgage Company, LLC and that it was conveyed to the Trustee for the benefit of the Certificateholders of the Trust on February 18, 2009, approximately twenty-seven (27) months after the very last date any mortgage loan could have been conveyed and transferred to this Trust pursuant to the IRC regulations.
37. This constitutes a prohibited transaction if it truly represents that the Note and Mortgage were conveyed to the Trust on the date of the Assignment. The Trustee simply has no vested power to accept such a prohibited transaction. It is a serious breach of trust and the conveyance is null and void under New York trust law.
38. The Plaintiff was also appointed document Custodian for this Trust. Section 2.01, Page 40 of the PSA spells out with complete clarity that *“in connection with such transfer and assignment (of the mortgage loans), the Depositor does hereby deliver to, and deposit with, the Trustee the following documents or*

instruments with respect to each Mortgage Loan so transferred and assigned, and the Depositor shall deliver or cause to be delivered to the Custodian (Plaintiff) the following documents or instruments (a "Mortgage File")."

39. The documents and instruments to be delivered to the Plaintiff as Trustee and Custodian and which are listed on Page 40 of the PSA are as follows:
- a) The original Mortgage Note, endorsed in blank without recourse or in the following form: "Pay to the order of Deutsche Bank National Trust Company, as Trustee under the applicable agreement, without recourse," with all prior and intervening endorsements showing a complete chain of endorsement from the originator to the Person so endorsing to the Trustee, or with respect to any lost Mortgage Note, an original Lost Note Affidavit; provided however, that such substitutions of Lost Note Affidavits for original Mortgage Notes may occur only with respect to Mortgage Loans, the aggregate Cut-off Date Principal Balance of which is less than or equal to 2.00% of the Pool Balance as of the Cut-off Date;
 - b) the original Mortgage, with evidence of recording thereon, and a copy, certified by the appropriate recording office, of the recorded power of attorney, if the Mortgage was executed pursuant to a power of attorney, with evidence of recording thereon;
 - c) an original Assignment assigned in blank, without recourse;
 - d) the original recorded intervening Assignment or Assignments showing a complete chain of assignment from the originator to the Person assigning the Mortgage to the Trustee as contemplated by the immediately preceding clause

- e) or the original unrecorded intervening Assignments;
- f) the original or copies of each assumption, modification, written assurance or substitution agreement, if any; and
- g) the original or copy of the lender's title insurance policy or an attorney's opinion of title or similar guarantee of title acceptable to mortgage lenders generally in the jurisdiction where the Mortgaged Property is located, together with the original or copies of all endorsements or riders which were issued with or subsequent to the issuance of such policy, or in the event such original or copy of the title policy is unavailable, a written commitment or uniform binder or preliminary report of title issued by the title insurance or escrow company.

40. Section 2.02, Page 40 of the PSA says, "On or prior to the Closing Date, the Trustee agrees, for the benefit of the Certificateholders, to execute and deliver (or cause the Custodian to execute and deliver) to the Depositor and the NIMS Insurer an acknowledgment of receipt of the Mortgage Note (with any exceptions noted), substantially in the form attached as Exhibit C-3 hereto.

41. The Plaintiff alleged in Count II, Paragraph 20 of the Complaint that Plaintiff was in possession of the Note and was entitled to enforce when loss of possession occurred however the Plaintiff, as Trustee of this Trust, would ONLY have the right of enforcement of this Note if it had taken possession of this Note in the manner described in the PSA. No other manner of possession or conveyance is authorized and therefore if the Trustee took

possession of the Note on February 18, 2009 (as the Assignment document purports) then it could not have the right of enforcement as Trustee for this Trust.

42. Furthermore, the Trustee should have executed an “acknowledgment of receipt” as described in Section 2.02 of the PSA and such acknowledgment should have been delivered to the Depositor and the NIMS Insurer and therefore a copy of this acknowledgment should be easily ascertainable in discovery to further verify or possibly, discredit, the Plaintiff’s allegations.
43. Either way, the conclusion that I come to in this expert opinion is very simple and straightforward. The Pooling and Servicing Agreement is the governing document for this Trust and all parties. The PSA clearly defines the conveyance method and order for all mortgage loans in this Trust. The Plaintiff, as Trustee for the Trust, has only the powers to act which are conferred on the Trustee by the PSA. The Trustee strictly violated Article II, Section 2.01 of the PSA when it accepted, if in fact it did, the Note and Mortgage via the Assignment of Mortgage, together with the Note, on February 18, 2009.
44. It is my opinion, after careful consideration of all the facts of this case along with a thorough review of the Trust documents filed with the SEC, that the Assignment of Mortgage, together with the Note, filed in the instant case is not an authentic document and that it was merely fabricated by Nationwide Title Clearing at the request of the Plaintiff or Plaintiff’s counsel to present an “appearance” of the legal ownership of the Note and Mortgage and the right to foreclose on the Defendant.

When Recorded Return To:
AMERICAN HOME MTG SERVICING
C/O NTC 2100 Alt. 19 North
Palm Harbor, FL 34683

CRL L#: 0099657637
Assignee L#: 4001381559
Investor L#: 0099657637
Custodian: 85
Effective Date: 02/11/2009

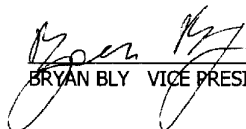
ASSIGNMENT OF MORTGAGE

FOR GOOD AND VALUABLE CONSIDERATION, the sufficiency of which is hereby acknowledged, the undersigned, **CITI RESIDENTIAL LENDING INC., AS ATTORNEY-IN-FACT FOR ARGENT MORTGAGE COMPANY, LLC, WHOSE ADDRESS IS 10801 E. 6TH STREET , RANCHO CUCAMONGA, CA 91730, (ASSIGNOR)**, by these presents does convey, grant, sell, assign, transfer and set over the described mortgage together with the certain note(s) described therein together with all interest secured thereby, all liens, and any rights due or to become due thereon to **DEUTSCHE BANK NATIONAL TRUST COMPANY, AS TRUSTEE FOR, AMERIQUEST MORTGAGE SECURITIES INC., ASSET-BACKED PASS-THROUGH CERTIFICATES, SERIES ARSI 2006-M3, UNDER THE POOLING AND SERVICING AGREEMENT DATED SEPTEMBER 1, 2006, WHOSE ADDRESS IS 1761 EAST ST. ANDREW PLACE , SANTA ANA, CA 92705-4934, (ASSIGNEE)**

Said Mortgage was made by **CARROLL LINSLEY JONES JR. AND MICHELLE WATSON JONES** and was recorded in Official Records of the Clerk of the Circuit Court of DUVAL County, Florida, in Book 13426, Page 1789 or Instr # 2006266340


upon the property situated in said State and County as more fully described in said mortgage.

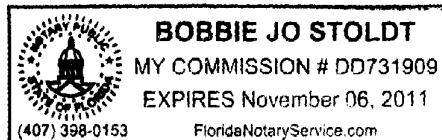
Dated: 02/18/2009
CITI RESIDENTIAL LENDING INC., AS ATTORNEY-IN-FACT FOR ARGENT MORTGAGE COMPANY, LLC


BRYAN BLY VICE PRESIDENT

Whose address is: 10801 E. 6TH STREET, RANCHO CUCAMONGA, CA 91730

STATE OF FLORIDA COUNTY OF PINELLAS
The foregoing instrument was acknowledged before me THIS 18TH DAY OF FEBRUARY IN THE YEAR 2009 by BRYAN BLY, personally known to me to be the VICE PRESIDENT of CITI RESIDENTIAL LENDING INC., AS ATTORNEY-IN-FACT FOR ARGENT MORTGAGE COMPANY, LLC, a corporation, on behalf of the corporation.


Bobbie Jo Stoldt Notary Public
Commission Expires: 11/06/2011



Document Prepared By:
Jessica Fretwell/NTC, 2100 Alt. 19 North, Palm Harbor, FL 34683 (800)346-9152
CRLAS 9416312 form5/EFRMFL1



9416312

Return To:

Argent Mortgage Company, LLC
C/O Nationwide Title Clearing, Inc.
2100 Alt 19 North
Palm Harbor, FL 34683

ACCU TITLE AGENCY
9485 REGENCY SQUARE BLVD
SUITE 330
JACKSONVILLE, FLORIDA 32225
FILE # _____

This document was prepared by: Argent Mortgage Company, LLC

Michelle Roche
44 South Broadway, 16th
Flr, White Plains, NY 10604

[Space Above This Line For Recording Data]

MORTGAGE

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 July 14, 2006, together with all Riders to this document.

(B) "**Borrower**" is CARROLL LINSLEY JONES, Jr. and MICHELLE WATSON JONES, HUSBAND AND WIFE

Borrower is the mortgagor under this Security Instrument.

(C) "**Lender**" is Argent Mortgage Company, LLC

Lender is a Limited Liability Company organized and existing under the laws of Delaware

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FLORIDA-Single Family-Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

Form 3010 1/01

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Initials: 

VMP MORTGAGE FORMS - (800)521-7291

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Lender's address is 3 Park Plaza - 10th Floor Irvine, CA 92614

Lender is the mortgagee under this Security Instrument.

(D) "Note" means the promissory note signed by Borrower and dated July 14, 2006. The Note states that Borrower owes Lender one hundred sixty-eight thousand three hundred and 00/100 Dollars (U.S. \$168,300.00) plus interest. Borrower has promised to pay this debt in regular Periodic Payments and to pay the debt in full not later than August 1, 2036

(E) "Property" means the property that is described below under the heading "Transfer of Rights in the Property."

(F) "Loan" means the debt evidenced by the Note, plus interest, any prepayment charges and late charges due under the Note, and all sums due under this Security Instrument, plus interest.

(G) "Riders" means all Riders to this Security Instrument that are executed by Borrower. The following Riders are to be executed by Borrower [check box as applicable]:

- Adjustable Rate Rider
- Balloon Rider
- VA Rider
- Condominium Rider
- Planned Unit Development Rider
- Biweekly Payment Rider
- Second Home Rider
- 1-4 Family Rider
- Other(s) [specify]

(H) "Applicable Law" means all controlling 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-appealable judicial opinions.

(I) "Community Association 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.

(J) "Electronic Funds Transfer" means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, 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 telephone, wire transfers, and automated clearinghouse transfers.

(K) "Escrow Items" means those items that are described in Section 3.

(L) "Miscellaneous Proceeds" means any compensation, settlement, award of damages, or proceeds paid by any third party (other than insurance proceeds paid under the coverages described in Section 5) for: (i) damage to, or destruction of, the Property; (ii) condemnation or other taking of all or any part of the Property; (iii) conveyance in lieu of condemnation; or (iv) misrepresentations of, or omissions as to, the value and/or condition of the Property.

(M) "Mortgage Insurance" means insurance protecting Lender against the nonpayment of, or default on, the Loan.

(N) "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.

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(O) "RESPA" means the Real Estate Settlement Procedures Act (12 U.S.C. Section 2601 et seq.) and its implementing regulation, 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.

(P) "Successor in Interest of Borrower" means any party that has taken title to the Property, whether or not that party has assumed Borrower's obligations under the Note and/or this Security Instrument.

TRANSFER OF RIGHTS IN THE PROPERTY

This Security Instrument secures 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 does hereby mortgage, grant and convey to Lender, the following described property located in the County of DUVAL [Type of Recording Jurisdiction] [Name of Recording Jurisdiction]:

EXHIBIT A ATTACHED HERETO AND MADE A PART HEREOF:

Lot 9, Valley West Subdivision, according to the map or plat thereof, as recorded in plat book 53, pages 67, 67A, and 67B of the Public Records of Duval County, Florida.

Parcel ID Number: 010501 1060
7668 RUDY COURT
JACKSONVILLE
("Property Address"):

which currently has the address of [Street]
[City], Florida 32210 [Zip Code]

TOGETHER WITH all the improvements now or hereafter erected on the property, and all easements, appurtenances, and fixtures now or hereafter a part of the property. All replacements and additions shall also be covered by this Security Instrument. All of the foregoing is referred to in this Security Instrument as the "Property."



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BORROWER COVENANTS that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances 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 national use and non-uniform covenants with limited variations by jurisdiction to constitute a uniform security instrument covering real property.

UNIFORM COVENANTS. 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. currency. However, if any check or other instrument received by Lender as payment under the Note or this Security Instrument is returned to Lender unpaid, Lender may require that any or all subsequent payments due under the Note and this Security Instrument be made in one or more of the following forms, as selected 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 return any payment or partial payment if the payment or partial payments are insufficient to bring the Loan current. Lender may accept any payment or partial payment insufficient to bring the Loan current, without waiver of any rights hereunder or prejudice to its rights to refuse such payment or partial payments in the future, but Lender is not obligated to apply such payments at the time such payments are accepted. If each Periodic Payment is applied as of its scheduled due date, then Lender need not pay interest on unapplied funds. Lender may hold such unapplied funds until Borrower makes payment to bring the Loan current. If Borrower does not do so within a reasonable period of time, Lender shall either apply such funds or return them to Borrower. If not applied earlier, such funds will be applied to the outstanding principal balance under the Note immediately prior to foreclosure. No offset or claim which Borrower might have now or in the future against Lender shall relieve Borrower from making payments due under the Note and this Security Instrument or performing the covenants and agreements secured by this Security Instrument.

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; (c) amounts due under Section 3. Such payments shall be applied to each Periodic Payment in the order in which it became due. Any remaining amounts shall be applied first to late charges, second to any other amounts due under this Security Instrument, and then to reduce the principal balance of the Note.

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 payment received from Borrower to the repayment of the Periodic Payments if, and to the extent that, each payment

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can be 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 extend or postpone the due date, or change the amount, of the Periodic Payments.

3. Funds for Escrow Items. Borrower shall pay to Lender on the day Periodic Payments are due under the Note, until the Note is paid in full, a sum (the "Funds") to provide for payment of amounts due for: (a) taxes and assessments and other items which can attain priority over this Security Instrument as a lien or encumbrance on the Property; (b) leasehold payments or ground rents on the Property, if any; (c) premiums for any and all insurance required by Lender under Section 5; and (d) Mortgage Insurance premiums, if any, or any sums payable by Borrower to Lender in lieu of the payment of Mortgage Insurance premiums in accordance with the provisions of Section 10. These items are called "Escrow Items." At origination or at any time during the term of the Loan, Lender may require that Community Association Dues, Fees and Assessments, if any, be escrowed by Borrower, and such dues, fees and assessments shall be an Escrow Item. Borrower shall promptly furnish to Lender all notices of amounts to be paid under this Section. Borrower shall pay Lender the Funds for Escrow Items unless Lender waives Borrower's obligation to pay the Funds 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 waiver, 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 furnish to Lender receipts evidencing such payment within such time period as Lender may require. Borrower's obligation to make such payments and to provide receipts shall for all purposes be deemed to be a covenant and agreement contained in this Security Instrument, as the phrase "covenant and agreement" is used in Section 9. If Borrower is obligated to pay Escrow Items directly, pursuant to a waiver, and Borrower fails to pay the amount due for an Escrow Item, Lender may exercise its rights under Section 9 and pay such amount and Borrower shall then be obligated under Section 9 to repay to Lender any 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 15 and, upon such revocation, Borrower shall pay to Lender all Funds, and in such amounts, that are then required under this Section 3.

Lender may, at any time, collect and hold Funds in an amount (a) sufficient to permit Lender to apply the Funds at the time specified under RESPA, and (b) not to 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, instrumentality, or entity (including Lender, if Lender is an institution whose deposits are so insured) or in any Federal Home Loan Bank. Lender shall apply the Funds to pay the Escrow Items no later than the time specified under RESPA. Lender shall not charge Borrower for holding and applying the Funds, annually analyzing the escrow account, or verifying 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 can agree in writing, however, that interest

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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. Charges; Liens. Borrower shall pay all taxes, assessments, charges, fines, and impositions attributable to the Property which can attain priority over this Security Instrument, leasehold payments or ground rents on the Property, if any, and Community Association Dues, Fees, and Assessments, if any. To the extent that these items are Escrow Items, Borrower shall pay them in the manner provided in Section 3.

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 secured by the lien in a manner acceptable to Lender, but only so long as Borrower is performing such agreement; (b) contests the lien in good faith by, or defends against enforcement of the lien in, legal proceedings which in Lender's opinion operate 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 satisfactory to Lender subordinating the lien to 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. 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.

Lender may require Borrower to pay a one-time charge for a real estate tax verification and/or reporting service used by Lender in connection with this Loan.

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 including, but not limited to, earthquakes and floods, for which Lender requires insurance. This insurance shall be maintained in the amounts (including deductible levels) and for the periods that Lender requires. What Lender requires pursuant to the preceding sentences can change during the term of the Loan. The insurance carrier providing the insurance shall be chosen by Borrower subject to Lender's right to disapprove Borrower's choice, which right shall not be exercised unreasonably. Lender may require Borrower to pay, in connection with this Loan, either: (a) a one-time charge for flood zone determination, certification and tracking services; or (b) a one-time charge for flood zone determination and certification services and subsequent charges each time remappings 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 Borrower.

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 protect 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 so obtained might significantly exceed the cost of insurance that Borrower could have obtained. Any amounts disbursed 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, with such interest, upon notice from Lender to Borrower requesting payment.

All insurance policies required by Lender and renewals 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 mortgagee and/or as an additional loss payee. Lender shall have the right to hold the policies and renewal certificates. If Lender requires, Borrower shall promptly give to Lender all receipts of paid premiums and renewal notices. If Borrower obtains any form of insurance coverage, not otherwise required by Lender, for damage to, or destruction of, the Property, such policy shall include a standard mortgage clause and shall name Lender as mortgagee and/or as an additional loss payee.

In the event of loss, Borrower shall give prompt notice to the insurance carrier and Lender. Lender may make proof of loss if not made 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's security is not lessened. During such repair and restoration period, Lender shall have the right to hold such insurance proceeds until Lender has had an opportunity to inspect such Property to ensure the work has been completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may disburse proceeds for the repairs and restoration in a single payment 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 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 lessened, the insurance proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, paid to Borrower. Such insurance proceeds shall be applied in the order provided for in Section 2.

If Borrower abandons the Property, Lender may file, negotiate 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 carrier has 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 amounts 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, insofar as such rights are applicable 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. Occupancy. 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 extenuating circumstances exist 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 the Property. Whether or not Borrower is residing in the Property, Borrower shall maintain the Property in order to prevent the Property from deteriorating or decreasing in value due to its condition. Unless it is determined pursuant to Section 5 that repair or restoration is not economically feasible, Borrower shall promptly repair the Property if damaged to 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 be responsible for repairing or restoring the Property only if Lender has released proceeds for such purposes. Lender may disburse proceeds for the repairs 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 not sufficient 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 agent 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 of or prior to such an interior inspection specifying such reasonable cause.

8. Borrower's Loan Application. Borrower shall be in default if, during the Loan application process, Borrower or any persons or entities acting at 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 (a) Borrower fails to perform the covenants and agreements contained in this Security Instrument, (b) 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 forfeiture, for enforcement of a lien which may attain priority over this Security Instrument or to enforce laws or regulations), or (c) 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 protecting and/or assessing the value of the Property, and securing and/or repairing 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 interest in the Property and/or rights under this Security Instrument, including its secured position in a bankruptcy proceeding. Securing the Property includes, but is not limited to, entering the Property to make repairs, change locks, replace or board up 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.

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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 Note rate from the date of disbursement and shall be payable, with such interest, upon notice from Lender to Borrower requesting payment.

If this Security Instrument is on a leasehold, Borrower shall comply with all the provisions of the lease. If Borrower acquires fee title to the Property, the leasehold and the fee title shall not merge unless Lender agrees to the merger in writing.

10. Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan, Borrower shall pay the premiums required to maintain the Mortgage Insurance in effect. If, for any reason, the Mortgage Insurance coverage required by Lender ceases to be available from the mortgage insurer that previously provided such insurance and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to obtain coverage substantially equivalent to the Mortgage Insurance previously in effect, at a cost substantially equivalent to the cost to Borrower of the Mortgage Insurance previously in effect, from an alternate mortgage insurer selected by Lender. If substantially equivalent Mortgage Insurance coverage is not available, Borrower shall continue to pay to Lender the amount of the separately designated payments that were due when the insurance coverage ceased to be in effect. Lender will accept, use and retain these payments as a non-refundable loss reserve in lieu of Mortgage Insurance. Such loss reserve shall be non-refundable, notwithstanding the fact 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 (in the amount and for the period that Lender requires) provided by an insurer selected by Lender again becomes available, is obtained, and Lender requires separately designated payments toward the premiums for Mortgage Insurance. If Lender required Mortgage Insurance as a condition of making the Loan and Borrower was required to make separately designated payments toward the premiums for Mortgage Insurance, Borrower shall pay the premiums required to maintain Mortgage Insurance in effect, or to provide a non-refundable loss reserve, until 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 reimburses 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 insurers evaluate their 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 on terms and conditions 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 using any source of funds that the mortgage insurer may have available (which may include funds obtained from Mortgage Insurance premiums).

As a result of these agreements, Lender, any purchaser of the Note, another insurer, any reinsurer, any other entity, or any affiliate of any of the foregoing, may receive (directly or indirectly) amounts that derive from (or might be characterized as) 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 agreement provides that an affiliate of Lender takes a share of the insurer's risk in exchange for a share of the premiums paid to the insurer, the arrangement is often termed "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.

(b) Any such agreements will not affect the rights Borrower has - if any - with respect to the Mortgage Insurance under the Homeowners Protection Act of 1998 or any other law. These rights may include the right to receive certain disclosures, to request and obtain cancellation of the Mortgage Insurance, to have the Mortgage Insurance terminated automatically, and/or to receive a refund of any Mortgage Insurance premiums that were unearned at the time of such cancellation or termination.

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 lessened. 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 completed to Lender's satisfaction, provided that such inspection shall be undertaken promptly. Lender may pay for the repairs 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 lessened, the Miscellaneous Proceeds shall be applied to the sums secured by this Security Instrument, whether or not then due, with the excess, if any, 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 excess, if any, 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 sums secured 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.

If the Property is abandoned by Borrower, or if, after notice by Lender to Borrower that the Opposing Party (as defined in the next sentence) offers to make an award to settle a claim for damages, Borrower fails to respond to Lender within 30 days after the date the notice is given, Lender is authorized to collect and apply the Miscellaneous Proceeds either to restoration or repair of the Property or to the sums secured by this Security Instrument, whether or not then due. "Opposing Party" means the third party that owes Borrower Miscellaneous Proceeds or the party against whom Borrower has a right of action in regard to Miscellaneous Proceeds.

Borrower shall be in default if any action or proceeding, whether civil or criminal, is begun that, in Lender's judgment, could result in forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. Borrower can cure such a default and, if acceleration has occurred, reinstate as provided in Section 19, by causing the action or proceeding to be dismissed with a ruling that, in Lender's judgment, precludes forfeiture of the Property or other material impairment of Lender's interest in the Property or rights under this Security Instrument. The proceeds of

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any award or claim for damages that are attributable to the impairment of Lender's interest in the Property are hereby assigned and shall be paid to Lender.

All Miscellaneous Proceeds that are not applied to restoration or repair of the Property shall be applied in the order provided for in Section 2.

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 to Borrower or any Successor in Interest of Borrower shall not operate to release the liability of Borrower or any Successors 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 amortization of the sums secured by this Security Instrument by reason of any demand made by the original Borrower or any Successors in Interest of Borrower. Any forbearance by Lender in exercising any right or remedy including, without limitation, Lender's acceptance of payments from third persons, entities or Successors in Interest of Borrower or in amounts less than the amount then due, shall not be a waiver of or preclude the exercise of any right or remedy.

13. Joint and Several Liability; Co-signers; Successors and Assigns Bound. Borrower covenants and agrees that Borrower's obligations and liability shall be joint and several. However, any Borrower who co-signs this Security Instrument but does not execute the Note (a "co-signer"): (a) is co-signing this Security Instrument only to mortgage, grant and convey the co-signer's interest in the Property under the terms of this Security Instrument; (b) is not personally obligated to pay the sums secured by this Security Instrument; and (c) agrees that Lender and any other Borrower can agree to extend, modify, forbear or make any accommodations with regard to the terms of this Security Instrument or the Note without the co-signer's consent.

Subject to the provisions of Section 18, any Successor in Interest of Borrower who assumes Borrower's obligations under this Security Instrument in writing, and is approved by Lender, shall obtain all of Borrower's rights and benefits under this Security Instrument. Borrower shall not be released from Borrower's obligations and liability under this Security Instrument unless Lender agrees to such release in writing. The covenants and agreements of this Security Instrument shall bind (except as provided in Section 20) and benefit the successors and assigns of Lender.

14. Loan Charges. Lender may charge Borrower fees for services performed in connection with Borrower's default, for the purpose of protecting Lender's interest in the Property and rights under this Security Instrument, including, but not limited to, attorneys' fees, property inspection and valuation fees. In regard to any other fees, the absence of express authority in this Security Instrument to charge a specific fee to Borrower shall not be construed as a prohibition on the charging of such fee. Lender may not charge fees that are expressly prohibited by this Security Instrument or by Applicable Law.

If the Loan is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the Loan exceed the permitted limits, then: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge (whether or not a prepayment charge is provided for under the Note). Borrower's acceptance of any such refund made by direct payment to Borrower will constitute a waiver of any right of action Borrower might have arising out of such overcharge.

15. Notices. All notices given by Borrower or Lender in connection with this Security Instrument must be in writing. Any notice to Borrower in connection with this Security Instrument shall be deemed to have been given to Borrower when mailed by first class mail or when actually delivered to Borrower's notice address if sent by other means. Notice to any one Borrower shall constitute notice to all Borrowers

unless Applicable Law expressly requires otherwise. The notice address shall be the Property Address unless Borrower has designated a substitute notice address by notice to Lender. Borrower shall promptly notify Lender of Borrower's change of address. If Lender specifies a procedure for reporting Borrower's change of address, then Borrower shall only report a change of address through that specified procedure. There may be only one designated notice address under this Security Instrument at any one time. Any notice to Lender shall be given by delivering it or by mailing it by first class mail to Lender's address stated herein unless Lender has designated another address by notice to Borrower. Any notice in connection with this Security Instrument shall not be deemed to have been given to Lender until actually received by Lender. If any notice required by this Security Instrument is also required under Applicable Law, the Applicable Law requirement will satisfy the corresponding requirement 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 allow the parties to agree by contract or it might be silent, but such silence shall not be construed as a prohibition against agreement by contract. In the event that any provision 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 mean and include corresponding neuter words or words of the feminine gender; (b) words in the singular shall mean and include the plural and vice versa; and (c) the word "may" gives sole 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. 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 bond for deed, contract for deed, installment sales contract or escrow agreement, the intent 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 invoke any remedies permitted by this Security Instrument without further notice or demand on Borrower.

19. Borrower's Right to Reinstate 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 sale of the Property pursuant to any power of sale contained in this Security Instrument; (b) such other period as Applicable Law might specify for the termination of Borrower's right to reinstate; or (c) entry of a judgment enforcing this Security Instrument. Those conditions are that Borrower: (a) pays Lender all sums which then would be due under this Security Instrument and the Note as if no acceleration had occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing this Security Instrument, including, but not limited to, reasonable attorneys' fees, property inspection and valuation fees, and other fees incurred for the

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purpose of protecting Lender's interest in the Property and rights under this Security Instrument; and (d) takes such action as Lender may reasonably require to assure that Lender's interest in the Property and rights under this Security Instrument, and Borrower's obligation to pay the sums secured by this Security Instrument, shall continue unchanged. Lender may require that Borrower pay such reinstatement sums and expenses in one or more of the following forms, as selected 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. Upon reinstatement by Borrower, this Security Instrument and obligations secured hereby shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Section 18.

20. Sale of Note; Change of Loan Servicer; Notice of Grievance. 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 performs other mortgage loan servicing obligations under the Note, this Security Instrument, and Applicable Law. There also might be one or more changes of the Loan Servicer unrelated 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 RESPA requires in connection with a notice of transfer 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 to 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 the member of a class) that arises from the other party's actions pursuant to this Security Instrument or that alleges that the other party has breached any provision of, or any duty owed by reason of, this Security Instrument, until such Borrower or Lender has notified the other party (with such notice given in compliance with the requirements of Section 15) of such alleged breach and afforded the other party hereto 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 acceleration and opportunity to cure given to Borrower pursuant to Section 22 and the notice of 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 toxic 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, materials containing asbestos or formaldehyde, 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 response action, remedial action, or removal 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 Substances, or threaten to release any Hazardous Substances, on or in the Property. Borrower shall not do, nor allow anyone else to do, anything affecting the Property (a) that is in violation of any Environmental Law, (b) which creates an Environmental Condition, or (c) 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 uses 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, leaking, 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 actions in accordance with Environmental Law. Nothing herein shall create any obligation on Lender for an Environmental Cleanup.

NON-UNIFORM COVENANTS. Borrower and Lender further covenant and agree as follows:

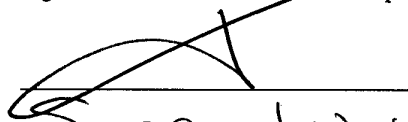
22. Acceleration; Remedies. Lender shall give notice to Borrower prior to acceleration following Borrower's breach of any covenant or agreement in this Security Instrument (but not prior to acceleration under Section 18 unless Applicable Law provides otherwise). The notice shall specify: (a) the default; (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, foreclosure by judicial proceeding and sale of the Property. The notice shall further inform Borrower of the right to reinstate after acceleration and the right to assert in the foreclosure proceeding the non-existence of a default or any other defense of Borrower to acceleration and foreclosure. 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 foreclose this Security Instrument by judicial proceeding. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Section 22, including, but not limited to, reasonable attorneys' fees and costs of title evidence.

23. Release. Upon payment of all sums secured by this Security Instrument, Lender shall release this Security Instrument. Borrower shall pay any recordation costs. Lender may charge Borrower a fee for releasing this Security Instrument, but only if the fee is paid to a third party for services rendered and the charging of the fee is permitted under Applicable Law.

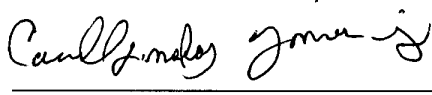
24. Attorneys' Fees. As used in this Security Instrument and the Note, attorneys' fees shall include those awarded by an appellate court and any attorneys' fees incurred in a bankruptcy proceeding.

25. Jury Trial Waiver. The Borrower hereby waives any right to a trial by jury in any action, proceeding, claim, or counterclaim, whether in contract or tort, at law or in equity, arising out of or in any way related to this Security Instrument or the Note.

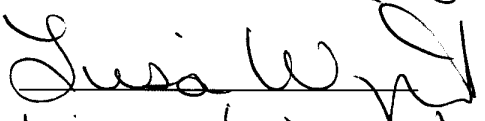
BY SIGNING BELOW, Borrower accepts and agrees to the terms and covenants contained in this Security Instrument and in any Rider executed by Borrower and recorded with it.
Signed, sealed and delivered in the presence of:




Susan Wright



CARROLL LINSLEY JONES, Jr. (Seal)
-Borrower



Lisa Wright

7688 RUBY COURT,
JACKSONVILLE, FL 32210 (Address)


MICHELLE WATSON JONES (Seal)
-Borrower

7688 RUBY COURT
JACKSONVILLE, FL 32210 (Address)

(Seal)
-Borrower

(Seal)
-Borrower

(Address)

(Address)

(Seal)
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-Borrower

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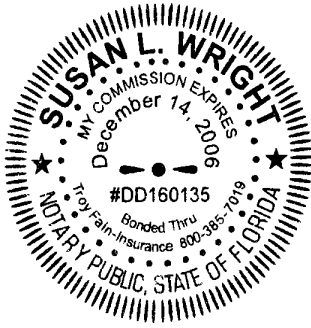
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STATE OF FLORIDA, Duval County ss:

The foregoing instrument was acknowledged before me this 14/07/2006 by
Day/Month/Year

Carroll Linsley Jones, Jr. and
Michelle Watson Jones, Husband
and wife

who is personally known to me or who has produced FL.DL. as
identification.



[Handwritten Signature]
Notary Public
Susan Wright



CS
my

**ADJUSTABLE RATE RIDER
(LIBOR Six-Month-Index (As Published in the Wall Street Journal)- Rate Caps)**

THIS ADJUSTABLE RATE RIDER is made this 14th day of July , 2006 and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust or Security Deed (the "Security Instrument") of the same date given by the undersigned (the "Borrower") to secure Borrower's Adjustable Rate Note (the "Note") to Argent Mortgage Company, LLC (the "Lender") of the same date and covering the property described in the Security Instrument and located at:

7668 RUDY COURT, JACKSONVILLE, FL 32210
[Property Address]

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE 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 interest rate of **7.750 %**. The Note provides for changes in the interest rate and the monthly payments, as follows:

4. INTEREST RATE AND MONTHLY PAYMENT CHANGES

(A) Change Dates

The interest rate I will pay may change on the first day of **August, 2008** , and on that day every sixth 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 of interbank offered rates for six-month U.S. dollar-denominated deposits in the London market ("LIBOR"), as published in the Wall Street Journal. The most recent Index figure available as of the date 45 days before each Change Date is called the "Current Index."

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

Initials *SM*

Loan Number: 0099657637 - 9608

(C) Calculation of Changes

Before each Change Date, the Note Holder will calculate my new interest rate by adding **six** percentage points (**6.000** %) to the Current Index. The Note Holder will then round the result of this addition to the nearest one-eighth of one percentage point (0.125%). Subject to the limits stated in Section 4(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 that I am expected to owe at the Change Date in full on the Maturity Date at my new interest rate in substantially equal payments. The result of this calculation will be the new amount of my monthly payment.

(D) Limits on Interest Rate Changes

The interest rate I am required to pay at the first Change Date will not be greater than **9.750%** or **less than 7.750%**. Thereafter, my interest rate will never be increased or decreased on any single Change Date by more than **One(1.000 %)** from the rate of interest I have been paying for the preceding six months. My interest rate will never be greater than **13.750%** or less than **7.750%**.

(E) 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.

(F) 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 me and also the title and telephone number of a person who will answer any question I may have regarding the notice.

B. TRANSFER OF THE PROPERTY OR A BENEFICIAL INTEREST IN BORROWER

Section 18 of the Security Instrument is amended to read as follows:

Transfer of the Property or a Beneficial Interest in 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 bond for deed, contract for deed, installment sales contract or escrow agreement, the intent of which is the transfer of title by Borrower at a future date to a purchaser.

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MJ

Loan Number: 0099657637 - 9608

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 federal law. Lender also shall not exercise this option if: (a) Borrower causes to be submitted to Lender information required by Lender to evaluate the intended transferee as if a new loan were being made to the transferee; and (b) Lender reasonably determines that Lender's security will not be impaired by the loan assumption and that the risk of a breach of any covenant or agreement 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 may also require the transferee to sign an assumption agreement that is acceptable to Lender and that obligates the transferee to keep 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 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 Adjustable Rate Rider.

Carroll Linsley Jones, Jr. (Seal)
Borrower CARROLL LINSLEY JONES, Jr.

Michelle Watson Jones (Seal)
Borrower MICHELLE WATSON JONES

Borrower (Seal)

Borrower (Seal)

Loan Number: 0099657637 - 9608

PLANNED UNIT DEVELOPMENT RIDER

THIS PLANNED UNIT DEVELOPMENT RIDER is made this 14th day of July, 2006, and is incorporated into and shall be deemed to amend and supplement the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") of the same date, given by the undersigned (the "Borrower") to secure Borrower's Note to Argent Mortgage Company, LLC

(the "Lender") of the same date and covering the Property described in the Security Instrument and located at:
7668 RUDY COURT, JACKSONVILLE, FL 32210

[Property Address]

The Property includes, but is not limited to, a parcel of land improved with a dwelling, together with other such parcels and certain common areas and facilities, as described in

(the "Declaration"). The Property is a part of a planned unit development known as
VALLEY WEST

[Name of Planned Unit Development]

(the "PUD"). The Property also includes Borrower's interest in the homeowners association or equivalent entity owning or managing the common areas and facilities of the PUD (the "Owners Association") and the uses, benefits and proceeds of Borrower's interest.

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

A. PUD Obligations. Borrower shall perform all of Borrower's obligations under the PUD's Constituent Documents. The "Constituent Documents" are the (i) Declaration; (ii) articles of incorporation, trust instrument or any equivalent document which creates the Owners Association; and (iii) any by-laws or other rules or regulations of the Owners Association. Borrower shall promptly pay, when due, all dues and assessments imposed pursuant to the Constituent Documents.

MULTISTATE PUD RIDER - Single Family - Fannie Mae/Freddie Mac UNIFORM INSTRUMENT

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B. Property Insurance. So long as the Owners Association maintains, with a generally accepted insurance carrier, a "master" or "blanket" policy insuring the Property which is satisfactory to Lender and which provides insurance coverage in the amounts (including deductible levels), for the periods, and against loss by fire, hazards included within the term "extended coverage," and any other hazards, including, but not limited to, earthquakes and floods, for which Lender requires insurance, then: (i) Lender waives the provision in Section 3 for the Periodic Payment to Lender of the yearly premium installments for property insurance on the Property; and (ii) Borrower's obligation under Section 5 to maintain property insurance coverage on the Property is deemed satisfied to the extent that the required coverage is provided by the Owners Association policy.

What Lender requires as a condition of this waiver can change during the term of the loan.

Borrower shall give Lender prompt notice of any lapse in required property insurance coverage provided by the master or blanket policy.

In the event of a distribution of property insurance proceeds in lieu of restoration or repair following a loss to the Property, or to common areas and facilities of the PUD, any proceeds payable to Borrower are hereby assigned and shall be paid to Lender. Lender shall apply the proceeds to the sums secured by the Security Instrument, whether or not then due, with the excess, if any, paid to Borrower.

C. Public Liability Insurance. Borrower shall take such actions as may be reasonable to insure that the Owners Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Condemnation. The proceeds of any award or claim for damages, direct or consequential, payable to Borrower in connection with any condemnation or other taking of all or any part of the Property or the common areas and facilities of the PUD, or for any conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender. Such proceeds shall be applied by Lender to the sums secured by the Security Instrument as provided in Section 11.

E. Lender's Prior Consent. Borrower shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to: (i) the abandonment or termination of the PUD, except for abandonment or termination required by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; (ii) any amendment to any provision of the "Constituent Documents" if the provision is for the express benefit of Lender; (iii) termination of professional management and assumption of self-management of the Owners Association; or (iv) any action which would have the effect of rendering the public liability insurance coverage maintained by the Owners Association unacceptable to Lender.

F. Remedies. If Borrower does not pay PUD dues and assessments when due, then Lender may pay them. Any amounts disbursed by Lender under this paragraph F shall become additional debt of Borrower secured by the Security Instrument. Unless Borrower and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the Note rate and shall be payable, with interest, upon notice from Lender to Borrower requesting payment.

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BY SIGNING BELOW, Borrower accepts and agrees to the terms and provisions contained in this PUD Rider.

Carroll Linsley Jones Jr (Seal)
CARROLL LINSLEY JONES, Jr. -Borrower

Michelle Watson Jones (Seal)
MICHELLE WATSON JONES -Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

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AMERIQUEST MORTGAGE SECURITIES INC.

Depositor

AMERIQUEST MORTGAGE COMPANY

Master Servicer

and

DEUTSCHE BANK NATIONAL TRUST COMPANY

Trustee

POOLING AND SERVICING AGREEMENT
Dated as of September 1, 2006

ASSET-BACKED PASS-THROUGH CERTIFICATES

SERIES ARSI 2006-M3

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"Mortgage": The mortgage, deed of trust or other instrument creating a first lien or second lien on a Mortgaged Property securing a Mortgage Note.

"Mortgage File": The mortgage documents listed in Section 2.01 pertaining to a particular Mortgage Loan and any additional documents required to be added to the Mortgage File pursuant to this Agreement.

"Mortgage Loan": Each mortgage loan transferred and assigned to the Trustee pursuant to Section 2.01 or Section 2.03(d) of this Agreement, as held from time to time as a part of REMIC I, the Mortgage Loans so held being identified in the Mortgage Loan Schedule.

"Mortgage Loan Purchase Agreement": The agreement between the Seller and the Depositor, regarding the transfer of the Mortgage Loans by the Seller to or at the direction of the Depositor, substantially in the form of Exhibit D annexed hereto.

"Mortgage Loan Schedule": As of any date, the list of Mortgage Loans included in REMIC I on such date, separately identifying the Group I Mortgage Loans and the Group II Mortgage Loans, attached hereto as Schedule 1. The Mortgage Loan Schedule shall set forth the following information with respect to each Mortgage Loan:

- (1) the Seller's Mortgage Loan identifying number;
- (2) [reserved];
- (3) the state and zip code of the Mortgaged Property;
- (4) a code indicating whether the Mortgaged Property is owner-occupied;
- (5) the type of Residential Dwelling constituting the Mortgaged Property;
- (6) the original months to maturity;
- (7) the Loan-to-Value Ratio or Combined Loan-to-Value Ratio at origination;
- (8) the Mortgage Rate in effect immediately following the Cut-off Date;
- (9) the date on which the first Monthly Payment was due on the Mortgage Loan;
- (10) the stated maturity date;
- (11) the amount of the Monthly Payment due on the first Due Date after the Cut-off Date;
- (12) the last Due Date on which a Monthly Payment was actually applied to the unpaid Stated Principal Balance;
- (13) the original principal amount of the Mortgage Loan;
- (14) the Scheduled Principal Balance of the Mortgage Loan as of the close of business on the Cut-off Date;
- (15) with respect to an Adjustable-Rate Mortgage Loan, the Gross Margin;
- (16) a code indicating the purpose of the Mortgage Loan (*i.e.*, purchase, refinance debt consolidation cashout, or refinance debt consolidation no cashout);
- (17) with respect to an Adjustable-Rate Mortgage Loan, the Maximum Mortgage Rate;
- (18) with respect to an Adjustable-Rate Mortgage Loan, the Minimum Mortgage Rate;
- (19) the Mortgage Rate at origination;
- (20) with respect to an Adjustable-Rate Mortgage Loan, the Periodic Rate Cap and the maximum first Adjustment Date Mortgage Rate adjustment;
- (21) a code indicating the documentation program (*i.e.*, Full Documentation, Limited Documentation or Stated Income);
- (22) with respect to an Adjustable-Rate Mortgage Loan, the first Adjustment Date immediately following the Cut-off Date;
- (23) the risk grade;
- (24) the Value of the Mortgaged Property;
- (25) the sale price of the Mortgaged Property, if applicable;
- (26) the FICO score of the primary Mortgagor; and
- (27) whether the Mortgage Loan is covered by primary mortgage insurance.

The Mortgage Loan Schedule shall set forth the following information with respect to the Mortgage Loans by Loan Group and in the aggregate as of the Cut-off Date: (1) the number of Mortgage Loans; (2) the current Stated Principal Balance of the Mortgage Loans; (3) the weighted average Mortgage Rate of the Mortgage Loans; and (4) the weighted average maturity of the Mortgage Loans. The Mortgage Loan Schedule shall be amended from time to time by the Depositor in accordance with the provisions of this Agreement. With respect to any Qualified Substitute Mortgage Loan, the Cut-off Date shall refer to the related Cut-off Date for such Mortgage Loan, determined in accordance with the definition of Cut-off Date herein.

"Mortgage Note": The original executed note or other evidence of the indebtedness of a Mortgagor under a Mortgage Loan.

"Mortgage Pool": The pool of Mortgage Loans, identified on Schedule 1 from time to time, and any REO Properties acquired in respect thereof.

"Mortgage Rate": With respect to each Mortgage Loan, the annual rate at which interest accrues on such Mortgage Loan from time to time in accordance with the provisions of the related Mortgage Note, which rate (i) with respect to each Fixed-Rate Mortgage Loan shall remain constant at the rate set forth in the Mortgage Loan Schedule as the Mortgage Rate in effect immediately following the Cut-off Date and (ii) with respect to each Adjustable-Rate Mortgage Loan, (A) as of any date of determination until the first Adjustment Date following the Cut-off Date shall be the rate set forth in the Mortgage Loan Schedule as the Mortgage Rate in effect immediately following the Cut-off Date and (B) as of any date of determination thereafter shall be the rate as adjusted on the most recent Adjustment Date equal to the sum, rounded to the nearest 0.125% as provided in the Mortgage Note, of the Index, as most recently available as of a date prior to the Adjustment Date as set forth in the related Mortgage Note, plus the related Gross Margin; provided, that the Mortgage Rate on such Adjustable-Rate Mortgage Loan on any Adjustment Date shall never be more than the lesser of (i) the sum of the Mortgage Rate in effect immediately prior to the Adjustment Date plus the related Periodic Rate Cap, if any, and (ii) the related Maximum Mortgage Rate, and shall never be

CONVEYANCE OF MORTGAGE LOANS;
ORIGINAL ISSUANCE OF CERTIFICATES

SECTION 2.01. Conveyance of Mortgage Loans.

The Depositor, concurrently with the execution and delivery hereof, does hereby transfer, assign, set over and otherwise convey to the Trustee without recourse for the benefit of the Certificateholders all the right, title and interest of the Depositor, including any security interest therein for the benefit of the Depositor, in and to the Mortgage Loans identified on the Mortgage Loan Schedule, the rights of the Depositor under the Mortgage Loan Purchase Agreement, all other assets included or to be included in REMIC I, payments made to the Trustee by the Swap Administrator under the Swap Administration Agreement and the Swap Account. Such assignment includes all interest and principal received by the Depositor or the Master Servicer on or with respect to the Mortgage Loans (other than payments of principal and interest due on such Mortgage Loans on or before the Cut-off Date). The Depositor herewith delivers to the Trustee an executed copy of the Mortgage Loan Purchase Agreement and the PMI Policy, and the Trustee, on behalf of the Certificateholders, acknowledges receipt of the same.

In connection with such transfer and assignment, the Depositor does hereby deliver to, and deposit with, the Trustee the following documents or instruments with respect to each Mortgage Loan so transferred and assigned, and the Depositor shall deliver or cause to be delivered to the Custodian the following documents or instruments (a "Mortgage File"):

(i) the original Mortgage Note, endorsed in blank, without recourse, or in the following form: "Pay to the order of Deutsche Bank National Trust Company, as Trustee under the applicable agreement, without recourse," with all prior and intervening endorsements showing a complete chain of endorsement from the originator to the Person so endorsing to the Trustee, or with respect to any lost Mortgage Note, an original Lost Note Affidavit; provided however, that such substitutions of Lost Note Affidavits for original Mortgage Notes may occur only with respect to Mortgage Loans, the aggregate Cut-off Date Principal Balance of which is less than or equal to 2.00% of the Pool Balance as of the Cut-off Date;

(ii) the original Mortgage, with evidence of recording thereon, and a copy, certified by the appropriate recording office, of the recorded power of attorney, if the Mortgage was executed pursuant to a power of attorney, with evidence of recording thereon;

(iii) an original Assignment assigned in blank, without recourse;

(iv) the original recorded intervening Assignment or Assignments showing a complete chain of assignment from the originator to the Person assigning the Mortgage to the Trustee as contemplated by the immediately preceding clause (iii) or the original unrecorded intervening Assignments;

(v) the original or copies of each assumption, modification, written assurance or substitution agreement, if any; and

(vi) the original or copy of the lender's title insurance policy or an attorney's opinion of title or similar guarantee of title acceptable to mortgage lenders generally in the jurisdiction where the Mortgaged Property is located, together with the original or copies of all endorsements or riders which were issued with or subsequent to the issuance of such policy, or in the event such original or copy of the title policy is unavailable, a written commitment or uniform binder or preliminary report of title issued by the title insurance or escrow company.

If any of the documents referred to in Sections 2.01(ii), (iii) or (iv) above has as of the Closing Date been submitted for recording but either (x) has not been returned from the applicable public recording office or (y) has been lost or such public recording office has retained the original of such document, the obligations of the Depositor to deliver such documents shall be deemed to be satisfied upon (1) delivery to the Trustee, or to the appropriate Custodian on behalf of the Trustee, of a copy of each such document certified by the applicable Originator in the case of (x) above or the applicable public recording office in the case of (y) above to be a true and complete copy of the original that was submitted for recording and (2) if such copy is certified by the applicable Originator, delivery to the Trustee, or to the appropriate Custodian on behalf of the Trustee, promptly upon receipt thereof of either the original or a copy of such document certified by the applicable public recording office to be a true and complete copy of the original. The Depositor shall deliver or cause to be delivered to the Trustee, or to the appropriate Custodian on behalf of the Trustee, promptly upon receipt thereof any other original documents constituting a part of a Mortgage File received with respect to any Mortgage Loan, including, but not limited to, any original documents evidencing an assumption or modification of any Mortgage Loan.

The Master Servicer (in its capacity as Seller) shall promptly (and in no event later than thirty (30) Business Days, subject to extension upon a mutual agreement between the Master Servicer and the Trustee, following the later of (i) the Closing Date, (ii) the date on which the Seller receives the Assignment from the Custodian and (iii) the date of receipt by the Master Servicer of the recording information for a Mortgage) submit or cause to be submitted for recording, at no expense to the Trust Fund or the Trustee, in the appropriate public office for real property records, each Assignment referred to in Sections 2.01(iii) and (iv) above and shall execute each original Assignment referred to in Section 2.01(iii) above in the following form: "Deutsche Bank National Trust Company, as Trustee under the applicable agreement." In the event that any such Assignment is lost or returned unrecorded because of a defect therein, the Master Servicer (in its capacity as Seller) shall promptly prepare or cause to be prepared a substitute Assignment or cure or cause to be cured such defect, as the case may be, and thereafter cause each such Assignment to be duly recorded.

Notwithstanding the foregoing, however, for administrative convenience and facilitation of servicing and to reduce closing costs, the Assignments shall not be required to be submitted for recording (except with respect to any Mortgage Loan located in Maryland) unless such failure to record would result in a withdrawal or a downgrading by any Rating Agency of the rating on any Class of Certificates; provided further, however, that each Assignment shall be submitted for recording by the Seller in the manner described above, at no expense to the Trust Fund or the Trustee, upon the earliest to occur of: (i) reasonable direction by Holders of Certificates entitled to at least 25% of the Voting Rights or the NIMS Insurer, (ii) failure of the Master Servicer Termination Test, (iii) the occurrence of a bankruptcy or insolvency relating to the Seller, (iv) the occurrence of a servicing transfer as described in Section 7.02 hereof and (v) if the Seller is not the Master Servicer and with respect to any one Assignment or Mortgage, the occurrence of a bankruptcy, insolvency or foreclosure relating to the Mortgagor under the related Mortgage. Notwithstanding the foregoing, if the Master Servicer is unable to pay the cost of recording the Assignments, such expense shall be paid by the Trustee and shall be reimbursable to the Trustee as an Extraordinary Trust Fund Expense.

All original documents relating to the Mortgage Loans that are not delivered to the Trustee, or to the appropriate Custodian on behalf of the Trustee, are and shall be held by or on behalf of the Seller, the Depositor or the Master Servicer, as the case may be, in trust for the benefit of the Trustee on behalf of the Certificateholders. In the event that any such original document is required pursuant to the terms of this Section to be a part of a Mortgage File, such document shall be delivered promptly to the Trustee, or to the appropriate Custodian on behalf of the Trustee. Any such original document delivered to or held by the Depositor that is not required pursuant to the terms of this Section to be a part of a Mortgage File, shall be delivered promptly to the Master Servicer.

The parties hereto understand and agree that it is not intended that any mortgage loan be included in the Trust that is a "High-Cost Home Loan" as defined by HOEPA or any other applicable predatory or abusive lending laws.

SECTION 2.02. Acceptance of REMIC I by the Trustee.

Subject to the provisions of Section 2.01 and subject to any exceptions noted on the exception report described in the next paragraph below, the Trustee acknowledges receipt (or, with respect to Mortgage Loans subject to a Custodial Agreement, receipt by the respective Custodian as the duly appointed agent of the Trustee) of the documents referred to in Section 2.01 (other than such documents described in Section 2.01(v)) above and all interests and all other assets included in the definition of "REMIC I" under clauses (i), (iii), (iv) and (v) (to the extent of amounts deposited into the Distribution Account) and declares that it, or such Custodian as its agent, holds and shall hold such documents and the other documents delivered to it constituting a Mortgage File, and that it holds or shall hold all such assets and such other assets included in the definition of "REMIC I" in trust for the exclusive use and benefit of all present and future Certificateholders.

On or prior to the Closing Date, the Trustee agrees, for the benefit of the Certificateholders, to execute and deliver (or cause the Custodian to execute and deliver) to the Depositor and the NIMS Insurer an acknowledgment of receipt of the Mortgage Note (with any exceptions noted), substantially in the form attached as Exhibit C-3 hereto.

The Trustee agrees, for the benefit of the Certificateholders, to review (or cause a Custodian on its behalf to review) each Mortgage Note within 45 days of the Closing Date and to certify in substantially the form attached hereto as Exhibit C-1 (or cause the Custodian to certify in the form of the Initial Certification attached to the Custodial Agreement) that, as to each Mortgage Loan listed in the Mortgage Loan Schedule (other than any Mortgage Loan paid in full or any Mortgage Loan specifically identified in the exception report annexed thereto as not being covered by such certification), (i) all documents constituting part of such Mortgage File (other than such documents described in Section 2.01(v)) required to be delivered to it pursuant to this Agreement are in its possession, (ii) such documents have been reviewed by it or such Custodian and are not mutilated, torn or defaced unless initialed by the related borrower and relate to such Mortgage Loan, (iii) based

on its or the Custodian's examination and only as to the foregoing, the information set forth in the Mortgage Loan Schedule that corresponds to items (1) through (3), (6), (9), (10), (13), (15) and (19) of the definition of "Mortgage Loan Schedule" accurately reflects information set forth in the Mortgage File. It is herein acknowledged that, in conducting such review, the Trustee or such Custodian was under no duty or obligation (i) to inspect, review or examine any such documents, instruments, certificates or other papers to determine whether they are genuine, enforceable, or appropriate for the represented purpose or whether they have actually been recorded or that they are other than what they purport to be on their face or (ii) to determine whether any Mortgage File should include any of the documents specified in clause (v) of Section 2.01.

Prior to the first anniversary date of this Agreement the Trustee shall deliver to the Depositor, the Master Servicer and the NIMS Insurer a final certification in the form annexed hereto as Exhibit C-2 (or shall cause the Custodian to deliver to the Trustee, the Depositor, the Master Servicer and the NIMS Insurer a final certification in the form attached to the Custodial Agreement) evidencing the completeness of the Mortgage Files, with any applicable exceptions noted thereon, with respect to all of the Mortgage Loans. Upon the request of the Master Servicer, any exception report related to the final certification shall be provided in an electronic computer readable format as mutually agreed upon by the Master Servicer and the Trustee.

If in the process of reviewing the Mortgage Files and making or preparing, as the case may be, the certifications referred to above, the Trustee or any Custodian finds any document or documents constituting a part of a Mortgage File to be missing, mutilated, torn or defaced or does not conform to the requirements identified above, at the conclusion of its review the Trustee (or a Custodian on behalf of the Trustee) shall so notify the Depositor, the NIMS Insurer and the Master Servicer. In addition, upon the discovery by the Depositor, the NIMS Insurer, the Master Servicer or the Trustee of a breach of any of the representations and warranties made by the Seller in the Mortgage Loan Purchase Agreement in respect of any Mortgage Loan which materially adversely affects such Mortgage Loan or the interests of the related Certificateholders in such Mortgage Loan, the party discovering such breach shall give prompt written notice to the other parties.

The Trustee (or a Custodian on behalf of the Trustee) shall, at the written request and expense of any Certificateholder, Certificate Owner, provide a written report to such Certificateholder, Certificate Owner, of all Mortgage Files released to the Master Servicer for servicing purposes.

SECTION 2.03. Repurchase or Substitution of Mortgage Loans by the Seller or the Depositor; Payment of Prepayment Charge Payment Amounts.

(a) Upon discovery or receipt of notice (including notice under Section 2.02) of any materially defective document in, or that a document is missing from, the Mortgage File or of the breach by the Seller of any representation, warranty or covenant under the Mortgage Loan Purchase Agreement in respect of any Mortgage Loan which materially adversely affects the value of such Mortgage Loan or the interest therein of the Certificateholders, the Trustee shall promptly notify the Seller, the NIMS Insurer and the Master Servicer of such defect, missing document or breach and request that the Seller deliver such missing document or cure such defect or breach within 90 days from the date the Seller had knowledge or was notified of such missing document, defect or breach, and if the Seller does not deliver such missing document or cure such defect or breach in all material respects during such period, the Master Servicer (or, in accordance with Section 6.06(b), the Trustee) shall enforce the obligations of the Seller under the Mortgage Loan Purchase Agreement to repurchase such Mortgage Loan from REMIC I at the Purchase Price within 90 days after the date on which the Seller was notified (subject to Section 2.03(d)) of such missing document, defect or breach, if and to the extent that the Seller is obligated to do so under the Mortgage Loan Purchase Agreement. The Purchase Price for the repurchased Mortgage Loan shall be deposited in the Collection Account, and the Trustee, upon receipt of written certification from the Master Servicer of such deposit, shall release to the Seller the related Mortgage File and shall execute and deliver such instruments of transfer or assignment, in each case without recourse, as the Seller shall furnish to it and as shall be necessary to vest in the Seller any Mortgage Loan released pursuant hereto, and the Trustee shall not have any further responsibility with regard to such Mortgage File. In lieu of repurchasing any such Mortgage Loan as provided above, if so provided in the Mortgage Loan Purchase Agreement, the Seller may cause such Mortgage Loan to be removed from REMIC I (in which case it shall become a Deleted Mortgage Loan) and substitute one or more Qualified Substitute Mortgage Loans in the manner and subject to the limitations set forth in Section 2.03(c). It is understood and agreed that the obligation of the Seller to cure or to repurchase (or to substitute for) any Mortgage Loan as to which a document is missing, a material defect in a document exists or as to which such a breach has occurred and is continuing shall constitute the sole remedy respecting such omission, defect or breach available to the Trustee on behalf of the Certificateholders.

(b) (i) Promptly upon the earlier of discovery by the Master Servicer or receipt of notice by the Master Servicer of the breach of any representation, warranty or covenant of the Master Servicer set forth in Section 2.05, which materially and adversely affects the interests of the Certificateholders in any Mortgage Loan, the Master Servicer shall cure such breach in all material respects.

(ii) Notwithstanding the provisions of Section 2.03(b)(i) above,

(A) on the later of (x) the Master Servicer Remittance Date next following the earlier of discovery by the Master Servicer or receipt of notice by the Master Servicer of the breach of the representation made by the Master Servicer in Section 2.05(vii), which breach materially and adversely affects the interests of the Holders of the Class P Certificates to any Prepayment Charge and (y) the Master Servicer Remittance Date next following the Prepayment Period relating to such a breach, the Master Servicer shall deposit into the Collection Account the amount of the scheduled Prepayment Charge, less any amount collected and deposited by the Master Servicer into the Collection Account in respect of such Prepayment Charge; and

(B) on the later of (x) the Master Servicer Remittance Date next following the earlier of discovery by the Master Servicer or receipt of notice by the Master Servicer of the breach of the covenant made by the Master Servicer in Section 2.05(viii), which breach materially and adversely affects the interests of the Holders of the Class P Certificates to any Prepayment Charge and (y) the Master Servicer Remittance Date next following the Prepayment Period relating to such a breach, the Master Servicer shall deposit into the Collection Account, as a Master Servicer Prepayment Charge Payment Amount, the amount of the waived Prepayment Charge, but only to the extent required under Section 2.03(b)(iii) below.

(iii) If with respect to any Prepayment Period,

(A) the dollar amount of Prepayment Charges that are the subject of breaches by the Master Servicer of the covenant made by the Master Servicer in Section 2.05(viii), which breaches materially and adversely affect the interests of the Holders of the Class P Certificates to such Prepayment Charges, exceeds

(B) 5% of the total dollar amount of Prepayment Charges payable by Mortgagors in connection with Principal Prepayments on the related Mortgage Loans that occurred during such Prepayment Period,

then the amount required to be paid by the Master Servicer pursuant to Section 2.03(b)(ii)(B) above shall be limited to an amount, that when added to the amount of Prepayment Charges actually collected by the Master Servicer in respect of Prepayment Charges relating to Principal Prepayments on the related Mortgage Loans that occurred during such Prepayment Period, shall yield a sum equal to 95% of the total dollar amount of Prepayment Charges (exclusive of (A) Prepayment Charges not enforced or collected upon because (i) the enforceability thereof shall have been limited by bankruptcy, insolvency, moratorium, receivership and other similar laws relating to creditors' rights generally or (ii) the collectability thereof shall have been limited due to acceleration in connection with a foreclosure or other involuntary payment and (B) Prepayment Charges waived by the Master Servicer when such waiver does not breach the covenant set forth in Section 2.05(viii)) payable by Mortgagors in connection with Principal Prepayments on the related Mortgage Loans that occurred during such Prepayment Period.

(c) Any substitution of Qualified Substitute Mortgage Loans for Deleted Mortgage Loans made pursuant to Section 2.03(a), in the case of the Seller, or Section 2.03(b), in the case of the Depositor, must be effected prior to the date which is two years after the Startup Day for REMIC I.

As to any Deleted Mortgage Loan for which the Seller or the Depositor substitutes a Qualified Substitute Mortgage Loan or Loans, such substitution shall be effected by the Seller or the Depositor, as the case may be, delivering to the Trustee (or a Custodian on behalf of the Trustee), for such Qualified Substitute Mortgage Loan or Loans, the Mortgage Note, the Mortgage, the Assignment to the Trustee, and such other documents and agreements, with all necessary endorsements thereon, as are required by Section 2.01, together with an Officers' Certificate providing that each such Qualified Substitute Mortgage Loan satisfies the definition thereof and specifying the Substitution Shortfall Amount (as described below), if any, in connection with such substitution. The Trustee (or a Custodian on behalf of the Trustee) shall acknowledge receipt for such Qualified Substitute Mortgage Loan or Loans and, within ten (10) Business Days thereafter, review such documents as specified in Section 2.02 and deliver to the Depositor, the NIMS Insurer, the Trustee and the Master Servicer, with respect to such Qualified Substitute Mortgage Loan or Loans, a certification substantially in the form attached hereto as Exhibit C-1, with any applicable exceptions noted thereon. Within one year of the date of substitution, the Trustee shall deliver to the Depositor, the NIMS Insurer and the Master Servicer a certification substantially in the form of Exhibit C-2 hereto with respect to such Qualified Substitute Mortgage Loan or Loans, with any applicable exceptions noted thereon. Monthly Payments due with respect to Qualified Substitute Mortgage Loans in the month of substitution are not part of REMIC I and shall be retained by the Depositor or the Seller, as the case may be. For the month of substitution, distributions to Certificateholders shall reflect the Monthly Payment due on such Deleted Mortgage Loan on or before the Due Date in the month of substitution, and the Depositor or the Seller, as the case may be, shall thereafter be entitled to retain all amounts subsequently received in respect of such Deleted Mortgage Loan. The Depositor shall give or cause to be given written notice to the Certificateholders, the NIMS Insurer that such substitution has taken place, shall amend the Mortgage Loan Schedule and, if applicable, the Prepayment Charge Schedule, to reflect the removal of such Deleted Mortgage Loan from the terms of this Agreement and the substitution of the Qualified Substitute Mortgage Loan or Loans and shall deliver a copy of

The Master Servicer shall service and administer the Mortgage Loans on behalf of the Trustee and in the best interests of and for the benefit of the Certificateholders (as determined by the Master Servicer in its reasonable judgment) in accordance with (i) the terms of the respective Mortgage Loans and any insurance policies related thereto, (ii) all Applicable Regulations, (iii) the terms of this Agreement, (iv) the Loss Mitigation Action Plan, if applicable, and (v) to the extent consistent with the preceding requirements, in the same manner in which it services and administers similar mortgage loans for its own portfolio, giving due consideration to customary and usual standards of practice of prudent mortgage lenders and loan servicers administering similar mortgage loans but without regard to:

- (i) any relationship that the Master Servicer, any Sub-Servicer or any Affiliate of the Master Servicer or any Sub-Servicer may have with the related Mortgagor;
- (ii) the ownership of any Certificate by the Master Servicer or any Affiliate of the Master Servicer;
- (iii) the Master Servicer's obligation to make Advances or Servicing Advances; or
- (iv) the Master Servicer's or any Sub-Servicer's right to receive compensation for its services hereunder or with respect to any particular transaction (the "Servicing Standard").

Subject only to the above-described servicing standards and the terms of this Agreement and of the respective Mortgage Loans, the Master Servicer shall have full power and authority, acting alone or through Sub-Servicers as provided in Section 6.06, to do or cause to be done any and all things in connection with such servicing and administration which it may deem necessary or desirable. Without limiting the generality of the foregoing, the Master Servicer in its own name or in the name of a Sub-Servicer is hereby authorized and empowered by the Trustee, in accordance with the servicing standards set forth above, (i) to execute and deliver, on behalf of the Certificateholders and the Trustee, any and all instruments of satisfaction or cancellation, or of partial or full release or discharge, or of forbearance, or of modification and all other comparable instruments, with respect to the Mortgage Loans and the Mortgaged Properties, (ii) to institute foreclosure proceedings or obtain a deed-in-lieu of foreclosure to convert the ownership of such properties, and to hold or cause to be held title to such properties, in the name of the Trust Fund, on behalf of the Trustee and the Certificateholders, (iii) to market, sell and transfer title of REO Properties held in the name of the Trust Fund to third party purchasers upon terms and conditions the Master Servicer deems reasonable under the Servicing Standard, (iv) to bring or respond to civil actions or complaints (in its own name or that of the Trust Fund or the Trustee on behalf of the Trust Fund) related to any Mortgage Loan, Mortgaged Property or REO Property held by the Trust Fund and (v) to execute any other document necessary or appropriate to enable the Master Servicer to carry out its servicing and administrative duties hereunder consistent with the Servicing Standard.

At the written request of the Master Servicer, the Trustee shall execute and furnish to the Master Servicer such documents as are necessary or appropriate to enable the Master Servicer to carry out its servicing and administrative duties hereunder. By execution of this Agreement, the Trustee, on behalf of the Trust Fund, hereby grants to the Master Servicer a power of attorney to execute any and all documents necessary to carry out any and all servicing duties described in this Agreement (including the taking of and transferring title of REO Properties to third parties held in the name of the Trustee for the benefit of the Trust) and expressly confirms that this paragraph along with the face page and a copy of the signature page (duly executed) to this Agreement shall constitute the power of attorney for evidentiary and/or recording purposes. The Trustee shall not be liable for the actions of the Master Servicer or any Sub-Servicers under such powers of attorney.

Subject to Section 3.04(d) hereof, in accordance with the Servicing Standard, the Master Servicer shall advance or cause to be advanced funds as necessary for the purpose of effecting the timely payment of taxes on the Mortgaged Properties, which advances shall be Servicing Advances reimbursable in the first instance from related collections from the Mortgagors pursuant to Section 3.04(d), and further as provided in Section 3.05(a). Any cost incurred by the Master Servicer or by Sub-Servicers in effecting the timely payment of taxes on a Mortgaged Property shall not, for the purpose of calculating distributions to Certificateholders, be added to the unpaid Stated Principal Balance of the related Mortgage Loan, notwithstanding that the terms of such Mortgage Loan so permit.

Consistent with the terms of this Agreement, the Master Servicer may waive, modify or vary any term of any Mortgage Loan or consent to the postponement of strict compliance with any such term or in any manner grant indulgence to any Mortgagor if such waiver, modification, postponement or indulgence is in conformity with the Servicing Standard; provided, however, that:

(A) the Master Servicer shall not make future advances (except as provided in Section 4.03);

(B) the Master Servicer shall not permit any modification with respect to any Mortgage Loan that would change the Mortgage Rate, defer or forgive the payment of any principal or interest payments, reduce the outstanding Stated Principal Balance (except for reductions resulting from actual payments of principal) or extend the final maturity date on such Mortgage Loan (unless as provided in Section 3.02, (i) the Mortgagor is in default with respect to the Mortgage Loan or (ii) such default is, in the judgment of the Master Servicer, reasonably foreseeable); and

(C) the Master Servicer shall not consent to (i) partial releases of Mortgages, (ii) alterations, (iii) removal, demolition or division of properties subject to Mortgages, (iv) modification or (v) second mortgage subordination agreements with respect to any Mortgage Loan that would: (i) affect adversely the status of any Trust REMIC as a REMIC, (ii) cause any Trust REMIC to be subject to a tax on "prohibited transactions" or "contributions" pursuant to the REMIC Provisions, or (iii) both (x) effect an exchange or reissuance of such Mortgage Loan under Section 1001 of the Code (or Treasury regulations promulgated thereunder) and (y) cause any Trust REMIC constituting part of the Trust Fund to fail to qualify as a REMIC under the Code or the imposition of any tax on "prohibited transactions" or "contributions" after the Startup Day under the REMIC Provisions.

To the extent consistent with the terms of this Agreement, including Section 2.03 and Section 2.05, the Master Servicer may waive (or permit a Sub-Servicer to waive) a Prepayment Charge only under the following circumstances: (i) such waiver is standard and customary in servicing similar Mortgage Loans and (ii) such waiver relates to a default or a reasonably foreseeable default and would, in the reasonable judgment of the Master Servicer, maximize recovery of total proceeds taking into account the value of such Prepayment Charge and the related Mortgage Loan.

The Master Servicer may delegate its responsibilities under this Agreement; provided, however, that no such delegation shall release the Master Servicer from the responsibilities or liabilities arising under this Agreement. All references to Master Servicer in this Agreement shall be deemed to include any Sub-Servicer duly appointed by the Master Servicer pursuant to this Agreement.

SECTION 3.02. Collection of Certain Mortgage Loan Payments.

The Master Servicer shall make reasonable efforts to collect all payments called for under the terms and provisions of the Mortgage Loans, and shall, to the extent such procedures shall be consistent with this Agreement and the terms and provisions of any applicable insurance policies, follow such collection procedures as it would follow with respect to mortgage loans comparable to the Mortgage Loans and held for its own account. Consistent with the foregoing, the Master Servicer may in its discretion (i) waive any late payment charge or, if applicable, penalty interest, (ii) waive any provision of any Mortgage Loan requiring the related Mortgagor to submit to mandatory arbitration with respect to disputes arising thereunder or (iii) extend the due dates for the Monthly Payments due on a Mortgage Note for a period of not greater than 180 days; provided, that any extension pursuant to clause (iii) above shall not affect the amortization schedule of any Mortgage Loan for purposes of any computation hereunder. The NIMS Insurer's prior written consent shall be required for any modification, waiver or amendment if the aggregate number of outstanding Mortgage Loans which have been modified, waived or amended exceeds 5% of the number of Mortgage Loans as of the Cut-off Date. In the event of any such arrangement pursuant to clause (iii) above, the Master Servicer shall make timely advances on such Mortgage Loan during such extension pursuant to Section 4.03 and in accordance with the amortization schedule of such Mortgage Loan without modification thereof by reason of such arrangements.

Notwithstanding the foregoing, in the event that any Mortgage Loan is in default or, in the judgment of the Master Servicer, such default is reasonably foreseeable, the Master Servicer, consistent with the Servicing Standard, may also waive, modify or vary any term of such Mortgage Loan (including modifications that would change the Mortgage Rate, forgive the payment of principal or interest or extend the final maturity date of such Mortgage Loan), accept payment from the related Mortgagor of an amount less than the Stated Principal Balance in final satisfaction of such Mortgage Loan, or consent to the postponement of strict compliance with any such term or otherwise grant indulgence to any Mortgagor (any and all such waivers, modifications, variances, forgiveness of principal or interest, postponements, or indulgences collectively referred to herein as "forbearance"); provided, however, that in determining which course of action permitted by this sentence it shall pursue, the Master Servicer shall adhere to the Loss Mitigation Action Plan. The Master Servicer's analysis supporting any forbearance and the conclusion that any forbearance meets the standards of Section 3.01 and the Loss Mitigation Action Plan shall be reflected in writing in the Mortgage File.

In the event that a shortfall in any collection on or liability with respect to any Mortgage Loan results from or is attributable to adjustments to Mortgage Rates, Monthly Payments or Stated Principal Balances that were made by the Master Servicer in a manner not consistent with the terms of the related Mortgage Note and this Agreement, the Master Servicer, upon discovery or

(b) The majority holders of the Class CE Certificates or the Master Servicer, in that order, (or if the majority holders of the Class CE Certificates and the Master Servicer fail to exercise such right, the NIMS Insurer) shall have the right (the party exercising such right, the "Terminator") to purchase all of the Mortgage Loans and each REO Property remaining in REMIC I pursuant to clause (i) of the preceding paragraph no later than the Determination Date in the month immediately preceding the Distribution Date on which the Certificates shall be retired; provided, however, that the Terminator may elect to purchase all of the Mortgage Loans and each REO Property remaining in REMIC I pursuant to clause (i) above only (A) if the aggregate Stated Principal Balance of the Mortgage Loans and each REO Property remaining in the Trust Fund at the time of such election is less than 5% of the aggregate Stated Principal Balance of the Mortgage Loans as of the Cut-off Date and (B) if the Terminator is the Master Servicer and is an affiliate of the Seller, the Master Servicer shall have delivered to the Trustee and the NIMS Insurer a written certification that the burdens of servicing the Mortgage Loans and REO Properties remaining in REMIC I exceed the benefits of the Servicing Fees that would be realized by the Master Servicer if it continued to service such assets on behalf of the Trust Fund. By acceptance of the Residual Certificates, the Holders of the Residual Certificates agree, in connection with any termination hereunder, to pledge any amounts in excess of par, and to the extent received in respect of such termination, to pay any such amounts to the Holders of the Class CE Certificates.

(c) Notice of the liquidation of the REMIC Regular Interests shall be given promptly by the Trustee by letter to Certificateholders mailed (a) in the event such notice is given in connection with the purchase of the Mortgage Loans and each REO Property by the Terminator, not earlier than the 15th day and not later than the 25th day of the month next preceding the month of the final distribution on the Certificates or (b) otherwise during the month of such final distribution on or before the Determination Date in such month, in each case specifying (i) the Distribution Date upon which the Trust Fund shall terminate and final payment in respect of the REMIC Regular Interests and the Certificates shall be made upon presentation and surrender of the related Certificates at the office of the Trustee therein designated, (ii) the amount of any such final payment, (iii) that no interest shall accrue in respect of the REMIC Regular Interests or the Certificates from and after the Interest Accrual Period relating to the final Distribution Date therefor and (iv) that the Record Date otherwise applicable to such Distribution Date is not applicable, payments being made only upon presentation and surrender of the Certificates at the office of the Trustee. The Trustee shall give such notice to the Certificate Registrar at the time such notice is given to Certificateholders. In the event such notice is given in connection with the purchase of all of the Mortgage Loans and each REO Property remaining in REMIC I by the Terminator, the Terminator shall deliver to the Trustee for deposit in the Distribution Account not later than the last Business Day preceding the final Distribution Date on the Certificates an amount in immediately available funds equal to the above-described purchase price. Upon certification to the Trustee by a Servicing Officer of the making of such final deposit, the Trustee shall promptly release or cause to be released to the Terminator the Mortgage Files for the remaining Mortgage Loans, and the Trustee shall execute all assignments, endorsements and other instruments necessary to effectuate such transfer.

(d) Upon presentation of the Certificates by the Certificateholders on the final Distribution Date, the Trustee shall distribute to each Certificateholder so presenting and surrendering its Certificates the amount otherwise distributable on such Distribution Date in accordance with Section 4.01 in respect of the Certificates so presented and surrendered. Any funds not distributed to any Holder or Holders of Certificates being retired on such Distribution Date because of the failure of such Holder or Holders to tender their Certificates shall, on such date, be set aside and held in trust by the Trustee and credited to the account of the appropriate non-tendering Holder or Holders. If any Certificates as to which notice has been given pursuant to this Section 9.01 shall not have been surrendered for cancellation within six months after the time specified in such notice, the Trustee shall mail a second notice to the remaining non-tendering Certificateholders to surrender their Certificates for cancellation in order to receive the final distribution with respect thereto. If within one year after the second notice all such Certificates shall not have been surrendered for cancellation, the Trustee shall, directly or through an agent, mail a final notice to remaining related non-tendering Certificateholders concerning surrender of their Certificates. The costs and expenses of maintaining the funds in trust and of contacting such Certificateholders shall be paid out of the assets remaining in the trust funds. If within one year after the final notice any such Certificates shall not have been surrendered for cancellation, the Trustee shall pay to the Underwriters all remaining amounts, and all rights of non-tendering Certificateholders in or to such amounts shall thereupon cease. No interest shall accrue or be payable to any Certificateholder on any amount held in trust by the Trustee as a result of such Certificateholder's failure to surrender its Certificate(s) for final payment thereof in accordance with this Section 9.01.

Immediately following the deposit of funds in trust hereunder in respect of the Certificates, the Trust Fund shall terminate.

SECTION 9.02. Additional Termination Requirements.

(a) In the event that the Terminator purchases all the Mortgage Loans and each REO Property or the final payment on or other liquidation of the last Mortgage Loan or REO Property remaining in REMIC I pursuant to Section 9.01, the Trust Fund shall be terminated in accordance with the following additional requirements:

(i) The Trustee shall specify the first day in the 90-day liquidation period in a statement attached to each Trust REMIC's final Tax Return pursuant to Treasury regulation Section 1.860F-1 and shall satisfy all requirements of a qualified liquidation under Section 860F of the Code and any regulations thereunder, as evidenced by an Opinion of Counsel obtained at the expense of the Terminator;

(ii) During such 90-day liquidation period, and at or prior to the time of making of the final payment on the Certificates, the Trustee shall sell all of the assets of REMIC I to the Terminator for cash; and

(iii) At the time of the making of the final payment on the Certificates, the Trustee shall distribute or credit, or cause to be distributed or credited, to the Holders of the Residual Certificates all cash on hand in the Trust Fund (other than cash retained to meet claims), and the Trust Fund shall terminate at that time.

(b) At the expense of the applicable Terminator (or in the event of termination under Section 9.01(a)(ii), at the expense of the Trustee), the Trustee shall prepare or cause to be prepared the documentation required in connection with the adoption of a plan of liquidation of each Trust REMIC pursuant to this Section 9.02.

(c) By their acceptance of Certificates, the Holders thereof hereby agree to authorize the Trustee to specify the 90-day liquidation period for each Trust REMIC which authorization shall be binding upon all successor Certificateholders.

ARTICLE X

REMIC PROVISIONS

SECTION 10.01. REMIC Administration.

(a) The Trustee shall elect to treat each Trust REMIC as a REMIC under the Code and, if necessary, under applicable state law. Each such election shall be made by the Trustee on Form 1066 or other appropriate federal tax or information return or any appropriate state return for the taxable year ending on the last day of the calendar year in which the Certificates are issued. For the purposes of the REMIC election in respect of REMIC I, (i) the REMIC I Regular Interests shall be designated as the Regular Interests in REMIC I and the Class R-I Interest shall be designated as the Residual Interest in REMIC I, (ii) the REMIC II Regular Interests shall be designated as the Regular Interests in REMIC II and the Class R-II Interest shall be designated as the Residual Interest in REMIC II, (iii) the Class A Certificates, the Mezzanine Certificates (exclusive of the right to receive payments from the Net WAC Carryover Reserve Account or the Swap Account or the obligation to make payments to the Swap Account), the Class SWAP-IO Interest, the Class CE Interest and the Class P Interest shall be designated as the Regular Interests in REMIC III and the Class R-III Interest shall be designated as the Residual Interest in REMIC III, (iv) the Class CE Certificates shall be designated as the Regular Interests in REMIC IV and the Class R-IV Interest shall be designated as the Residual Interest in REMIC IV, (v) the Class P Certificates shall be designated as the Regular Interests in REMIC V and the Class R-V Interest shall be designated as the Residual Interest in REMIC V and (vi) REMIC VI Regular Interest SWAP-IO shall be designated as the Regular Interests in REMIC VI and the Class R-VI Interest shall be designated as the Residual Interest in REMIC VI. The Trustee shall not permit the creation of any "interests" in any Trust REMIC (within the meaning of Section 860G of the Code) other than the REMIC I Regular Interests, the REMIC II Regular Interests, the Class CE Interest, the Class P Interest, the Class SWAP-IO Interest and the interests represented by the Certificates.

(b) The Closing Date is hereby designated as the "Startup Day" of each Trust REMIC within the meaning of Section 860G(a)(9) of the Code.

(c) The Trustee shall pay out of its own funds, without any right of reimbursement, any and all expenses relating to any tax audit of the Trust Fund caused by the Trustee (including, but not limited to, any professional fees or any administrative or judicial proceedings with respect to any Trust REMIC that involve the Internal Revenue Service or state tax authorities), other than the expense of obtaining any tax related Opinion of Counsel except as specified herein. The Trustee, as agent for each Trust REMIC's tax matters person, shall (i) act on behalf of the Trust Fund in relation to any tax matter or controversy involving any Trust REMIC and (ii) represent the Trust Fund in any administrative or judicial proceeding relating to an examination or audit by any governmental taxing authority with respect thereto. The Holder of the largest Percentage Interest of each Class of Residual Certificates shall be designated, in the manner provided under Treasury regulation Section 1.860F-4(d) and Treasury regulation Section 301.6231(a)(7)-1, as the tax matters person of the related REMIC created hereunder. By their acceptance thereof, the Holder of the largest Percentage

Prospectus Supplement dated September 12, 2006 (For use with Prospectus dated March 9, 2006)

\$1,934,646,000 (Approximate)

Ameriquest Mortgage Securities Trust 2006-M3

Issuing Entity

Asset-Backed Pass-Through Certificates,

Series ARSI 2006-M3

Ameriquest Mortgage Securities Inc.

Depositor

Ameriquest Mortgage Company

Seller, Sponsor and Master Servicer



You should consider carefully the risk factors beginning on page S-12 in this prospectus supplement and page 1 in the prospectus.

The certificates will represent interests in the issuing entity, the assets of which consist primarily of a pool of one- to four-family adjustable-rate and fixed-rate, first lien and second lien residential mortgage loans. The certificates will not represent ownership interests in or obligations of any other entity.

This prospectus supplement may be used to offer and sell the certificates offered hereby only if accompanied by the prospectus.

The Class A and Mezzanine Certificates —

- will represent senior or mezzanine interests in the trust and will receive distributions from the assets of the trust;
- will receive monthly distributions commencing in October 2006;
- will have credit enhancement in the form of excess interest, subordination, overcollateralization and a primary mortgage insurance policy; and
- will have the benefit of an interest rate swap agreement.

Class ⁽¹⁾	Original Certificate			Proceeds to		Class ⁽¹⁾	Original Certificate			Proceeds to	
	Principal Balance ⁽²⁾	Price to Public	Underwriting Discount	the Depositor ⁽³⁾	Class ⁽¹⁾		Principal Balance ⁽²⁾	Price to Public	Underwriting Discount	the Depositor ⁽³⁾	
Class A-1	\$786,305,000	100.0000%	0.1200%	99.8800%	Class M-3	\$32,875,000	100.0000%	0.1500%	99.8500%		
Class A-2A	\$339,159,000	100.0000%	0.1500%	99.8500%	Class M-4	\$29,886,000	100.0000%	0.1500%	99.8500%		
Class A-2B	\$151,893,000	100.0000%	0.1500%	99.8500%	Class M-5	\$29,886,000	100.0000%	0.1500%	99.8500%		
Class A-2C	\$166,127,000	100.0000%	0.1500%	99.8500%	Class M-6	\$25,902,000	100.0000%	0.1500%	99.8500%		
Class A-2D	\$135,514,000	100.0000%	0.1500%	99.8500%	Class M-7	\$23,909,000	100.0000%	0.1500%	99.8500%		
Class M-1	\$110,580,000	100.0000%	0.1500%	99.8500%	Class M-8	\$15,939,000	100.0000%	0.1500%	99.8500%		
Class M-2	\$73,720,000	100.0000%	0.1500%	99.8500%	Class M-9	\$12,951,000	100.0000%	0.1500%	99.8500%		

(1) The pass-through rates on such classes will be based on one-month LIBOR plus the applicable margin, subject to certain caps as described in this prospectus supplement.

(2) Approximate.

(3) Before deducting expenses payable by the Depositor estimated to be approximately \$800,000.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the

Offered Certificates or determined that this prospectus supplement or the prospectus is truthful or complete. Any representation to the contrary is a criminal offense. The Attorney General of the State of New York has not passed on or endorsed the merits of this offering. Any representation to the contrary is unlawful.

RBS Greenwich Capital
Credit Suisse

Deutsche Bank Securities

Barclays Capital
UBS Investment Bank

Important Notice about Information presented in this Prospectus Supplement and the accompanying Prospectus

You should rely only on the information contained in this document. We have not authorized anyone to provide you with different information. You should not assume that the information in this prospectus supplement or the prospectus is accurate as of any date other than the date on the front of this document.

We provide information to you about the Class A and Mezzanine Certificates in two separate documents that progressively provide more detail:

- the accompanying prospectus, which provides general information, some of which may not apply to this series of certificates; and
- this prospectus supplement, which describes the specific terms of this series of certificates.

Amerquest Mortgage Securities Inc. is located at 1100 Town & Country Road, Suite 1100, Orange, California 92868, Attention: Capital Markets, and its phone number is (714) 541-9960.

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SUMMARY OF PROSPECTUS SUPPLEMENT

The following summary is a brief description of key aspects of the certificates offered by this prospectus supplement and does not contain all of the information that you should consider in making your investment decision. To understand all of the terms of the Class A and Mezzanine Certificates, read carefully this entire prospectus supplement and the entire accompanying prospectus. Annex I, II, III and IV are incorporated as a part of this prospectus supplement. Capitalized terms used but not defined in this prospectus supplement have the meanings assigned to them in the prospectus. A glossary is included at the end of the prospectus.

Issuing Entity	Ameriquest Mortgage Securities Trust 2006-M3.
Title of Series	Ameriquest Mortgage Securities Inc., Asset-Backed Pass-Through Certificates, Series ARSI 2006-M3.
Cut-off Date	The close of business on September 1, 2006.
Closing Date	On or about September 27, 2006.
Depositor	Ameriquest Mortgage Securities Inc. (the “Depositor”), a direct wholly-owned subsidiary of Ameriquest Mortgage Company. The Depositor will deposit the mortgage loans into the trust. See “The Depositor” in the prospectus.
Originators	Argent Mortgage Company, L.L.C. and Ameriquest Mortgage Company (“Ameriquest”). See “The Originators” in this prospectus supplement.
Seller, Sponsor and Master Servicer	Ameriquest Mortgage Company (the “Seller,” the “Sponsor” or the “Master Servicer,” as applicable), a Delaware corporation. See “The Seller, Sponsor and Master Servicer” in this prospectus supplement.
Trustee and Custodian	Deutsche Bank National Trust Company (the “Trustee”), a national banking association, will be the Trustee of the trust, will perform administrative functions with respect to the certificates and will act as the custodian, initial paying agent and certificate registrar. See “The Trustee” in this prospectus supplement.
PMI Insurer	Mortgage Guaranty Insurance Corporation, a Wisconsin stock insurance corporation (the “PMI Insurer”). Certain of the mortgage loans will be covered by primary mortgage insurance provided by the PMI Insurer, which may provide limited protection to the trust in the event such mortgage loans default. See “Description of the Certificates—The PMI Policy” in this prospectus supplement.
NIMS Insurer	One or more insurance companies (together, the “NIMS Insurer”) may issue a financial guaranty insurance policy covering certain payments to be made on net interest margin securities to be issued by a separate trust and secured by, among other things, all or a portion of the Class CE, Class P and/or Residual Certificates.
Distribution Dates	Distributions on the Certificates will be made on the 25 th day of each month, or, if such day is not a business day, on the next succeeding business day, beginning in October 2006 (each, a “Distribution Date”).
Certificates	The classes of Certificates, their pass-through rates and initial certificate principal balances are shown or described in the table below.

Class	Initial Certificate Principal Balance ⁽¹⁾	Pass-Through Rate	Margin ⁽²⁾ (%) ⁽³⁾ (%)	Ratings		
				Fitch	Moody’s	S&P
Offered Certificates						

AMERIQUEST MORTGAGE SECURITIES INC.

\$1,934,646,000 (Approximate)
Asset-Backed Pass-Through Certificates
Ameriquest Mortgage Securities Inc.
Series ARSI 2006-M3

September

12, 2006

UNDERWRITING AGREEMENT

Greenwich Capital Markets, Inc.
600 Steamboat Road
Greenwich, CT 06830

Barclays Capital Inc.
200 Park Avenue
New York, NY 10166

Credit Suisse Securities (USA) LLC
Eleven Madison Avenue
New York, New York 10010

Deutsche Bank Securities Inc.
60 Wall St.
New York, NY 10005

UBS Securities LLC
1285 Avenue of Americas
New York, NY 10019

Ladies and Gentlemen:

Ameriquest Mortgage Securities Inc. (the "Depositor"), a Delaware corporation, has authorized the issuance and sale of Ameriquest Mortgage Securities Inc., Asset-Backed Pass-Through Certificates, Series ARSI 2006-M3 (the "Certificates"). The Certificates are designated as (i) the Class A-1 Certificates, the Class A-2A Certificates, the Class A-2B Certificates, the Class A-2C Certificates and the Class A-2D Certificates (collectively, the "Class A Certificates") and (ii) the Class M-1 Certificates, the Class M-2 Certificates, the Class M-3 Certificates, the Class M-4 Certificates, the Class M-5 Certificates, the Class M-6 Certificates, the Class M-7 Certificates, the Class M-8 Certificates and the Class M-9 Certificates (collectively, the "Offered Mezzanine Certificates"; together with the Class A Certificates, the "Underwritten Certificates"). Also to be issued are the Class M-10 Certificates, the Class CE Certificates, the Class P Certificates, the Class R Certificates and the Class R-X Certificates (collectively, the "Non-Offered Certificates"). The Underwritten Certificates and the Non-Offered Certificates are referred to together as the "Certificates."

Only the Underwritten Certificates are being purchased by the underwriters named in Schedule A hereto (the "Underwriters"), and the Underwriters severally are purchasing only the Underwritten Certificates set forth opposite their names in Schedule A, except that the amounts purchased by the Underwriters may change in accordance with Section 10 of this Agreement.

The Certificates will be issued under a Pooling and Servicing Agreement, dated as of September 1, 2006 (the "Pooling and Servicing Agreement"), among the Depositor as depositor, Ameriquest Mortgage Company as master servicer (in such capacity, the "Master Servicer") and Deutsche Bank National Trust Company as trustee (in such capacity, the "Trustee"). Capitalized but undefined terms shall have the meanings set forth in the Pooling and Servicing Agreement.

The Certificates will evidence fractional undivided interests in the Trust (the "Trust") formed pursuant to the Pooling and Servicing Agreement. The assets of the Trust will include, among other things, a segregated pool (the "Mortgage Pool") of certain adjustable-rate and fixed-rate, conventional, one- to four-family residential mortgage loans (collectively, the "Mortgage Loans"), the Master Servicer Prepayment Charge Payment Amounts, the Net WAC Rate Carryover Reserve Account and the Swap Account (including any payments made under the Swap Administration Agreement deposited in the Trust) and such amounts as may be held by the Trustee in any other accounts held by the Trustee for the Trust. A form of the Pooling and Servicing Agreement has been filed as an exhibit to the Registration Statement.

The Underwritten Certificates are more fully described in a Registration Statement which the Depositor has furnished to the Underwriters.

Pursuant to the Mortgage Loan Purchase Agreement, dated the date of this Agreement (the "Mortgage Loan Purchase Agreement"), between Ameriquest Mortgage Company (in such capacity, the "Seller") and the Depositor, the Seller will sell to the Depositor all of its right, title and interest in and to the Mortgage Loans, including the scheduled principal balances of the Mortgage Loans as of the Cut-off Date and interest due after the Cut-off Date. Pursuant to the Pooling and Servicing Agreement, the Depositor will sell to the Trust all of its right, title and interest in and to the Mortgage Loans, including the scheduled principal balances of the Mortgage Loans as of the Cut-off Date and interest due after the Cut-off Date.

SECTION 1. Representations and Warranties of the Depositor. The Depositor represents and warrants to, and agrees with the Underwriters that as of the date of the Preliminary Prospectus, as of the date of the Prospectus, and as of the Closing Date:

(a) A Registration Statement on Form S-3 (No. 333-131452) relating to the Underwritten Certificates has (i) been prepared by the Depositor in conformity with the requirements of the Securities Act of 1933, as amended (the "Securities Act"), and the rules and regulations (the "Rules and Regulations") of the United States Securities and Exchange Commission (the "Commission") thereunder, (ii) been filed with the Commission under the Securities Act and (iii) become effective and is still effective as of the date hereof under the Securities Act. Copies of such Registration Statement have been delivered by the Depositor to the Underwriters. As used in this Agreement, "Effective Time" means the date and the time as of which such Registration Statement, or the most recent post-effective amendment thereto, if any, was declared effective by the Commission; "Effective Date" means the date of the Effective Time; "Registration Statement" means such registration statement, at the Effective Time, including any documents incorporated by reference therein at such time; "Base Prospectus" means such final prospectus dated March 9, 2006 and "Prospectus Supplement" means the final prospectus supplement relating to the Underwritten Certificates, to be filed with the Commission pursuant to paragraph (2), (3) or (5) of Rule 424(b) of the Rules and Regulations. "Prospectus" means the Base Prospectus together with the Prospectus Supplement. The Depositor has prepared a Free Writing Prospectus, dated September 7, 2006, that contains substantially all information that will appear in the Prospectus Supplement and including the Static Pool Information referred to in the Free Writing Prospectus, to the extent that such information is known at that time (such Free Writing Prospectus together with the Base Prospectus, the "Preliminary Prospectus"). Reference made herein to the Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act, as of the date of the Prospectus and any reference to any amendment or supplement to the Preliminary Prospectus or the Prospectus shall be deemed to refer to and include any document filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), after the date of the Preliminary Prospectus or the Prospectus, as applicable, and incorporated by reference in the Preliminary Prospectus or the Prospectus, as applicable, and any reference to any amendment to the Registration Statement shall be deemed to include any report of the Depositor filed with the Commission pursuant to Section 13(a) or 15(d) of the Exchange Act after the Effective Time that is incorporated by reference in the Registration Statement. The Commission has not issued any order preventing or suspending the use of the Prospectus or the Preliminary Prospectus or the effectiveness of the Registration Statement and no proceedings for such purpose are pending or, to the Depositor's knowledge, threatened by the Commission. There are no contracts or documents of the Depositor which are required to be filed as exhibits to the Registration Statement pursuant to the Securities Act or the Rules and Regulations which have not been so filed or incorporated by reference therein on or prior to the Effective Date of the Registration Statement other than such documents or materials, if any, as any Underwriter delivers to the Depositor pursuant to Section 5 hereof for filing on Form 8-K. The conditions for use of Form S-3, as set forth in the General Instructions thereto, have been satisfied.

(b) The Registration Statement, the Preliminary Prospectus, the Prospectus and the Static Pool Information conform, and any further amendments or supplements to the Registration Statement, the Preliminary Prospectus and the Prospectus will conform, when they become effective, are filed with the Commission or as of the date of the Contract of Sale, as the case may be, in all respects to the requirements of the Securities Act and the Rules and Regulations. The Registration Statement, as of the Effective Date thereof, and any amendment thereto, did not contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading. The Preliminary Prospectus, as amended or supplemented, as of its date and as of the date of the Contract of Sale, and the Prospectus, as amended or supplemented, as of its date and as of the Closing Date, and the Static Pool Information, as of the date of the Contract of Sale and as of the Closing Date, do not and will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading; provided that no representation or warranty is made as to (i) information contained in or omitted from the Registration Statement, the Preliminary Prospectus or the Prospectus in reliance upon and in conformity with written information furnished to the Depositor in writing by any Underwriter expressly for use therein as set forth in Exhibit A hereto (the "Underwriters' Information"), and (ii) any Excluded Information (as defined in Section 8(a)(i) below).

(c) The documents incorporated by reference in the Preliminary Prospectus or the Prospectus, as applicable, when they became effective, were filed with the Commission or as of the date of the Contract of Sale, as the case may be, conformed in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder; and any further documents so filed and incorporated by reference in the Prospectus, when such documents become effective, are filed with the Commission or as of the date of the Contract of Sale, as the case may be, will conform in all material respects to the requirements of the Securities Act or the Exchange Act, as applicable, and the rules and regulations of the Commission thereunder.

(d) The Depositor has been duly incorporated and is validly existing as a corporation in good standing under the laws of its jurisdiction of incorporation and is in good standing as a foreign corporation in each jurisdiction in which its ownership or lease of property or the conduct of its business so requires such standing. The Depositor has all power and authority necessary to own or hold its properties, to conduct the business in which it is engaged and to enter into and perform its obligations under this Agreement, the Mortgage Loan Purchase Agreement and the Pooling and Servicing Agreement (collectively, the "Agreements") and to cause the Certificates to be issued.

(e) Except as disclosed in the Preliminary Prospectus and the Prospectus, there are no actions, proceedings or investigations pending with respect to which the Depositor has received service of process before, or, to the best of the Depositor's knowledge, threatened, by any court, administrative agency or other tribunal to which the Depositor is a party or of which any of its properties is the subject (a) which if determined adversely to the Depositor would have a material adverse effect on the business or financial condition of the Depositor, (b) asserting the invalidity of any of the Agreements or the Certificates, (c) seeking to prevent the issuance of the Certificates or the consummation by the Depositor of any of the transactions contemplated by any of the Agreements or (d) which might materially and adversely affect the performance by the Depositor of its obligations under, or the validity or enforceability of any of the Agreements or the Certificates.

(f) This Agreement has been, and the other Agreements when executed and delivered as contemplated hereby and thereby will have been, duly authorized, executed and delivered by the Depositor, and this Agreement constitutes, and the other Agreements when executed and delivered as contemplated herein will constitute, legal, valid and binding instruments enforceable against the Depositor in accordance with their respective terms, subject as to enforceability to (x) applicable bankruptcy, reorganization, insolvency, moratorium or other similar laws affecting creditors' rights generally, (y) general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law), and (z) with respect to rights of indemnity under any of the Agreements, limitations of public policy under applicable securities laws.

(g) The execution, delivery and performance of the Agreements by the Depositor and the consummation of the transactions contemplated hereby and thereby, and the issuance and delivery of the Certificates do not and will not conflict with or result in a breach or violation of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Depositor is a party, by which the Depositor is bound or to which any of the properties or assets of the Depositor or any of its subsidiaries is subject, which breach or violation would have a material adverse effect on the business, operations or financial condition of the Depositor or its ability to perform its obligations under any of the Agreements, nor will such actions result in any violation of the provisions of the articles of incorporation or by-laws of the Depositor or any statute or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Depositor or any of its properties or assets, which breach or violation would have a material adverse effect on the business, operations or financial condition of the Depositor or its ability to perform its obligations under any of the Agreements.

(h) The direction by the Depositor to the Trustee to execute, authenticate, issue and deliver the Certificates has been duly authorized by the Depositor, and, assuming the Trustee has been duly authorized to undertake such actions, when executed, authenticated, issued and delivered by the Trustee, in accordance with the Pooling and Servicing Agreement, the Certificates will be validly issued and outstanding and the holders of the Certificates will be entitled to the rights and benefits of the Certificates as provided by the Pooling and Servicing Agreement.

(i) No consent, approval, authorization, order, registration or qualification of or with any court or governmental agency or body of the United States is required for the issuance of the Certificates and the sale of the Underwritten Certificates to the Underwriters, or the consummation by the Depositor of the other transactions contemplated by the Agreements except such consents, approvals, authorizations, registrations or qualifications as may be required under state securities or Blue Sky laws in connection with the purchase and distribution of the Underwritten Certificates by the Underwriters or as have been obtained.

(j) At the time of the execution and delivery of the Pooling and Servicing Agreement, the Depositor will: (i) have equitable title to the Mortgage Loans conveyed by the Seller, free and clear of any lien, mortgage, pledge, charge, encumbrance, adverse claim or other security interest (collectively, "Liens"); (ii) not have assigned to any person (other than the Trustee) any of its right, title or interest in the Mortgage Loans and (iii) have the power and authority to sell the Mortgage Loans to the Trustee and to sell the Underwritten Certificates to the Underwriters. Upon execution and delivery of the Pooling and Servicing Agreement by the Trustee, the Trustee will have acquired beneficial ownership of all of the Depositor's right, title and interest in and to the Mortgage Loans. Upon delivery to the Underwriters of the Underwritten Certificates, the Underwriters will have good title to the Underwritten Certificates free of any Liens.

(k) As of the Cut-off Date, each of the Mortgage Loans will meet the eligibility criteria described in the Preliminary Prospectus and the Prospectus and will conform to the descriptions thereof contained in the Preliminary Prospectus and the Prospectus.

(l) Neither the Depositor nor the Trust is an "investment company" within the meaning of such term under the Investment Company Act of 1940, as amended (the "1940 Act") and the rules and regulations of the Commission thereunder.

(m) At the Closing Date, the Underwritten Certificates and the Pooling and Servicing Agreement will conform in all material respects to the descriptions thereof contained in the Preliminary Prospectus and the Prospectus.

(n) Any taxes, fees and other governmental charges in connection with the execution, delivery and issuance of the Agreements and the Certificates have been paid or will be paid at or prior to the Closing Date.

(o) Since the respective dates as of which information is given in the Preliminary Prospectus and the Prospectus, there has not been any material adverse change in the general affairs, management, financial condition, or results of operations of the Depositor or Seller, otherwise than as set forth or contemplated in the Prospectus as supplemented or amended as of the Closing Date.

(p) As of the Effective Date and as of the date of the Contract of Sale, the Depositor is not and will not be as of the Closing Date an "ineligible issuer" as defined in Rule 405 under the Securities Act.

(q) Any certificate signed by an officer of the Depositor and delivered to the Underwriters or counsel for the Underwriters in connection with an offering of the Underwritten Certificates shall be deemed, and shall state that it is, a representation and warranty as to the matters covered thereby to each person to whom the representations and warranties in this Section 1 are made.

(r) As of the date of the Contract of Sale, each Issuer Free Writing Prospectus and the Preliminary Prospectus, considered together, did not include any untrue statement of a material fact or omission of any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

SECTION 2. Purchase and Sale. The several commitments of the Underwriters to purchase the Underwritten Certificates pursuant to this Agreement shall be deemed to have been made on the basis of the representations and warranties herein contained and shall be subject to the terms and conditions herein set forth. The Depositor agrees to instruct the Trustee to issue the Certificates and agrees to sell to each Underwriter, and each Underwriter agrees (except as provided in Section 10 hereof) severally and not jointly to purchase from the Depositor, the aggregate principal amounts or percentage interests of the Underwritten Certificates of each Class, as set forth opposite such Underwriter's name on Schedule A, at the purchase price or prices set forth on Schedule A.

SECTION 3. Delivery and Payment. Delivery of and payment for the Underwritten Certificates shall be made at the offices of Thacher

Proffitt & Wood LLP, Two World Financial Center, New York, New York 10281, or at such other place as shall be agreed upon by the Underwriters and the Depositor at 10:00 A.M. New York City time on September 27, 2006, or at such other time or date as shall be agreed upon in writing by the Underwriters and the Depositor (such date being referred to as the "Closing Date"). Payment shall be made to the Depositor by wire transfer of same day funds payable to the account of the Depositor. Delivery of the Underwritten Certificates shall be made to Greenwich Capital Markets, Inc. for the accounts of the several Underwriters against payment of the purchase price thereof. The Underwritten Certificates so delivered will be initially represented by one or more certificates registered in the name of Cede & Co., the nominee of The Depository Trust Company ("DTC"). The interests of the beneficial owners of the Underwritten Certificates will be represented by book entries on the records of DTC and participating members thereof. Definitive Underwritten Certificates will be available only under the limited circumstances specified in the Pooling and Servicing Agreement.

SECTION 4. Offering by the Underwriters. It is understood that, subject to the terms and conditions hereof, the several Underwriters propose to offer the Underwritten Certificates for sale to the public as set forth in the Prospectus.

SECTION 5. Agreements.

(a) The Depositor agrees as follows:

- (i) To prepare the Preliminary Prospectus and the Prospectus in a form approved by the Underwriters; to file such Preliminary Prospectus pursuant to Rule 433(d) under the Securities Act not later than the same day on which the Preliminary Prospectus was made available to the Underwriters; to file such Prospectus pursuant to Rule 424(b) under the Securities Act not later than the second Business Day following the day on which the Prospectus was made available to the Underwriters; to make no further amendment or supplement to the Registration Statement or to the Prospectus prior to the Closing Date except as permitted herein; to advise the Underwriters, promptly after it receives notice thereof, of the time when any amendment to the Registration Statement has been filed or becomes effective prior to the termination of the offering of the Underwritten Certificates or any supplement to the Prospectus or any amended Prospectus has been filed and to furnish the Underwriters or their counsel with copies thereof without charge; to file promptly all reports and any definitive proxy or information statements required to be filed by the Depositor with the Commission pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of the Prospectus and, for so long as the delivery of a prospectus is required in connection with the offering or sale of the Underwritten Certificates; to promptly advise the Underwriters of its receipt of notice of the issuance by the Commission of any stop order or the institution of or, to the knowledge of the Depositor, the threatening of any proceeding for such purpose, or of: (i) any order preventing or suspending the use of the Preliminary Prospectus or the Prospectus; (ii) the suspension of the qualification of the Underwritten Certificates for offering or sale in any jurisdiction; (iii) the initiation of or threat of any proceeding for any such purpose or (iv) any request by the Commission for the amending or supplementing of the Registration Statement, the Preliminary Prospectus or the Prospectus or for additional information. In the event of the issuance of any stop order or of any order preventing or suspending the use of the Preliminary Prospectus or the Prospectus or suspending any such qualification, the Depositor promptly shall use its best efforts to obtain the withdrawal of such order by the Commission.
- (ii) To furnish promptly to the Underwriters and to counsel for the Underwriters a signed copy of the Registration Statement as originally filed with the Commission, and of each amendment thereto filed with the Commission, including all consents and exhibits filed therewith.
- (iii) To deliver promptly to the Underwriters without charge such number of the following documents as the Underwriters shall reasonably request: (i) conformed copies of the Registration Statement as originally filed with the Commission and each amendment thereto (in each case including exhibits); (ii) the Preliminary Prospectus, the Prospectus and any amended or supplemented Preliminary Prospectus or Prospectus and (iii) any document incorporated by reference in the Preliminary Prospectus or the Prospectus (including exhibits thereto). If the delivery of a prospectus is required at any time prior to the expiration of nine months after the Closing Date in connection with the offering or sale of the Underwritten Certificates, and if at such time any events shall have occurred as a result of which the Prospectus as then amended or supplemented would include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in light of the circumstances under which they were made when such Prospectus is delivered, not misleading, or, if for any other reason it shall be necessary during such same period to amend or supplement the Prospectus or to file under the Exchange Act any document incorporated by reference in the Prospectus in order to comply with the Securities Act or the Exchange Act, the Depositor shall notify the Underwriters and, upon any Underwriter's request, shall file such document and prepare and furnish without charge to the Underwriters and to any dealer in securities as many copies as the Underwriters may from time to time reasonably request of an amended Prospectus or a supplement to the Prospectus which corrects such statement or omission or effects such compliance, and in case the Underwriters are required to deliver a Prospectus in connection with sales of any of the Underwritten Certificates at any time nine months or more after the Effective Time, upon the request of the Underwriters but at their expense, the Depositor shall prepare and deliver to the Underwriters as many copies as the Underwriters may reasonably request of an amended or supplemented Prospectus complying with Section 10 (a)(3) of the Securities Act.
- (iv) To file promptly with the Commission any amendment to the Registration Statement, the Preliminary Prospectus or the Prospectus or any supplement to the Prospectus that may, in the judgment of the Depositor or the Underwriters, be required by the Securities Act or requested by the Commission. Neither the Underwriters' consent to nor their distribution of any amendment or supplement shall constitute a waiver of any of the conditions set forth in Section 6.
- (v) To furnish the Underwriters and counsel for the Underwriters, prior to filing with the Commission, and to obtain the consent of the Underwriters for the filing of the following documents relating to the Underwritten Certificates: (i) any Post-Effective Amendment to the Registration Statement or supplement to the Prospectus, or document incorporated by reference in the Prospectus or (ii) the Preliminary Prospectus and the Prospectus pursuant to the Rules and Regulations.

- (vi) To use commercially reasonable efforts, in cooperation with the Underwriters, to qualify the Underwritten Certificates for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States or elsewhere as the Underwriters may reasonably designate, and maintain or cause to be maintained such qualifications in effect for as long as may be required for the distribution of the Underwritten Certificates. The Depositor will file or cause the filing of such statements and reports as may be required by the laws of each jurisdiction in which the Underwritten Certificates have been so qualified; provided, however, that the Depositor shall not be required to qualify to do business in any jurisdiction where it is not now so qualified or to take any action which would subject it to general or unlimited service of process in any jurisdiction where it is now so subject.
 - (vii) So long as the Underwritten Certificates shall be outstanding, the Depositor shall cause the Trustee, pursuant to the Pooling and Servicing Agreement, to deliver to the Underwriters as soon as such statements are furnished to the Trustee: (i) the annual assessment of compliance delivered to the Trustee pursuant to Section 3.20 of the Pooling and Servicing Agreement; (ii) the annual attestation of a firm of registered public accountants furnished to the Trustee pursuant to Section 3.20 of the Pooling and Servicing Agreement; (iii) the monthly servicing report furnished to the Trustee and (iv) the monthly reports furnished to the Certificateholders pursuant to Section 4.02 of the Pooling and Servicing Agreement.
 - (viii) Unless the Underwriters shall otherwise have given their written consent, no collateralized mortgage obligations or other similar securities representing interests in or secured by other mortgage-related assets originated or owned by the Seller shall be publicly offered or sold, nor shall the Seller enter into any contractual arrangements that contemplate the public offering or sale of such securities, until the earlier to occur of the termination of the syndicate or the Closing Date.
 - (ix) In connection with any transaction contemplated by this Agreement, the Depositor and each of its affiliates maintain customary, arm's-length business relationships with each Underwriter and each of its affiliates, and no fiduciary duty on the part of any Underwriter or any of its affiliates is thereby or hereby intended or created, and the express disclaimer of any such fiduciary relationship on the part of each Underwriter and each of its affiliates is hereby acknowledged and accepted by the Depositor and each of its affiliates.
 - (x) The Depositor will file or cause to be filed with the Commission such Free Writing Prospectus that is either an Issuer Free Writing Prospectus (as defined in Section 5(c) hereof) or contains Issuer Information as soon as reasonably practicable after the date of this Agreement, but in any event, not later than required pursuant to Rules 426 or 433, respectively, of the Securities Act.
 - (xi) The Depositor shall not be required to file (A) any Free Writing Prospectus, if the information included therein is included or incorporated by reference in a prospectus or Free Writing Prospectus previously filed with the Commission that relates to the offering of the Certificates, or (B) any Free Writing Prospectus or portion thereof that contains a description of the Certificates or the offering of the Certificates which does not reflect the final terms thereof (so long as such information does not contain any Issuer Information).
 - (xii) The Depositor will (i) prepare and file the report required by Item 6.05 of Form 8-K within four business days after the Closing Date if any material pool characteristic in the final pool at the Closing Date varies by 5% or more from the description in the Prospectus Supplement, (ii) comply with required Form 8-K reporting requirements with respect to any prefunding account and (iii) if static pool information required with respect to the Underwritten Certificates is delivered via website, comply with the Rules and Regulations. The Depositor will be responsible for calculating the significance percentage of any derivative contract with respect to the Underwritten Certificates.
- (b) Each Underwriter severally represents, warrants, covenants and agrees with the Depositor as to itself that:
- (i) The Underwriters hereby authorize Greenwich Capital Markets, Inc. to execute on behalf of all the Underwriters, each of (a) a letter to the Depositor concerning registration and denomination instructions for the Underwritten Certificates purchased by the Underwriters, (b) the Cross Receipt relating to the Depositor's receipt of the proceeds from the sale of the Underwritten Certificates and (c) the original issue discount pricing letter.
 - (ii) Prior to entering into any Contract of Sale, the Underwriter shall convey the Preliminary Prospectus to each prospective investor. The Underwriter shall keep sufficient records to document its conveyance of the Preliminary Prospectus to each potential investor prior to the related Contract of Sale.
 - (iii) Unless preceded or accompanied by a prospectus satisfying the requirements of Section 10(a) of the Securities Act, the Underwriter shall not convey or deliver any written communication to any person in connection with the initial offering of the Certificates, unless such written communication (1) is made in reliance on Rule 134 under the Securities Act, (2) constitutes a prospectus satisfying the requirements of Rule 430B under the Securities Act or (3) is a Free Writing Prospectus.
 - (iv) An Underwriter may convey a Preliminary Term Sheet to a potential investor prior to entering into a Contract of Sale with such investor; provided, however, that (x) such Underwriter shall not enter into a Contract of Sale with such investor unless the Underwriter has complied with paragraph (ii) above prior to such Contract of Sale, (y) such Underwriter shall deliver a copy of the proposed Preliminary Term Sheet to the Depositor and its counsel prior to the anticipated first use and shall not convey any such Preliminary Term Sheet to which the Depositor or its counsel reasonably objects.

- (v) An Underwriter may convey Computational Materials (x) to a potential investor prior to entering into a Contract of Sale with such investor; provided, however, that (A) such Underwriter shall not enter into a Contract of Sale with such investor unless the Underwriter has complied with paragraph (ii) above prior to such Contract of Sale and (B) such Computational Materials shall not be disseminated in a manner reasonably designed to lead to their broad unrestricted dissemination; provided, however, that if such Computational Materials are disseminated in a manner reasonably designed to lead to its broad unrestricted dissemination, such Underwriter shall file with the Commission such Computational Materials, and (y) to an investor after a Contract of Sale, provided that the Underwriter has complied with paragraph (ii) above in connection with such Contract of Sale. The Underwriter shall keep sufficient records of any conveyance of Computational Materials to potential or actual investors and shall maintain such records as required by the Rules and Regulations.
- (vi) If an Underwriter does not furnish a Free Writing Prospectus that is required to be filed under the Securities Act to the Depositor's counsel prior to the scheduled print date of the Prospectus Supplement, such Underwriter will be deemed to have represented that it did not convey any such Free Writing Prospectus to any potential investor.
- (vii) Each Free Writing Prospectus shall contain legends substantially similar to the following or such other legends required by applicable law as determined by the Underwriters:

The depositor has filed a registration statement (including a prospectus) with the SEC for the offering to which this free writing prospectus relates. Before you invest, you should read the prospectus in that registration statement and other documents the depositor has filed with the SEC for more complete information about the depositor and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the depositor, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling toll-free 1-8[zz-zzz-zzzz].

This free writing prospectus does not contain all information that is required to be included in the base prospectus and the prospectus supplement.

The information in this free writing prospectus supersedes information contained in any prior similar free writing prospectus relating to these securities prior to the time of your commitment to purchase.

The asset-backed securities referred to in this free writing prospectus are being offered when, as and if issued. In particular, you are advised that asset-backed securities, and the asset pools backing them, are subject to modification or revision (including, among other things, the possibility that one or more classes of securities may be split, combined or eliminated), at any time prior to issuance or availability of a final prospectus. As a result, you may commit to purchase securities that have characteristics that may change, and you are advised that all or a portion of the securities may not be issued that have the characteristics described in this free writing prospectus. Our obligation to sell securities to you is conditioned on the securities having the characteristics described in this free writing prospectus. If that condition is not satisfied, we will notify you, and neither the issuer nor [the] [any] underwriter will have any obligation to you to deliver all or any portion of the securities which you have committed to purchase, and there will be no liability between us as a consequence of the non-delivery.

This free writing prospectus is being delivered to you solely to provide you with information about the offering of the asset-backed securities referred to in this free writing prospectus and to solicit an indication of your interest in purchasing such securities, when, as and if issued. Any such indication of interest will not constitute a contractual commitment by you to purchase any of the securities.

- (viii) Any Computational Materials shall include legends, in addition to those specified in paragraph (vii) above, substantially similar to the following or such other legends required by applicable law as determined by the Underwriters:

The information in this free writing prospectus may be based on preliminary assumptions about the pool assets and the structure. Any such assumptions are subject to change.

The information in this free writing prospectus may reflect parameters, metrics or scenarios specifically requested by you. If so, prior to the time of your commitment to purchase, you should request updated information based on any parameters, metrics or scenarios specifically required by you.

Neither the depositor nor any of its affiliates prepared, provided, approved or verified any statistical or numerical information presented in this free writing prospectus, although that information may be based in part on loan level data provided by the depositor or its affiliates.

- (ix) On or before the Closing Date, Greenwich Capital Markets, Inc. shall execute and deliver to Thacher Proffitt & Wood LLP a copy of an original issue discount pricing letter, provided to Greenwich Capital Markets, Inc. by Thacher Proffitt & Wood LLP.
 - (x) Each Underwriter severally agrees to retain all Free Writing Prospectuses that it has used and that are not required to be filed pursuant to this Section 5 for a period of three years following the initial bona fide offering of the Offered Certificates.
- (c) The following terms shall have the meanings set forth below, unless the context clearly indicates otherwise:

Computational Materials: Any Free Writing Prospectus prepared by the Underwriter that contains only (i) information specified in paragraph (5) of the definition of ABS Informational and Computational Materials in Item 1101(a) of Regulation AB or (ii) information that is not Issuer

Information.

Contract of Sale: The meaning set forth in Rule 159 under the Securities Act.

Derived Information: Such information, if any, in any Free Writing Prospectus prepared by any Underwriter that is not contained in either (i) the Registration Statement, the Base Prospectus, the Preliminary Prospectus or the Prospectus or amendments or supplements thereto, taking into account information incorporated therein by reference or (ii) any Pool Information.

Free Writing Prospectus: A “written communication” within the meaning of Rule 405 under the Securities Act that describes the Certificates and/or the Mortgage Loans.

Issuer Information: Such information as defined in Rule 433(h) under the Securities Act and which shall not include (i) information that is merely based on or derived from such information or (ii) any Excluded Information.

Issuer Free Writing Prospectus: The meaning set forth in Rule 405 of the Securities Act except that (i) Computational Materials shall not be an Issuer Free Writing Prospectus; (ii) any Free Writing Prospectus or portion thereof prepared by or on behalf of an Underwriter that includes any Issuer Information that is not approved by the Depositor for use therein shall not be an Issuer Free Writing Prospectus and (iii) no Free Writing Prospectus shall be deemed to be prepared by an Underwriter on behalf of the Depositor if such Free Writing Prospectus is not delivered to the Depositor prior to first use in accordance with Section 5(b)(vi) hereof.

Preliminary Term Sheet: A Free Writing Prospectus that contains information described in paragraphs (1) - (3) of the definition of ABS Informational and Computational Materials in Item 1101(a) of Regulation AB but which does not include Derived Information.

Static Pool Information: Such information as described in Item 1105 of Regulation AB, whether or not such information is incorporated into the Registration Statement or the Prospectus.

(d) (i) In the event that any Underwriter or the Depositor becomes aware that, as of the time of the Contract of Sale, any Free Writing Prospectus prepared by or on behalf of the Underwriter and delivered to a purchaser of an Offered Certificate contained any untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading (such Free Writing Prospectus, a “Defective Free Writing Prospectus”), the Underwriter or the Depositor shall notify the other parties to this Agreement thereof within one business day after discovery.

(ii) The party responsible for the information to be corrected, if requested by the Depositor or an Underwriter, as appropriate, shall prepare a Free Writing Prospectus with Corrective Information that corrects the material misstatement in or omission from the Defective Free Writing Prospectus (such corrected Free Writing Prospectus, a “Corrected Free Writing Prospectus”).

(iii) The Underwriters shall deliver the Corrected Free Writing Prospectus to each purchaser of an Offered Certificate which received the Defective Free Writing Prospectus prior to entering into an agreement to purchase any Offered Certificates.

(iv) The Underwriters shall notify such purchaser in a prominent fashion that the prior agreement to purchase Offered Certificates has been terminated, and of such purchaser’s rights as a result of termination of such agreement.

(v) The Underwriters shall provide such purchaser with an opportunity to affirmatively agree to purchase such Offered Certificates on the terms described in the Corrected Free Writing Prospectus.

(e) Each Underwriter covenants with the Depositor that after the final Prospectus is available the Underwriter shall not distribute any written information concerning the Offered Certificates to a prospective purchaser of Offered Certificates unless such information is preceded or accompanied by the final Prospectus.

SECTION 6. Conditions to the Underwriters’ Obligation. The several obligations of the Underwriters hereunder to purchase the Underwritten Certificates pursuant to this Agreement are subject to the following conditions as of the Closing Date:

(a) Each of the obligations of the Depositor required to be performed by it on or prior to the Closing Date pursuant to the terms of the Agreements shall have been duly performed and complied with and all of the representations and warranties of the Depositor under any of the Agreements shall be true and correct as of the Closing Date and no event shall have occurred which, with notice or the passage of time, would constitute a default under any of the Agreements, and the Underwriters shall have received certificates to the effect of the foregoing, each signed by an authorized officer of the Depositor.

(b) Prior to the Closing Date, (i) the Depositor shall have received confirmation of the effectiveness of the Registration Statement and (ii) no stop order suspending the effectiveness of the Registration Statement shall have been issued and no proceedings for that purpose shall have been instituted or, to the knowledge of the Depositor, shall be contemplated by the Commission. Any request of the Commission for inclusion of additional information in the Registration Statement or the Prospectus shall have been complied with.

(c) The Mortgage Loans will be acceptable to the following rating agencies (each, a “Rating Agency”): Fitch Ratings (“Fitch”), Standard &

Poor's Ratings Services, a division of The McGraw-Hill Companies Inc. ("S&P") and Moody's Investor Service, Inc. ("Moody's").

- (d) The Underwriters shall have received the following additional closing documents, in form and substance satisfactory to the Underwriters and their counsel:
- (i) the Agreements and all documents required thereunder, duly executed and delivered by each of the parties thereto other than the Underwriters and their affiliates;
 - (ii) an officer's certificate of an officer of the Seller and an officer's certificate of an officer of the Depositor, in each case dated as of the Closing Date and reasonably satisfactory in form and substance to the Underwriters and counsel for the Underwriters with resolutions of the applicable board of directors and a copy of the formation documents of the Seller or the Depositor, as applicable;
 - (iii) an opinion of in-house counsel to the Seller, reasonably satisfactory in form and substance to the Underwriters and counsel for the Underwriters, dated the Closing Date, as to various matters;
 - (iv) an opinion of Thacher Proffitt & Wood LLP, counsel to the Depositor, dated the Closing Date, reasonably satisfactory in form and substance to the Underwriters and counsel for the Underwriters, as to various matters;
 - (v) an opinion of McKee Nelson LLP, counsel to the Underwriters, dated the Closing Date, reasonably satisfactory in form and substance to the Underwriters, as to various matters;
 - (vi) such opinions of Thacher Proffitt & Wood LLP, counsel to the Depositor, in forms reasonably satisfactory to the Underwriters, their counsel and each Rating Agency, as to such additional matters not opined to in the opinion delivered pursuant to clause (iv) above as shall be required for the assignment of a rating to each Class of Underwritten Certificates by each Rating Agency (as to each, the "Required Ratings") as set forth in the Prospectus Supplement;
 - (vii) a letter from each Rating Agency that it has assigned the applicable Required Ratings;
 - (viii) a letter, dated the Closing Date, from each of Thacher Proffitt & Wood LLP, counsel to the Depositor, and McKee Nelson LLP, counsel to the Underwriters, providing negative assurance with respect to the Preliminary Prospectus as of its date and as of the date hereof and with respect to the Prospectus, as of its date and as of the Closing Date;
 - (ix) letters dated on or before the date on which the Preliminary Prospectus is dated and conveyed, in form and substance acceptable to the Underwriters and their counsel and addressed to the Underwriters, prepared by Ernst & Young LLP (a) regarding certain numerical information contained or incorporated by reference in the Preliminary Prospectus and (b) relating to certain agreed upon procedures as requested by the Underwriters relating to the Mortgage Loans;
 - (x) letters dated on or before the date on which the Prospectus is dated and printed, in form and substance acceptable to the Underwriters and their counsel and addressed to the Underwriters, prepared by Ernst & Young LLP (a) regarding certain numerical information contained or incorporated by reference in the Prospectus and (b) relating to certain agreed upon procedures as requested by the Underwriters relating to the Mortgage Loans;
 - (xi) an opinion of counsel to the Trustee, dated the Closing Date, in form and substance reasonably satisfactory to the Underwriters, their counsel and each Rating Agency; and
 - (xii) an officer's certificate of an officer of the Trustee, dated as of the Closing Date, reasonably satisfactory in form and substance to the Underwriters and their counsel.
- (e) All proceedings in connection with the transactions contemplated by this Agreement and all documents incident hereto shall be reasonably satisfactory in form and substance to the Underwriters and their counsel.
- (f) The Seller and the Depositor shall have furnished the Underwriters with such other certificates of its officers or others and such other documents or opinions as the Underwriters or their counsel may reasonably request.
- (g) Subsequent to the execution and delivery of this Agreement none of the following shall have occurred: (i) trading in securities generally on the New York Stock Exchange, the American Stock Exchange or the over-the-counter market shall have been suspended or minimum prices shall have been established on either of such exchanges or such market by the Commission, by such exchange or by any other regulatory body or governmental authority having jurisdiction; (ii) a banking moratorium shall have been declared by Federal or New York State authorities; (iii) the United States shall have become engaged in material hostilities, there shall have been an escalation of such hostilities involving the United States or there shall have been a declaration of war by the United States; (iv) a material disruption in settlement or clearing operations shall occur; or (v) there shall have occurred such a material adverse change in general economic, political or financial conditions (or the effect of international conditions on the financial markets of the United States shall be such) which is material and adverse, and in the case of any of the events specified in clauses (i) through (v), either individually or together with any other such event specified in clauses (i) through (v) makes it in the judgment of the Underwriters, impractical to market the Underwritten Certificates.
- (h) There shall not have occurred any development that has caused a material adverse change in the financial condition or business operations of the Seller or the Depositor which adverse change makes it impractical to market the Underwritten Certificates.

(i) The Interest Rate Swap Agreement and the Swap Administration Agreement shall have been executed and delivered.

(j) The Depositor will comply with Regulation AB in all respects as it relates to the Depositor.

(k) The Depositor shall have delivered to the Underwriters (i) a letter from the Depositor's registered accountants dated as of a date not more than 135 days prior to the date of first use of the Prospectus Supplement, relating to certain agreed upon procedures as requested by the Depositor with respect to the Static Pool Information included in or incorporated by reference into the Prospectus Supplement for securitized assets issued on or after January 1, 2006 and (ii) a letter from the Depositor's registered accountants dated as of the date of the Prospectus Supplement, addressed to the Underwriters and providing for reliance on the letter described in (i) of this clause (k).

(l) If any condition specified in this Section 6 shall have not been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Underwriters by notice to the Depositor at any time at or prior to the Closing Date, and such termination shall be without liability of any party to any other party except as provided in Sections 7, 8 and 19.

SECTION 7. Payment of Expenses. The Depositor agrees to pay:

- (i) the costs incident to the authorization, issuance, sale and delivery of the Certificates and any taxes payable in connection therewith;
- (ii) the costs incident to the preparation, printing and filing under the Securities Act of the Registration Statement and any amendments and exhibits thereto and any Issuer Free Writing Prospectus; (iii) the costs of distributing the Registration Statement as originally filed and each amendment thereto and any post-effective amendments thereof (including, in each case, exhibits), the Preliminary Prospectus, the Prospectus and any amendment or supplement to the Prospectus or any document incorporated by reference therein and any Issuer Free Writing Prospectus, all as provided in this Agreement; (iv) the costs of reproducing and distributing this Agreement; (v) any fees charged by securities rating services for rating the Underwritten Certificates; (vi) the cost of accountants' comfort letters relating to the Preliminary Prospectus and the Prospectus (except as otherwise agreed in a separate letter agreement between the Seller and the Underwriters); (vii) all other costs and expenses incidental to the performance of the obligations of the Depositor and the Seller (including costs and expenses of counsel to the Depositor and the Seller) and (viii) to the extent set forth in the second succeeding paragraph, the costs and expenses of the Underwriters.

The Underwriters shall be solely responsible for any due diligence expenses incurred by them, any transfer taxes on the Underwritten Certificates which they may sell, the expenses of advertising any offering of the Underwritten Certificates made by the Underwriters, the cost of any accountants' comfort letters relating to any Computational Materials and the costs and expenses of counsel to the Underwriters.

If this Agreement is terminated because of a breach of the Depositor of any covenant or agreement hereunder (other than the failure of the closing condition set forth in Section 6(h) to be met), the Depositor shall cause the Underwriters to be reimbursed for all reasonable out-of-pocket expenses, including fees and disbursements of McKee Nelson LLP, counsel for the Underwriters.

SECTION 8. Indemnification and Contribution.

(a) The Depositor indemnifies and holds harmless each Underwriter, each Underwriter's respective officers and directors and each person, if any, who controls any Underwriter within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, as follows:

- (i) against any and all losses, claims, expenses, damages or liabilities, joint or several, to which such Underwriter, its officers, directors or such controlling person may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof including, but not limited to, any loss, claim, expense, damage or liability related to purchases and sales of the Underwritten Certificates) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in the Registration Statement, the Preliminary Prospectus, the Prospectus, any Issuer Free Writing Prospectus, any amendment or supplement to any of the foregoing or the Static Pool Information, or arise out of, or are based upon, the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements made therein not misleading; and will reimburse each Underwriter and each such controlling person for any legal or other expenses reasonably incurred by such Underwriter or such controlling person in connection with investigating or defending any such loss, claim, damage, liability or action as such expenses are incurred; provided, however, that the Depositor will not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or omission, or alleged untrue statement or omission, made in any of such documents: (x) under the defined term "Modeling Assumptions" under the caption "Yield on the Certificates—Weighted Average Lives," the table entitled "—Assumed Mortgage Loan Characteristics" and the tables entitled "—Percent of Original Certificate Principal Balance Outstanding" (collectively, the "Excluded Information"); (y) in reliance upon and in conformity with any Underwriters' Information; or (z) in any Derived Information, except in the case of clause (x) or (z) to the extent that any untrue statement or alleged untrue statement or omission therein results (or is alleged to have resulted) from an error or material omission in the information either in the Preliminary Prospectus or the Prospectus for which the Depositor is responsible or concerning the characteristics of the Mortgage Loans furnished by the Seller to the Underwriters for use in the preparation of any Excluded Information or any Free Writing Prospectus; provided, however, that no indemnity shall be provided by either the Depositor or the Seller for any error that was superseded or corrected by delivery to the Underwriters of corrected written or electronic information prior to the first Contract of Sale or for which the Seller or the Depositor provided written notice of such error to the Underwriters prior to the first Contract of Sale and the Underwriters failed to correct such error;

- (ii) against any and all loss, liability, claim, damage and expense whatsoever, to the extent of the aggregate amount paid in settlement of

any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, if such settlement is effected with the written consent of the Depositor; and

- (iii) against any and all expense whatsoever (including the fees and disbursements of counsel chosen by any such Underwriter), reasonably incurred in investigating, preparing or defending against any litigation, or investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, or any such alleged untrue statement or omission, to the extent that any such expense is not paid under clause (i) or clause (ii) above.

This indemnity agreement will be in addition to any liability which the Depositor may otherwise have.

(b) Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless each of the Depositor, each of its directors, each of its officers and each person, if any, who controls the Depositor within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act, against any and all losses, claims, expenses, damages or liabilities to which the Depositor or any such director, officer or controlling person may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or alleged untrue statement of any material fact contained in (i) Derived Information and (ii) the Registration Statement, the Preliminary Prospectus, the Prospectus, or any amendment or supplement thereto, or arise out of, or are based upon, the omission or the alleged omission to state therein a material fact required to be stated therein or necessary to make the statements made therein not misleading, but with respect to clause (b)(ii) above, only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission was made in reliance upon and in conformity with the Underwriters' Information of such Underwriter; and will reimburse any legal or other expenses reasonably incurred by the Depositor or any such director, officer or controlling person in connection with investigating or defending any such loss, claim, damage, liability or action. This indemnity agreement will be in addition to any liability which such Underwriter may otherwise have.

(c) Promptly after receipt by an indemnified party under this Section 8 of notice of the commencement of any action described therein, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 8, notify the indemnifying party of the commencement thereof; but the omission to so notify the indemnifying party will not relieve the indemnifying party from any liability that it may have to any indemnified party otherwise than under this Section 8; provided, however, that the failure to notify the indemnifying party under this Section 8(c) shall not eliminate the contribution requirement of the indemnifying party under Section 8(d) unless the failure to notify under this Section 8(c) is materially adverse to the indemnifying party. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein, and, to the extent that it may wish to do so, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party), and, after notice from the indemnifying party to such indemnified party under this Section 8, such indemnifying party shall not be liable for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof other than reasonable costs of investigation.

Any indemnified party shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of such indemnified party unless: (i) the employment thereof has been specifically authorized by the indemnifying party in writing; (ii) such indemnified party shall have been advised by such counsel that there may be one or more legal defenses available to it which are different from or additional to those available to the indemnifying party and in the reasonable judgment of such counsel it is advisable for such indemnified party to employ separate counsel; (iii) a conflict or potential conflict exists (based on advice of counsel to the indemnified party) between the indemnified party and the indemnifying party (in which case the indemnifying party will not have the right to direct the defense of such action on behalf of the indemnified party); or (iv) the indemnifying party has failed to assume the defense of such action and employ counsel reasonably satisfactory to the indemnified party, in which case, if such indemnified party notifies the indemnifying party in writing that it elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such action on behalf of such indemnified party, it being understood, however, the indemnifying party shall not, in connection with any one such action or separate but substantially similar or related actions in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (in addition to local counsel) at any time for all such indemnified parties, which firm shall be designated in writing by the related Underwriter, if the indemnified parties under this Section 8 consist of one Underwriter or any of its controlling persons, by the Representative, if the indemnified parties under this Section 8 consist of more than one Underwriter or their controlling persons, or by the Depositor, if the indemnified parties under this Section 8 consist of the Depositor or any of the Depositor's directors, officers or controlling persons.

Each indemnified party, as a condition of the indemnity agreements contained in Section 8(a) and Section 8(b), shall use its good faith efforts to cooperate with the indemnifying party in the defense of any such action or claim. No indemnifying party shall be liable for any settlement of any such action effected without its written consent (which consent shall not be unreasonably withheld), but if settled with its written consent or if there be a final judgment for the plaintiff in any such action, the indemnifying party agrees to indemnify and hold harmless any indemnified party from and against any loss or liability (to the extent set forth in Section 8(a) or Section 8(b) as applicable) by reason of such settlement or judgment.

Notwithstanding the foregoing paragraph, if at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, the indemnifying party agrees that it shall be liable for any settlement of any proceeding effected without its written consent if (i) such settlement is entered into more than 30 days after receipt by such indemnifying party of the aforesaid request and (ii) such indemnifying party shall not have reimbursed the indemnified party in accordance with such request prior to the date of such settlement.

(d) If the indemnification provided for in Section 8(a) or 8(b) is unavailable or insufficient to hold harmless an indemnified party under subsection (a) or (b) above, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of the losses, claims, damages or liabilities referred to in subsection (a) or (b) above (i) in such proportion as is appropriate to reflect the relative benefits received by the Depositor on the one hand and the Underwriters on the other from the offering of the Underwritten Certificates or (ii) if the allocation provided by clause (i)

above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Depositor on the one hand and the Underwriters on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities as well as any other relevant equitable considerations. The relative benefits received by the Depositor on the one hand and the Underwriters on the other shall be deemed to be in the same proportion as the total net proceeds from the offering (before deducting expenses) received by the Depositor bear to the total underwriting discounts and commissions received by the Underwriters. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Depositor or by the Underwriters and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such untrue statement or omission. The amount paid by an indemnified party as a result of the losses, claims, damages or liabilities referred to above in the first sentence of this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any action or claim which is the subject of this subsection (d). Notwithstanding the provisions of this subsection (d), no Underwriter shall be required to contribute any amount in excess of underwriting discounts and commissions received by such Underwriter. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Underwriters' obligations in this subsection (d) to contribute are several in proportion to their respective underwriting obligations and not joint.

SECTION 9. Representations, Warranties and Agreements to Survive Delivery. All representations, warranties and agreements contained in this Agreement or contained in certificates of officers of the Depositor or the Seller submitted pursuant hereto shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of the Underwriters or controlling persons thereof, or by or on behalf of the Depositor or the Seller, and shall survive delivery of any Underwritten Certificates to the Underwriters.

SECTION 10. Default by One or More of the Underwriters. If one or more of the Underwriters participating in the public offering of the Underwritten Certificates shall fail at the Closing Date to purchase the Underwritten Certificates which it is (or they are) obligated to purchase hereunder (the "Defaulted Certificates"), then the non-defaulting Underwriters shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Certificates in such amounts as may be agreed upon and upon the terms herein set forth. If, however, the Underwriters have not completed such arrangements within such 24-hour period, then

(a) if the aggregate principal amount of Defaulted Certificates does not exceed 10% of the aggregate principal amount of the Underwritten Certificates to be purchased pursuant to this Agreement, the non-defaulting Underwriters named in this Agreement shall be obligated to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all such non-defaulting Underwriters, or

(b) if the aggregate principal amount of Defaulted Certificates exceeds 10% of the aggregate principal amount of the Underwritten Certificates to be purchased pursuant to this Agreement, this Agreement shall terminate, without any liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section 10 shall relieve any defaulting Underwriter from the liability with respect to any default of such Underwriter under this Agreement.

In the event of a default by any Underwriter as set forth in this Section 10, each of the Underwriters and the Depositor shall have the right to postpone the Closing Date for a period not exceeding five Business Days in order that any required changes in the Registration Statement or Prospectus or in any other documents or arrangements may be effected.

SECTION 11. Termination of Agreement. The Underwriters may terminate this Agreement immediately upon notice to the Depositor, at any time at or prior to the Closing Date if the events set forth in Section 6(h) of this Agreement shall occur and be continuing, or if any other closing condition set forth in Section 6 shall not have been fulfilled when required to be fulfilled. In the event of any such termination, the provisions of Section 7, Section 8, Section 9, Section 14, Section 16 and Section 19 shall remain in effect.

SECTION 12. Notices. All statements, requests, notices and agreements hereunder shall be in writing, and:

(a) if to the Underwriters, shall be delivered or sent to each of the following by mail, telex or facsimile transmission: (i) Greenwich Capital Markets, Inc., 600 Steamboat Road, Greenwich, Connecticut 06830, Attention: Legal; (ii) Barclays Capital Inc., 200 Park Avenue, New York, New York 10166, Attention: Legal; (iii) Credit Suisse Securities (USA) LLC, Eleven Madison Avenue, New York, New York 10010, Attention: Legal; (iv) Deutsche Bank Securities Inc., 60 Wall Street, New York, New York 10005, Attention: Legal; (v) UBS Securities LLC, 1285 Avenue of Americas, New York, New York 10019, Attention: Legal;

(b) if to the Depositor, shall be delivered or sent by mail, telex or facsimile transmission to care of Ameriquest Mortgage Securities Inc., 1100 Town & Country Road, Suite 1100, Orange, California 92868, Facsimile (714) 564-9639, Attention: General Counsel; and

(c) if to the Seller, shall be delivered or sent by mail, telex or facsimile transmission to care of Ameriquest Mortgage Company, 1100 Town & Country Road, Suite 1100, Orange, California 92868, Facsimile (714) 564-9639, Attention: General Counsel.

SECTION 13. Persons Entitled to the Benefit of this Agreement. This Agreement shall inure to the benefit of and be binding upon the Underwriters, the Seller and the Depositor, and their respective successors. This Agreement and the terms and provisions hereof are for the sole benefit of only those persons, except that the representations, warranties, indemnities and agreements contained in this Agreement shall also be deemed to be for the benefit of the person or persons, if any, who control any of the Underwriters within the meaning of Section 15 of the Securities Act, and for the benefit of each Underwriter's respective officers and directors and for the benefit of directors of the Depositor, officers of the Depositor who have signed the Registration Statement and any person controlling the Depositor within the meaning of Section 15 of the Securities Act. Nothing in this Agreement is intended or shall be

construed to give any person, other than the persons referred to in this Section 13, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision contained herein.

SECTION 14. Survival. The respective indemnities, representations, warranties and agreements of the Depositor, the Seller and the Underwriters contained in this Agreement, or made by or on behalf of them, respectively, pursuant to this Agreement, shall survive the delivery of and payment for the Underwritten Certificates and shall remain in full force and effect, regardless of any investigation made by or on behalf of any of them or any person controlling any of them.

SECTION 15. Definition of the Term "Business Day". For purposes of this Agreement, "Business Day" means any day on which the New York Stock Exchange is open for trading.

SECTION 16. Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of law other than Section 5-1401 of the New York General Obligations Law which shall govern.

The parties hereto hereby submit to the non-exclusive jurisdiction of the United States District Court for the Southern District of New York and any court in the State of New York located in the City and County of New York, and appellate court from any thereof, in any action, suit or proceeding brought against it or in connection with this Agreement or any of the related documents or the transactions contemplated hereunder or for recognition or enforcement of any judgment, and the parties hereto hereby agree that all claims in respect of any such action or proceeding may be heard or determined in New York State court or, to the extent permitted by law, in such federal court. The parties hereto hereby irrevocably waive, to the fullest extent permitted by law, any and all rights to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

SECTION 17. Counterparts. This Agreement may be executed in counterparts and, if executed in more than one counterpart, the executed counterparts shall each be deemed to be an original but all such counterparts shall together constitute one and the same instrument.

SECTION 18. Headings. The headings herein are inserted for convenience of reference only and are not intended to be part of, or to affect the meaning or interpretation of, this Agreement.

SECTION 19. Obligations of the Seller. The Seller agrees with the Underwriters, for the sole and exclusive benefit of each such Underwriter, each such Underwriter's officers and directors and each person controlling such Underwriter within the meaning of the Securities Act, and not for the benefit of any assignee thereof or any other person or persons dealing with such Underwriter as follows: in consideration of and as an inducement to their agreement to purchase the Underwritten Certificates from the Depositor, to indemnify and hold harmless each Underwriter against any failure by the Depositor to perform its obligations to the Underwriters hereunder, including, without limitation, any failure by the Depositor to honor any obligation to any Underwriter pursuant to Sections 8 and 14 (with respect to the survival of indemnities) hereof. In the case of any claim against the Seller by any Underwriter, any officer or director of any Underwriter or any person controlling any Underwriter, it shall not be necessary for such claimant to first pursue any remedy from or exhaust any proceedings against the Depositor.

If the foregoing correctly sets forth the agreement among the Depositor, the Seller and the Underwriters, please indicate your acceptance in the space provided for the purpose below.

Very truly yours,

AMERQUEST MORTGAGE SECURITIES INC.

By: _____
Name:
Title:

AMERQUEST MORTGAGE COMPANY

By: _____
Name:
Title:

CONFIRMED AND ACCEPTED, as of the date first above written:

GREENWICH CAPITAL MARKETS, INC.

By: _____
Name:
Title:

BARCLAYS CAPITAL INC.

By: _____
Name:
Title:

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name:
Title:

DEUTSCHE BANK SECURITIES INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

UBS SECURITIES LLC

By: _____
Name:
Title:

Underwriters	SCHEDULE A Principal Amount	Proceeds to the Depositor
Greenwich Capital Markets, Inc.		
Class A-1	\$333,373,500	99.8800%
Class A-2A	\$143,795,000	99.8500%
Class A-2B	\$64,399,000	99.8500%
Class A-2C	\$70,434,000	99.8500%
Class A-2D	\$57,455,000	99.8500%
Class M-1	\$46,883,000	99.8500%
Class M-2	\$31,255,500	99.8500%
Class M-3	\$13,938,000	99.8500%
Class M-4	\$13,370,000	99.8500%
Class M-5	\$13,370,000	99.8500%
Class M-6	\$11,588,000	99.8500%
Class M-7	\$10,136,500	99.8500%
Class M-8	\$6,758,000	99.8500%
Class M-9	\$5,491,000	99.8500%
Barclays Capital Inc.		
Class A-1	\$333,373,500	99.8800%
Class A-2A	\$143,795,000	99.8500%
Class A-2B	\$64,399,000	99.8500%
Class A-2C	\$70,434,000	99.8500%
Class A-2D	\$57,455,000	99.8500%
Class M-1	\$46,883,000	99.8500%
Class M-2	\$31,255,500	99.8500%
Class M-3	\$13,938,000	99.8500%
Class M-4	\$13,370,000	99.8500%
Class M-5	\$13,370,000	99.8500%
Class M-6	\$11,588,000	99.8500%
Class M-7	\$10,136,500	99.8500%
Class M-8	\$6,758,000	99.8500%
Class M-9	\$5,491,000	99.8500%
Credit Suisse Securities (USA) LLC		
Class A-1	\$39,220,000	99.8800%
Class A-2A	\$16,917,000	99.8500%
Class A-2B	\$7,576,000	99.8500%
Class A-2C	\$8,286,000	99.8500%
Class A-2D	\$6,759,000	99.8500%
Class M-1	\$5,516,000	99.8500%
Class M-2	\$3,677,000	99.8500%
Class M-3	\$1,640,000	99.8500%
Class M-4	\$1,573,000	99.8500%
Class M-5	\$1,573,000	99.8500%
Class M-6	\$1,363,000	99.8500%
Class M-7	\$1,193,000	99.8500%
Class M-8	\$795,000	99.8500%
Class M-9	\$646,000	99.8500%
Deutsche Bank Securities Inc.		
Class A-1	\$39,220,000	99.8800%
Class A-2A	\$16,917,000	99.8500%
Class A-2B	\$7,576,000	99.8500%
Class A-2C	\$8,286,000	99.8500%
Class A-2D	\$6,759,000	99.8500%
Class M-1	\$5,516,000	99.8500%
Class M-2	\$3,677,000	99.8500%
Class M-3	\$1,640,000	99.8500%
Class M-4	\$1,573,000	99.8500%
Class M-5	\$1,573,000	99.8500%
Class M-6	\$1,363,000	99.8500%
Class M-7	\$1,193,000	99.8500%
Class M-8	\$795,000	99.8500%
Class M-9	\$646,000	99.8500%

UBS Securities LLC

Class A-1	\$41,118,000	99.8800%
Class A-2A	\$17,735,000	99.8500%
Class A-2B	\$7,943,000	99.8500%
Class A-2C	\$8,687,000	99.8500%
Class A-2D	\$7,086,000	99.8500%
Class M-1	\$5,782,000	99.8500%
Class M-2	\$3,855,000	99.8500%
Class M-3	\$1,719,000	99.8500%
Class M-4	\$0	99.8500%
Class M-5	\$0	99.8500%
Class M-6	\$0	99.8500%
Class M-7	\$1,250,000	99.8500%
Class M-8	\$833,000	99.8500%
Class M-9	\$677,000	99.8500%

EXHIBIT A

Underwriters' Information

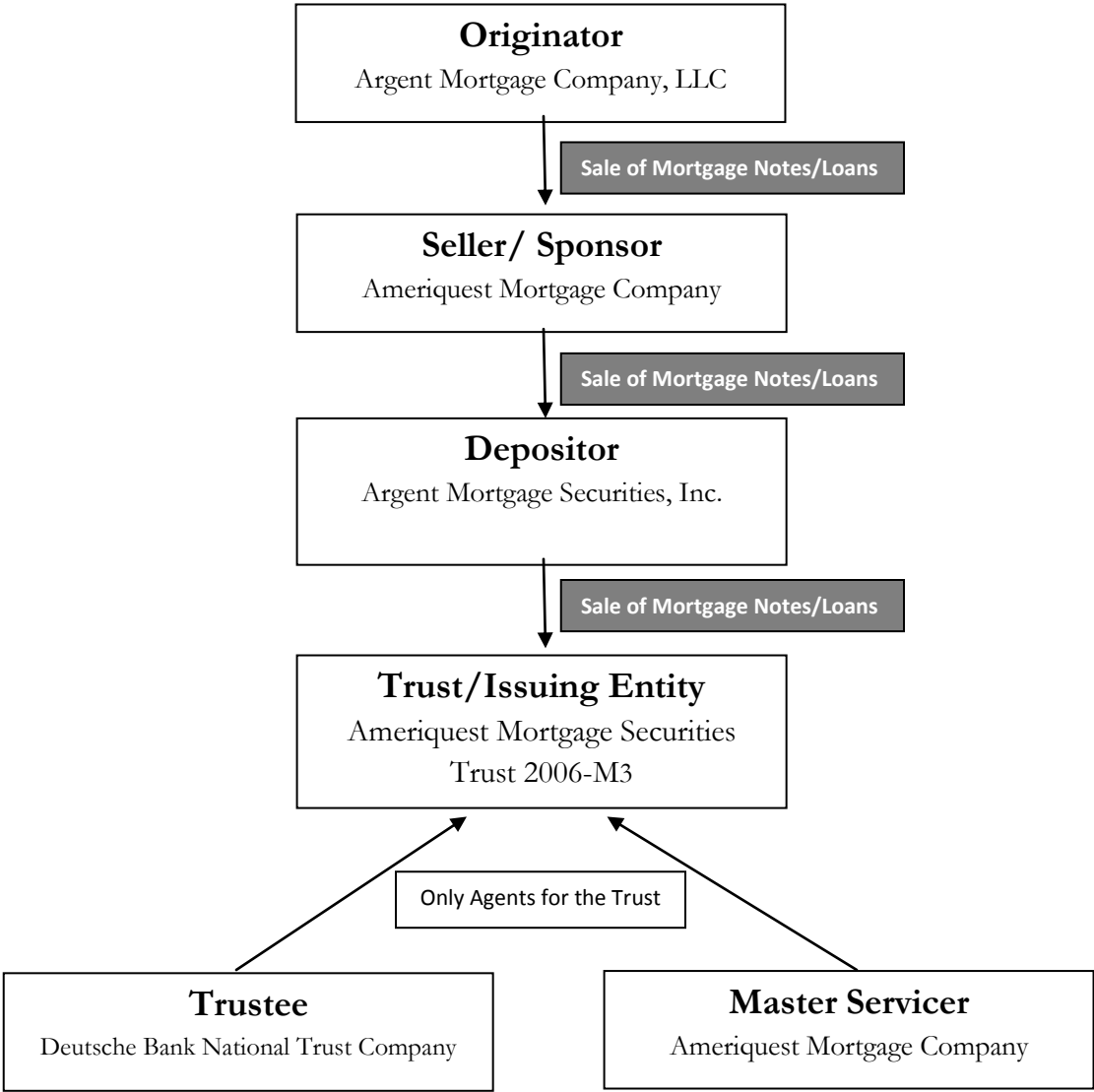
EXHIBIT C

VISUAL MAP

CHAIN OF CONVEYANCE OF MORTGAGE LOANS

Ameriquet Mortgage Securities Trust 2006-M3

[as per the Pooling and Servicing Agreement dated September 1, 2006]



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Entity Name Search

No Events

No Name History

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Detail by Entity Name

Florida Profit Corporation

NATIONWIDE TITLE CLEARING, INC.

Filing Information

Document Number P03000037195**FEI/EIN Number** 954377427**Date Filed** 03/27/2003**State** FL**Status** ACTIVE**Effective Date** 05/21/1992**DOMESTICATED**

Principal Address

2100 ALTERNATE US 19 N
PALM HARBOR FL 34683

Mailing Address

2100 ALTERNATE US 19 N
PALM HARBOR FL 34683

Registered Agent Name & Address

FINLEY, MYRON G
FINLEY, FLETCHER, MEYER & BUTTACI
1221 ROGERS STREET, SUITE B
CLEARWATER FL 33756 US

Address Changed: 03/12/2004

Officer/Director Detail

Name & Address

Title D

HILLMAN, JOHN
2100 ALTERNATE US 19 N
PALM HARBOR FL 34683

Title DT

NOVITSKY, NORMAN
2100 ALTERNATE US 19 N
PALM HARBOR FL 34683

Title DP

MARSH, EDWARD E III
2100 ALTERNATE US 19 N
PALM HARBOR FL 34683

Title D

TURBIN, ALAN W
2100 ALTERNATE US 19 N
PALM HARBOR FL 34683

Title S

FINLEY, MYRON G
413 CLEVELAND ST
CLEARWATER FL 33755

Title D

KUGLER, TODD
2100 ALTERNATE U.S. 19 N.
PALM HARBOR FL 34683

Annual Reports

Report Year Filed Date

2008	01/14/2008
2009	01/16/2009
2010	01/06/2010

Document Images

- [01/06/2010 -- ANNUAL REPORT](#)
- [01/16/2009 -- ANNUAL REPORT](#)
- [01/14/2008 -- ANNUAL REPORT](#)
- [01/09/2007 -- ANNUAL REPORT](#)
- [01/19/2006 -- ANNUAL REPORT](#)
- [01/24/2005 -- ANNUAL REPORT](#)
- [03/12/2004 -- ANNUAL REPORT](#)
- [03/27/2003 -- Domestic Profit](#)

Note: This is not official record. See documents if question or conflict.

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No Events **No Name History**



Explore One Fund 

St. Petersburg Times
tampabay.com

June 18, 2010

When 'Bryan J. Bly' became 'NB,' did he know what he was signing?

By Susan Taylor Martin, Times Senior Correspondent

A notary processes mortgage loans so fast that he scribbles initials instead signing his name.

To thousands of homeowners whose loans have been shuttled from one company to another, the name "Bryan Bly" is very familiar.

Over the past few years, Bly has signed countless mortgage assignments as either a notary public or "vice president" of various lenders.

In reality, Bly works for Nationwide Title Clearing, a Palm Harbor company. And he was recently reprimanded by state regulators after acknowledging in a sworn statement that Nationwide Title had him notarizing so many documents that he scribbled his initial instead of signing his full name as required by law.

Such a pace, critics say, shows that Bly and other so-called "robo signers" can't possibly be sure that what they're signing is accurate.

"Our entire system of real estate is founded upon the ability of courts to believe in the documents before them," says Matthew Weidner, a St. Petersburg lawyer who has a blog on foreclosure issues. "What this (Bly's statement) describes is assembly-line document production with no concern for the facts in front of them."

Bly's name has become well known in the foreclosure defense field since the *St. Petersburg Times* reported last year that he and Crystal Moore signed thousands of mortgage assignments as officers of Option One and other lenders even though both work for Nationwide Title.

Assignments are key in determining who actually owns a mortgage, an all-important matter as banks foreclose on loans that were bundled into securities and sold to investors. To expedite the processing of mortgage assignments, many banks authorize Bly, Moore and others at Nationwide Title to sign on their behalf.

In a statement Friday to the *Times*, Nationwide Title said it employs "many people" in various departments "to make sure that each and every document is legal, compliant and complete" when it reaches signers like Bly and Moore.

The company also said that it serves banks around the country and "is subject to their due diligence and quality control audits on a regular basis."

The 2009 *Times* story caught the attention of Samuel Smart, a Naples homeowner whose loan has changed hands twice.

"The real concern I have, if I were to sell my house, who can legitimately sign off on my mortgage?" Smart said.

Last year, when MoreEquity Inc. transferred his loan to another company, Smart noticed that the mortgage assignment was signed by Crystal Moore as vice president of MoreEquity and notarized by Bly. However, Bly signed with only a B and not as "Bryan J. Bly," the signature approved by the state.

Florida law says: "Once commissioned, the notary must sign precisely as commissioned by the state of Florida, in the exact name appearing on your notarial commission certificate."

Smart complained to Gov. Charlie Crist's office, which regulates notaries. Asked to respond to the complaint, Bly submitted a sworn statement that gave a glimpse into the workings of Nationwide Title Clearing.

"Depending on the needs of NTC's customers, there were sometimes thousands of such documents to be notarized in a single day," Bly's statement said. "On those days, I would typically be notarizing documents for many hours."

Bly said he noticed that other NTC employees whose names appeared on documents as vice presidents or witnesses were signing "only with their initials and sometimes squiggles that barely approximated initials."

"Over time," Bly continued, "the notarial signature I affixed to those documents became progressively shorter and shorter until at last I was merely signing B. I was not, at the time, aware that this could be characterized as a violation of state law."

Bly's statement said that on May 5, 2009 - two days after the *Times* story ran - Nationwide Title was told by its legal counsel that Florida law prohibits notaries from signing with anything but their commissioned signature. Bly said he tried to change his signature to the shorter B. Bly, but couldn't until his notary commission expires in 2011.

As a result, he said, he was reassigned to a job that doesn't involve notarizing documents.

This year, the governor's office notified Bly that it had put a "formal reprimand" in his file that would be reviewed "if other complaints are filed against you for notary misconduct."

Smart calls it a slap on the wrist.

"It's yet another example that government regulation is lax or totally lacking," said Smart, who owns a glass and mirror company. "The state kind of sanctioned him a little bit but didn't even pull his license."

Weidner, the St. Petersburg lawyer, said it is unlikely that an improper notary signature on a mortgage assignment would be enough to void a final judgment of foreclosure.

But "I think that catching that fact before a judgment is issued is certainly enough to prevent them from getting a judgment," he said.

As the foreclosure rate soars, more and more judges are questioning documents put before them. According to the transcript of a recent hearing, Pinellas Circuit Judge Anthony Rondolino noted that the same individual alleged the same set of facts on affidavits filed in two different foreclosure cases. The only change was that the individual claimed to be a director of one company on one affidavit and director of another company on the second affidavit.

"That really increased my interest in this subject matter," Rondolino said, "because ... I don't have any confidence that any of the documents the court's receiving on these mass foreclosures are valid."

(Rondolino was speaking in general, not referring to Nationwide Title Clearing or any specific company.)

In his new job with Nationwide Title, Bryan Bly has signed as "attorney in fact" for the Federal Deposit Insurance Corp., which took over IndyMac Bank last year and has been assigning its loans to other lenders. Some of Bly's notary duties have been assumed by colleague Crystal Moore, who got her notary commission in September.

Moore's state-approved signature assures that she can sign quickly but legally. It's just the initials CM.

Susan Taylor Martin can be contacted at susan@sptimes.com.

'Robo' signing?

Same notary, different signatures. Bryan J. Bly signed so many mortgage documents, he shortened his signature to save time. Critics ask: How could he possibly know what he was signing?

St. Petersburg Times



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