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ARBITRATION OF DISPUTES (Lender Binding Arbitration)

Loan No. «f2»

MUTUAL AGREEMENT TO ARBITRATE DISPUTES The undersigned (“LENDER”) has, or intends to, purchase or make part or all of a mortgage loan, made or arranged by «f80» (“COMPANY”), and secured directly or collaterally, in whole or in part, by real property (“Loan”). LENDER and COMPANY agree that any and all disputes involving the Loan including, but not limited to, claims arising from the making, arranging, origination, documentation, disclosures, valuation of the security, servicing, collection or any other aspect of the Loan transaction or the coverage or enforceability of this Agreement, shall be resolved exclusively by binding arbitration under the terms of this Agreement. This Agreement shall also be binding on the agents, spouses, executors, administrators, successors and assigns of the parties and the Loan. “Dispute” shall include, but not limited, to:

1. Any claimed wrongdoing including, but not limited to, misrepresentation, negligence, breach of contract, breach of fiduciary duty, unconscionability, fraud in the inducement, rescission, breach of the covenant of good faith and fair dealing and unfair business practices

2. Any claimed violation of local, state or federal laws, including, but not limited to consumer credit, truth-in-lending, civil rights, equal opportunity, real estate settlement laws, real estate law and regulations, housing discrimination laws, fair lending acts, licensing, loan regulation and unfair business practices acts.

No party to this agreement shall be precluded from seeking remedies in small claims court for disputes or claims within the scope of its jurisdiction. Each party shall be entitled to all unwaivable rights and remedies provided by statute or by common law and to affirmative defenses to the same extent as if the dispute were tried in court.

ARBITRATION OF DISPUTES: Binding Arbitration shall be conducted under the rules of American Arbitration Association (“AAA”). Arbitration shall be filed at the office of the AAA nearest to at least one parcel of real property securing the Loan. The arbitrator’s award shall be reasoned decision in accordance with applicable law. The award shall be in writing and provide a concise statement of the essential findings and conclusions on which the award is based. The remedy awarded by the arbitrator shall not be different from that which could be awarded by a court. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such claim, dispute, or other matter(s) in question would be barred by the applicable statute of limitations, and the arbitrator shall reject any claim that is not based upon a timely filed demand. Discovery may be conducted pursuant to the provisions of section 1283.05 of the California Code of Civil Procedure.

Arbitration fees and costs shall be paid as provided in California Code of Civil Procedure section 1284.2. Each party shall bear his/her/its own attorneys fees, except to the extent provided by applicable law if the dispute were tried in court. The arbitrator(s) shall render a statement of the reasons for the award. Judgment on the award may be entered in any court of competent jurisdiction.

WAIVERS: THE PARTIES HEREBY FREELY WAIVE THE RIGHT TO TRIAL BY JUDGE OR JURY, THE RIGHT TO APPEAL, FULL PRETRIAL DISCOVERY AND APPLICATION OF THE RULES OF EVIDENCE.

We have read, fully understand and agree to the above:

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Date:

«f39»

Date:

