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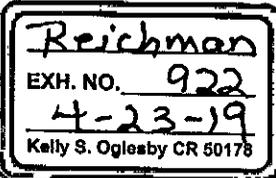
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About Us

www.activefundinggroup.com is owned by Active Funding Group, LLC, "AFG", a leading Specialty Finance "hard money" Lender in the United States.

The Principals of AFG have been involved in the development and ownership of real estate properties since 1982, including major shopping center developments, condominium projects, office warehouse projects, land development and single family homes. In 1998 they began a small private money lending company exclusively specializing in investor, asset based loans. That company became the largest of its kind in the southwest. The current effort, Active Funding Group, LLC represents a culmination of the the most desirable features of our asset based lending programs to provide our investor Borrowers with the best loan products available. We have a keen understanding of the unique needs of the entrepreneurial real estate investor having purchased and sold thousands of investment properties (as principal owners) in 12 years.

AFG is based in Scottsdale Arizona. Currently, we are deploying investor based hard money funds in the following states:

Arizona

ActiveFundingGroup.com is our web based lending platform which is designed to streamline the short-term direct lending process and service the needs of Professional Investors and Developers who require fast and convenient loan approvals and funding with minimal documentation and A NO QUALIFYING, ASSET BASED LENDING model.

Active Funding Group, LLC DOES NOT offer Real Estate Financing to consumers. AFG is a private money lender, deploying funds only and exclusively to investors. We do not solicit loan applications from consumers or owner occupants. Specifically, if you are looking to finance a property you are currently living in, or you are planning on moving in to that property, we are not a candidate to provide that financing. AFG Borrowers are required, at loan closing, to provide a written certification that guarantees represents and warrants to Active Funding Group's intended use of the funds will be utilized exclusively for a real estate investment opportunity.

Our capital base is flexible, however the number of loans we will make to a single individual may be restricted based upon Borrower concentration limits set by the company. We will consider lending on ANY residential real estate assets where we can establish a current value provided it meets our acceptable collateral requirements and is not excluded under our internal underwriting criteria.

Acceptable collateral:

Allowed Collateral Types: The company will accept the following types of real property as collateral:

- Single family residential, detached
- Single family residential, attached
- Town homes, detached
- Town homes, attached
- Condominiums
- Multi family rental properties (under 4 units)

Prohibited Collateral Types: The Company will not accept the following types of real property as collateral:

- Vacant, un-entitled land
- Vacant, entitled land
- Vacant platted lots
- Vacant custom home lots
- Multi family rental properties over 4 units
- Mobile homes
- Construction loans
- Partially constructed properties

We are a direct source, private money, asset based lender only to professional investors. We are not consumer lenders.

We have multiple professional Borrower references that can be furnished upon request.

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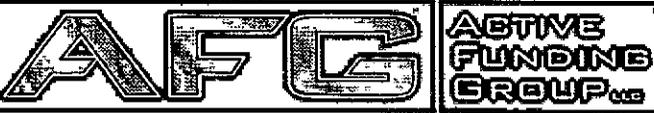
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Our commitment is to provide you with an effective asset financing tool in form of debt financing. The platform is set up to deliver that tool in the most efficient and streamlined manner.

OUR VISION FOR RELATIONSHIP SUCCESS

Have available capital at all times in sufficient quantities to meet our borrowers needs

Make the loan application process as simple as possible

Respond immediately to requests for financing

Identify and understand the borrowers needs

Provide clarity and transparency in what the company will do, and what the borrower is expected to do for a successful transaction

Prepare loan and transaction documents that are bilaterally equitable

Move quickly to complete loan funding

Fund the loan on time, as agreed

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Active Funding Group, LLC ("AFG") is a specialty finance company based in Scottsdale Arizona. A more commonly known reference for the company's business model is "hard money lender." The company exclusively specializes in providing short term, asset based loans to professional real estate investors who are purchasing distressed assets. **AFG does not provide any form of consumer finance and we do not solicit nor will we accept loan applications from consumers or owner occupants.** AFG's typical borrower is a professional real estate investor who is purchasing properties through a variety of asset acquisition "pipelines" including Trustee sales, short sales, bank recovered assets and any other acquisition platform where the Seller of the asset is willing to discount the asset price in exchange for the speed and convenience of acquisition funding, and the certainty of a sale being completed.

AFG has focused its entire business model around delivering funds to its borrowers in a very efficient and streamlined manner. The loan application process simple and web based. The company also offers a mobile app for loan applications. Loan approvals in the form of "offers of financing" are submitted to the loan applicant via email typically within a few hours of the company receiving the on-line loan application. The company does not guarantee a loan funding timeframe but approved loans are generally funded within 24 hours of borrower acceptance of AFG's offer of financing.

As a true asset based lender, AFG does not consider the financial condition of the borrower (even though the company requires a guarantee from its borrowers) as a determining factor in the loan approval process, but instead focus on the value of the asset being pledged as collateral by the borrower.

AFG operates as a principal capital investor and direct lender. We are not brokers, or agents. We do not sell loans or provide consulting services to 3rd party investors. When you deal with AFG you are dealing directly with the decision makers who have 100% control over the approval process.






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AFG Underwriting Guidelines(subject to change without notice)

The following general underwriting guidelines for AFG loans.

Valuation procedures: AFG in field personnel conduct on-site due diligence based upon market comparables. The due diligence reporting data is standardized as a part of the administrative side of the AFG website. Underwriting review takes place at several levels beginning with AFG's in field evaluator and a second review by AFG's Sr. loan underwriter. In the event the company is not able to establish at least 3 similar market comparables the loan will not be considered for funding.

At this time AFG is only accepting collateral located throughout the state of Arizona, and the State of Nevada.

Liquidation valuation: The company considers, as a component of its underwriting procedure, the amount of funds the company can expect to recover at the trustee sale, from each piece of collateral it forecloses upon from non-performing borrowers.

Loan to value ("LTV"): The maximum loan to value the company will fund on any loan request is sixty percent (60%) of the as-is value of the collateral being pledged.

Borrower down payment: Borrowers will be required to contribute a minimum of Twenty Percent (20%) cash to each transaction. This must be in the form of real cash equity, as opposed to "created" equity, i.e. commission carry back, Seller carry back etc. Loans exceeding Two Hundred Fifty Thousand Dollars (\$250,000) may require the Borrower to contribute a minimum of Thirty Percent (30%) cash, or more to each transaction. This is determined through our underwriting process.

Improvement / Repair Draws. The company may allow Borrowers to access repair or collateral Improvement funds as a part of their loan, provided that the total amount of all funds deployed (the initial loan plus any other funds deployed) does not exceed the maximum or determined LTV. The Borrower is required to complete One Hundred Percent (100%) of the property improvements with their funds, and the company reimburses the Borrower only after the company completes an inspection of the improvements and finds them to be completed in an acceptable and workmanlike fashion. Paid in full receipts and other information are also required before advancing a draw. In addition to this, the availability of Improvement funds automatically expires One Hundred Twenty (120) days after loan funding.

Borrower Guarantee: AFG requires all Borrowers to issue a personal guarantee for the entire amount of the loan. If the Borrower is utilizing an entity as the Owner of the collateral, a separate guarantee is required by an individual. If the individual is married, the spouse is also required to sign.

Concentration Limits. The company imposes certain restrictions and limitations upon borrowing activities relating to the number of loans a Borrower is permitted to have with the company at any one time and the amount of loan funds that any single Borrower, or related Borrowers are allowed to have deployed to them at one time. The company will not consider additional lending to any Borrower (or group of related Borrowers) whose total number of loans with the company represents in excess of Five Percent (5%) of the total number of loans in the company's portfolio. The company will not consider additional lending to any Borrower (or group of related Borrowers) whose total amount of deployed loan funds exceeds Eight Percent (8%) of the total outstanding portfolio, and the company requires an increased cash contribution from any Borrower whose total amount of deployed loan funds exceeds Five Percent (5%), on the following schedule:

Percentage of Portfolio Maximum LTV
(additional cash down payment required)

6% 65% (5% additional)

7% 60% (10% additional)

8% 45% (15% additional)

Allowed Collateral Types: The company will accept the following types of real property as collateral for deployed funds.

Single family residential, detached

Single family residential, attached

Town homes, detached

Town homes, attached

Condominiums

Multi family rental properties (under 5 units)

Prohibited Collateral Types: The Company will not accept the following types of real property as collateral for its deployed funds:

Vacant, un-entitled land

Vacant, entitled land

Vacant platted lots

Vacant custom home lots

Multi-family rental family over 5 units

Mobile homes

Construction loans

Partially constructed properties

Collateral Quality Control: The company will not agree to deploy loan funds on any collateral located within an area that has been designated by the company, in its sole and absolute discretion, as a significantly blighted area or located within an area that is considered to be a high crime area, where the likelihood of vandalism to the collateral would be significantly

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The Principals

Gregg Reichman, the Co-Founder of AFG, has been involved in various entrepreneurial real estate ventures for the past 25 years, and specifically focused on the distressed real estate sector for the last 15 years. Prior to forming the present Company, he founded and operated Active Finance Group, LLC, ("Finance") a business operating under a similar model. Under Reichman's guidance, that business grew from a start up, to a private lending icon that funded in excess of 2,570 loans for a total capital deployment of \$463,251,000 in less than 24 months.

Over the last 20 years, Reichman has been a pioneer in the application of internet technology to the distressed assets and specialty finance industries, creating the first web based platform in existence for distressed real-estate sales on a wholesale basis, directly to investors. That platform purchased and sold over 5000 properties in an 8 year period all on a web based platform. Most of the properties offered sold in under 60 seconds and there were typically multiple buyers for each property. That business was sold in 2006.

Reichman is widely regarded as a leading innovator in the specialty finance industry with specific focus on the financing of distressed assets. Reichman is responsible for the AFG IT platform which represents a 12 year quest for perfection is unmatched in the specialty finance area for its sophistication, and ease of borrower utilization.

Jody Angel, the Co-founder of AFG has spent the majority of his professional career in the opportunist acquisition and financing of distressed assets.

Jody is a second generation opportunistic real estate trader having grown up in a family with a rich history in the acquisition and repositioning of distressed assets in greater southern California. In 2001 Jody began to see greater opportunity in the distressed assets space in the Arizona marketplace and as a result, decided to relocate to Arizona. He formed Equity LLC, a real estate investment firm specializing in the purchase and repositioning of distressed assets and progressively expanded that platform for the next 5 years. Simultaneously with the formation of Union, Jody began to deploy private capital to finance opportunistic real estate traders in the marketplace.

In early 2006 just prior to the decline of real estate values in the Arizona marketplace, he sensed a weakness in the marketplace and exited both businesses successfully monetizing both companies and achieving excellent results on both accounts. From that point until the formation of Active Funding Group, Jody reverted to and focused on his law practice, having a strategic advantage of being known as one of the foremost legal authorities in foreclosure sale litigation.

Mr. Angel graduated with a Bachelor of Arts from Arizona State University in 1993, and graduated in 1997 from Southwestern University of School of Law with moot courthonors distinction. During his tenure with the California operation known as 6

Angels LLC, he served a dual role as Director of Acquisitions and in-house counsel.

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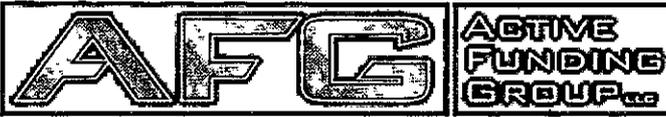
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Policies, Procedures and Internal Controls

AFG is a structured specialty finance company that self imposes certain internal controls in its lending business. Familiarizing yourself with these policies will be greatly helpful as we develop a lending relationship with you.

- 1. Borrower down payment:** AFG will always require the borrower to contribute a minimum of twenty percent (20%) real cash "at risk" equity to each loan. In certain instances, the company will require the borrower to contribute more than 20%.
- 2. Funds for property improvements / reconditioning:** AFG does not provide funds for property improvements and reconditioning. The borrower is responsible for contributing additional funds to complete the redevelopment process.
- 3. Asset location concentration limits:** The company may limit its funding of assets if the geographic location of a group of assets financed by the company is too intense. This is examined on a case by case basis.
- 4. Borrower and loan concentration limits:** The company limits the amount of money it is willing to loan to any single borrowing customer, in addition to the number of loans to any single borrowing customer.
- 5. Funding Commitments and funding timeframes:** AFG does not guarantee a funding date or exact funding time. We make a concerted effort to deploy loan funds quickly in order to meet our Borrowers needs and our reputation is pristine in meeting those commitments. At times, based upon deal flow and work load, funding may be delayed past our typical delivery timeframes.
- 6. Loan funding timeframes:** We are capable of funding loans the same day we receive the loan application provided the borrower complies with all information requests from the company. A typical funding timeframe would be the next day after the application is received.
- 7. Property / Asset valuations:** All valuations are prepared in house within hours of receipt of the borrowers loan application. An on-site physical inspection of the asset is a requirement prior to loan commitment. The borrower should be prepared to arrange for access to the proposed collateral by members of the AFG inspection and due diligence staff. In the event of an adverse occupancy the AFG staff can conduct an inspection based upon exterior condition only.

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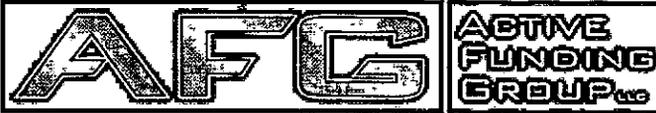
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Current Financing Programs

Asset based investor financing is always available from Active Funding Group, LLC. These products are available on any properties that our investor clients would like to purchase, provided they fall under our "accepted collateral" category including without limitation Trustee Sale properties, HUD properties (contact AFG for state availability as AFG does NOT table fund), pre-foreclosures, short sales, Bank REO's, distressed sales, rolling options, purchases out of bankruptcy, or other distressed acquisition platforms.

Funding Timeframe:

AFG DOES NOT GUARANTEE A FUNDING DATE OR TIME. We make a concerted effort to move funding packages through our system as quickly as possible. At times, based upon deal flow, funding may be delayed past our typical timeframe. We have funded loans the same day with proper advance notice. This activity is generally limited to properties purchased at Trustee Sales where a policy of Title Insurance may not be required. Loan requests are typically funding within Two (2) business days, assuming we do not have any unforeseen delays.

Common events that could delay the timeframe:

- Loan application is incomplete or missing pertinent information to process the loan request.
- AFG in field property evaluator is unable to gain access to the property for inspection.
- The Borrower makes changes in originally submitted information, e.g. Borrower entity, purchase price, loan amount, etc.
- Escrow has not been opened in advance of the loan request and/or title insurance has not yet been ordered (excluding properties purchased at Trustee sale).
- The borrower does not have a valid or executed purchase contract or Trustee Sale bidders receipt for the asset being pledged to AFG.

Defects in the chain of Title that must be removed prior to loan funding.

PROPERTY INSPECTIONS: AFG requires interior access to all properties being submitted for financing.

(TRUSTEE SALE PURCHASES MAY BE EXCLUDED)

Table Funding:

AFG does NOT table fund. This is most likely to occur on HUD properties. HUD requires the lender to wire funds BEFORE documents are sent. AFG requires ALL documents, (per our lenders instructions), to be sent to us PRIOR to loan funding. We will accept a faxed copy of certain documents on the day of funding however we must receive all original documents by the next business day.

Assignment Fees:

AFG requires that all assignment fees (to the extent that any exist) are reflected on the HUD as an assignment fee and not as an integrated part of the purchase price. AFG financing is intended to be used for property acquisition funds only and our loan amount should not include any assignment fees as part of the purchase price

Funding Terms / Payment:

Properties purchased from other sources and funded by AFG:

Vacant or occupied properties: Promissory Note and Deed of Trust security agreements are to be executed by the AFG borrower at the time of loan funding. The Borrower's contribution is due and payable at the time of funding.

Pricing: Borrower equity requirement will vary from transaction to transaction.

20% down payment - THIS IS THE MINIMUM REQUIREMENT

25% down payment - THE MAJORITY OF LOANS WILL FALL IN THIS CATEGORY

30%(+) down payment - MAY BE REQUIRED ON SOME PROPERTIES

***Jumbo loans, Two Hundred and Fifty Thousand Dollars (\$250K) or larger, may require more than Thirty Percent (30%) down. This is determined through our evaluation and approval process.**

The amount of equity required by the Borrower will be determined on a transaction by transaction basis, based upon Active Funding Group's underwriting guidelines. We do not use a standardized loan to value determination procedure but we do state a maximum "Loan To Value" for consideration of Sixty-Five Percent (65%) LTV. We look at each potential transaction on its merits.

Personal Guarantee: All AFG funding commitments require that the Borrower provide a One Hundred Percent (100%)

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Interest Rate - Eighteen (18%) per annum, INTEREST ONLY, paid monthly in advance with the first month payment being due at loan funding. Interest Payments - Default Reserve: Interest payments are due monthly, in advance. Interest for the first thirty (30) day period is paid at loan closing.

Pre-Payment: THIRTY (30) DAY PRE-PAYMENT PENALTY

If loan payoff is received within the first thirty (30) day period after loan funding, a minimum of thirty (30) days of interest will be due and payable as a part of the loan payoff. (Loans exceeding Two Hundred Fifty Thousand Dollars (\$250K) may require a ninety (90) day pre-payment penalty).

Extension of Term:

Extensions may be negotiated at time of loan maturity. The availability of an extension is NEVER guaranteed and is considered on a case by case basis. For more information regarding extensions, please contact Dana Johnson, djohnson@activefundinggroup.com or 602-252-1155 Ext. 142

Pre-Approval Letters:

AFG may issue pre-approval letters to assist its Borrowers in the property acquisition process. To request a pre-approval letter please go to the link on the top left toolbar that says PreQual Letter Application.

Maximum Loan Amount:

AFG has no specific maximum loan amount - all applications are considered for funding regardless of the size of the loan request.

Maximum Number of Loans to a Single Customer

May be limited depending upon several internal company directives.

Qualification Procedure:

None, we underwrite our loans based upon the value of the asset only; we do not consider the Borrower's financial condition.

Information Necessary for a Funding Commitment:

- Name of the Borrower, address, telephone number, cellular number, fax number, e-mail address
- Name of the loan Guarantor, address, telephone number, cellular number, fax number, e-mail address
- Tax parcel number of the subject property (the collateral)
- Address of the property
- Name of the Seller
- Date of proposed loan funding
- Dollar amount of loan request
- Purchase Price

Information Presentation:

To apply for a loan with AFG, please submit an application on our website, http://www.activefundinggroup.com/. If you have not yet set up a username and password, you will need to do so before accessing the application. In the event you have any questions, concerns or need assistance with login information or application submission please see Contact Us or the Department Directory for an associate who can help. Thank you.

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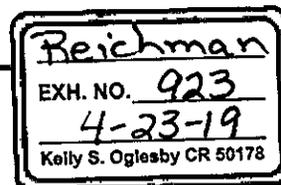


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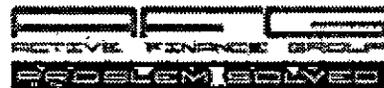
From: Gregg Reichman [greichman@activefinancegroup.com]
Sent: 5/10/2008 12:45:19 AM
To: SMena98754@aol.com
Subject: RE: Website



Actually this may be a good time to separate websites all together - is that acceptable to you?.

GR

Gregg S. Reichman
Chief Executive Officer



602-252-1155 - Office
602-443-6141 - Direct line
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefinancegroup.com
bidpro@earthlink.net

From: SMena98754@aol.com [mailto:SMena98754@aol.com]
Sent: Friday, May 09, 2008 5:40 PM
To: Gregg Reichman
Subject: Website

Gregg:

Just wanted to give you a heads up. We deactivated the link on our Website to Active Finance Group temporarily until you are up and running again. We were just getting too many calls in regards to why you are not funding.

If you have any questions give me a call

Thanks

Scott

Wondering what's for Dinner Tonight? [Get new twists on family favorites at AOL Food.](#)

Reichman
EXH. NO. 924
4-23-19
Kelly S. Oglesby CR 50178

Message

From: Gregg Reichman [greichman@activefinancegroup.com]
Sent: 7/23/2008 4:35:05 PM
To: Eric Weinbrenner [ezhomesinc@gmail.com]; smena98754@aol.com
CC: Sean Duffy [sduffy@activefinancegroup.com]; Richard Coppage [rcoppage@activefinancegroup.com]; Dana Johnson [djohnson@activefinancegroup.com]; Andrew Follmer [afollmer@activefinancegroup.com]
Subject: Loan guarantee for Reeves Asset Management

Eric:

I am informed by our accounting department that you are demanding a release from Wells Fargo Foothill prior to tendering funds for the subject loan guarantee.

Your guarantees is a guarantee of the payment of money owed by another party. AFG DOES NOT have to deliver the real estate to you in exchange for your payment, they are separate and unique obligations.

Please seek legal advice on this. Your obligation is in default and accruing default interest.

Please deliver the funds immediately.

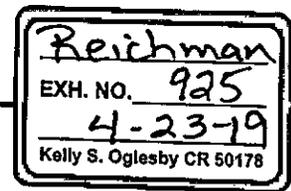
Sincerely,

Gregg Reichman

Gregg S. Reichman
Chief Executive Officer



602-252-1155 - Office
602-443-6141 - Direct line
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefinancegroup.com
bidpro@earthlink.net



Message

From: Gregg Reichman [greichman@activefinancegroup.com]
Sent: 8/6/2008 6:40:21 PM
To: SMena98754@aol.com
Subject: RE: Return call

I do appreciate that. I never predict the future so who knows. I used to think I could plan my life exactly, but at this stage of "experience" I don't make predictions.

AFG will be fine and when we start making loans again it would be great to have any referral business.

GR

Chief Executive Officer



602-252-1155 - Office
602-443-6141 - Direct line
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefinancegroup.com
bidpro@earthlink.net

From: SMena98754@aol.com [mailto:SMena98754@aol.com]
Sent: Wednesday, August 06, 2008 11:35 AM
To: Gregg Reichman
Subject: Re: Return call

I work with Eric.... I have not sued you... I am your friend as I am Eric's... EZ Homes is suing AFG, Not me.... I have no attachment with EZ HOMES... But like I said I know when you mind is made up, its made up.... Hopefully one day you will come to miss our friendship and we can be friends again. The only reason that I called to begin with was I was concerned about you and I thought maybe I could help you with AFG'S Issues....

Scott

In a message dated 8/6/2008 11:29:44 A.M. US Mountain Standard Time, greichman@activefinancegroup.com writes:

If the claim against me and AFG had merit I would feel differently and frankly, Lawyers would not be necessary because there is a friendship to rely upon.

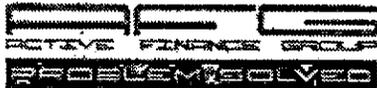
My view is that when Lawyers are necessary, it changes the entire approach and the strength of the friendship clearly is not enough.

In the limited litigation I have been involved with, I am sued, or elect to sue adversaries, not friends.

I agree, further discussion is a waste of time.

GR

Gregg S. Reichman
Chief Executive Officer



602-252-1155 - Office
602-443-6141 - Direct line

602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefinancegroup.com
bidpro@earthlink.net

From: SMena98754@aol.com [mailto:SMena98754@aol.com]
Sent: Wednesday, August 06, 2008 11:22 AM
To: Gregg Reichman
Subject: Re: Return call

I believe there are other ways to feel.... I would never let a business disagreement end a friendship.... But that is just me.... Anyway it's pointless to discuss with you feeling the way you do.

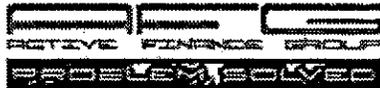
Scott

In a message dated 8/6/2008 11:13:14 A.M. US Mountain Standard Time, greichman@activefinancegroup.com writes:

I'm really not sure there is another way to feel to be honest. You take care as well.

GR

Gregg S. Reichman
Chief Executive Officer



602-252-1155 - Office
602-443-6141 - Direct line
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefinancegroup.com
bidpro@earthlink.net

From: SMena98754@aol.com [mailto:SMena98754@aol.com]
Sent: Wednesday, August 06, 2008 10:57 AM
To: Gregg Reichman
Subject: Re: Return call

Well, I am sorry that you feel that way.... I will miss our friendship.....

Take care of yourself

Scott

In a message dated 8/6/2008 10:48:31 A.M. US Mountain Standard Time, greichman@activefinancegroup.com writes:

Scott - I got your telephone message on my cell phone.

In answer to your question that you left for me, the reason I don't call you to check in and see how you are doing is because you and your business partner are suing me and my Company so it is not appropriate for me to have the same communication with you as we have in the past.

I take these matters seriously, and in a businesslike manner.

The reality is that we should limit our communication at this point to our respective Attorney's.

This is unfortunate.

Regards,

GR

Gregg S. Reichman
Chief Executive Officer



602-252-1155 - Office

602-443-6141 - Direct line

602-692-3812 - Mobile

602-252-1177 - Fax

gretchman@activefinancegroup.com

bidpro@earthlink.net

Looking for a car that's sporty, fun and fits in your budget? [Read reviews on AOL Autos.](#)

Looking for a car that's sporty, fun and fits in your budget? [Read reviews on AOL Autos.](#)

Looking for a car that's sporty, fun and fits in your budget? [Read reviews on AOL Autos.](#)

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 12/22/2010 2:57:03 PM
To: SMena98754@aol.com; Gregg Reichman [greichman@activefundinggroup.com]; Jody Angel [jangel@activefundinggroup.com]
Subject: RE: Going forward agreement for funding to buyzauctionhomes.com

Reichman
EXH. NO. 926
4-23-19
Kelly S. Oglesby CR 50178

Changes in RED below represent final agreement...

GR



Gregg S. Reichman
Managing Director
602-252-1155 x 110 - Office
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net

From: Gregg Reichman
Sent: Wednesday, December 22, 2010 7:44 AM
To: 'SMena98754@aol.com'; Jody Angel
Cc: Jody Angel; Dana Johnson
Subject: Going forward agreement for funding to buyzauctionhomes.com

Scott:

Please consider this our formal memorandum for providing funds for your new venture, buyzauctionhomes.com ("Company"), and Active Funding Group, LLC ("Lender")

Funding:

We agree that there will be two different categories of funding, which are defined as funding the company, and funding to anyone other than the company, ("the Borrower"). The funding terms are as follows:

Funding to the Company: A credit facility in the amount of \$1,000,000.00 will be provided for the company on demand to be secured by real property purchased from Trustee sale and other sources. The terms of this credit facility are as follows:

- Convertible Interest rate - 14% per annum for day's 1-10 of the loan ("the initial loan term"), automatically converting to 17.5% per annum with the Borrower to be Easy Investments, LLC and in the event that any loan is not paid off by the end of the 10th calendar day after funding.
- Maturity - 9 months

- **Advance percentage / down payment:** The company will tender its bid deposit in the amount of \$10,000.00 to the Trustee and AFG will provide the balance of the acquisition price. Should the loan not be paid off at the conclusion of the initial loan term, the Borrower will increase its down payment to 15% of the purchase price (after credit for the bid deposit) with the balance becoming the new loan amount.
- **Payments to be interest only, paid monthly, in advance**
- **Additional interest - \$0**
- **Document stack to contain promissory note, deed of trust and other minimal agreements**

To the extent that the company requires funding in excess of \$1,000,000 it will be provided to the company at the standard terms and conditions being offered by AFG to other borrowers.

Funding to the Borrower:

- **Interest rate to be 18%**
- **Additional interest to be \$750.00 per transaction**
- **Maturity is 6 months**
- **Maximum LTV is 65% of current retail value**
- **Required borrower down payment is 20% of the purchase price**
- **Non-Trustee sale transactions require a policy of title insurance as approved by the Lender**

Communication:

The company will send information as it becomes available "real time" to the lender about funding that is needed for properties either the same day or the next day. At minimum, the information provided will consist of the opening bid for the subject property, the final bid price paid by the company, the street address, the APN tax parcel number, the proposed loan amount and a copy of the bid receipt tendered by the trustee to the extent that a bid receipt exists. Once the information is received, the Lender will provide a verbal "approval" for loan funding as quickly as possible to the company, and subsequently prepare and forward loan documents to the company for execution.

Funding process:

Once loan documents are received by the Lender, the Lender will prepare cashier's checks directly to the Trustee for each individual property and deliver the checks to the Trustee as necessary.

Other business terms:

While each party may do business with other business associates as it sees fit, the parties agree that they will have "click thru buttons" on the splash page of their respective websites exclusively promoting each other's businesses and each party agrees that they will not directly promote any competing businesses in this fashion.

Please let us know if this generally represents the agreements we came to yesterday. If there is anything unclear, or anything you feel is not represented as discussed please let us know and we will make modifications accordingly.

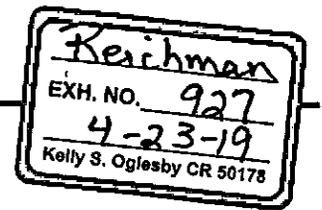
Best regards,
GR



Gregg S. Reichman
Managing Director
602-252-1155 x 110 - Office
602-692-3812 - Mobile
602-252-1177 - Fax
grelchman@activefundinggroup.com
bidpro@earthlink.net

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 6/25/2011 7:58:43 PM
To: Scott Menaged [smena98754@aol.com]
Subject: Re: Past due pmt - please pay Monday - thanks dude



Don't be a dork

Gregg S. Reichman
Chief Storyteller
Active Funding Group, LLC
602-443-6148 direct
602-692-3812 mobile
greichman@activefundinggroup.com

On Jun 25, 2011, at 1:56 PM, "Scott Menaged" <smena98754@aol.com> wrote:

And.....

Have a nice weekend!!

Sent from my iPhone

On Jun 25, 2011, at 12:31 PM, "Gregg Reichman" <greichman@activefundinggroup.com> wrote:

You are a whiner

Gregg S. Reichman
Chief Storyteller
Active Funding Group, LLC
602-443-6148 direct
602-692-3812 mobile
greichman@activefundinggroup.com

On Jun 25, 2011, at 12:20 PM, "Scott Menaged" <smena98754@aol.com> wrote:

Well..... If I got the email I would have cut a check.....

Maybe I did for all I know.... I will check Monday morning and let you know!

Have a great weekend!

Sent from my iPhone

On Jun 25, 2011, at 11:05 AM, "Dana Johnson" <djohnson@activefundinggroup.com> wrote

You received a notice that this loan converted and payment was due on Wednesday. Other than write

the check for you I don't know what else I can do to help remind you.

Thank you,
Dana L. Johnson
Accounting Manager

ACTIVE FUNDING GROUP
8925 E Pima Center Pkwy., #135
Scottsdale, AZ 85258
phone (602) 252-1155
fax (602) 252-1177

 Please consider the environment before printing this message.

From: Scott Menaged [mailto:smena98754@aol.com]
Sent: Saturday, June 25, 2011 8:14 AM
To: Gregg Reichman
Cc: Dana Johnson; Jody Angel
Subject: Re: Past due pmt - please pay Monday - thanks dude

Dana,

Please look into why I did not get a reminder for this payment.... I will make the payment Monday

Thanks!

Sent from my iPhone

On Jun 25, 2011, at 6:18 AM, "Gregg Reichman" <greichman@activefundinggroup.com> wrote:

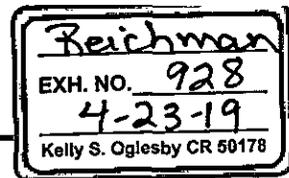
<image001.gif>

Easy Investments
LLC Payment due 6/10
re: 208th Ave

<image002.jpg>

Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile

602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net



Message

From: Dana Johnson [djohnson@activefundinggroup.com]
Sent: 8/3/2011 6:42:45 PM
To: SMena98754@aol.com
CC: Gregg Reichman [greichman@activefundinggroup.com]; Jody Angel [jangel@activefundinggroup.com]
Subject: payments due

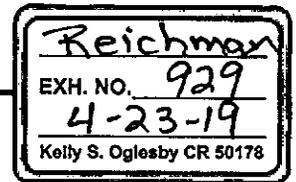
Payment Due Dates in red indicate that previous request(s) for these past due payments have been made. Please bring everything current!

Table with 6 columns: Account Number, Property Street, Principal Balance, Payment Due Date, Regular Payment, Maturity Date. Rows include property details such as 4163 8746 W Heber Rd, 4333 4015 E Rowel Rd, etc.

4252	6809 W Missouri Ave	\$37,000.00	08/14/2011	\$539.70	11/13/2011
4470	29841 N 41st Pl	\$104,400.00	08/14/2011	\$1,522.50	03/13/2012
3966	4905 E Grandview St	\$100,000.00	08/15/2011	\$1,500.00	12/14/2010
4512	1718 W Colter St., #147	\$42,400.00	09/08/2011	\$618.30	04/07/2012

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 2/3/2012 1:41:25 AM
To: Scott Menaged [smena98754@aol.com]
Subject: Re: Rental props



Ghee what a shock. Who's your daddy

Gregg S. Reichman
Active Funding Group,LLC
602-443-6148 direct
602-692-3812 mobile
greichman@activefundinggroup.com

On Feb 2, 2012, at 6:31 PM, Scott Menaged <smena98754@aol.com> wrote:

Denny out of money

Sent from my iPhone

On Feb 2, 2012, at 6:25 PM, Gregg Reichman <greichman@activefundinggroup.com> wrote:

Possibly some we can re write but need some paid odd also. Why 10 days ? Seemsike a long time

Gregg S. Reichman
Active Funding Group,LLC
602-443-6148 direct
602-692-3812 mobile
greichman@activefundinggroup.com

On Feb 2, 2012, at 5:54 PM, "SMena98754@aol.com" <SMena98754@aol.com> wrote.

I can probably Do something in the Next 10 Days or so..... Or Cant we just Re Write the Notes as New Notes?

In a message dated 2/2/2012 1:37:59 P.M. Pacific Standard Time, greichman@activefundinggroup.com writes:

Hey Buddy

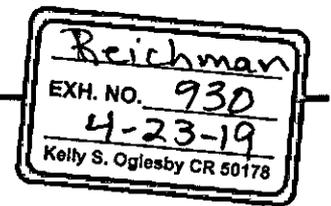
This is confidential but we are in the late stages of closing an institutional credit facility. The long term stuff is making my average days to loan payoff out of whack. It's a problem. If there is anyway you can slide them to Denny or whoever I would appreciate it. We are trying to close the facility Tuesday.

Thx
GR

Gregg S. Reichman
Active Funding Group,LLC
602-443-6148 direct
602-692-3812 mobile
greichman@activefundinggroup.com

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 7/18/2012 10:41:28 PM
To: Menaged, Scott [SMENA98754@aol.com]
CC: Jody Angel [Jangel@activefundinggroup.com]
Subject: FW: Easy Investments



FYI – Dana doesn't work here anymore



Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net

From: Jeannine Bartlett [mailto:jbartlett@activefundinggroup.com]
Sent: Wednesday, July 18, 2012 3:37 PM
To: Gregg Reichman
Cc: Jody Angel
Subject: Easy Investments

Gregg,

Do we charge Scott late fees? As of today he is past due \$38,931.90. He is past due on all of his loans and some are 30+ days.

Thank you,

Jeannine Bartlett
Controller



Active Funding Group
8925 E. Pima Center Parkway
Suite 135
Scottsdale, AZ 85258
602.456.5622 Direct
602.252.1177 Fax
Jbartlett@activefundinggroup.com

Reichman
EXH. NO. 931
4-23-19
Kelly S. Oglesby CR 50178

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 10/2/2012 7:05:10 PM
To: SMena98754@aol.com
CC: Jody Angel [jangel@activefundinggroup.com]
Subject: RE:

I guess so. Scott, the delay is making us very uncomfortable and I am sure you can understand why.

What hospital is she at?. I thought she was divorced?

GR



Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net

From: SMena98754@aol.com [mailto:SMena98754@aol.com]
Sent: Tuesday, October 02, 2012 12:03 PM
To: greichman@activefundinggroup.com
Cc: jangel@activefundinggroup.com
Subject: Re:

My sister went into Labor just now..... Can I come to your Office at 10 am tomorrow to Sign.... I want to be with her

In a message dated 10/2/2012 7:44:47 A.M. US Mountain Standard Time, greichman@activefundinggroup.com writes:

OK -- call me when you have a moment anyway



Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net

From: Scott Menaged [mailto:smena98754@aol.com]
Sent: Tuesday, October 02, 2012 7:44 AM
To: Gregg Reichman
Cc: Jody Angel
Subject: Re: RE: RE: RE:

Lets touch base in a few hours

Sent from my iPhone

On Oct 2, 2012, at 7:26 AM, Gregg Reichman <greichman@activefundinggroup.com> wrote:

Ok thank you. I am working on the memorandum / agreement now. Girls will prepare the DOT's when they come in. If you could plan on being here end of the day, say 4pm that would work.

Let me know and see you soon.

Best regards,
GR

<image003.jpg>
Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net

From: Scott Menaged [mailto:smena98754@aol.com]
Sent: Tuesday, October 02, 2012 7:19 AM
To: Gregg Reichman
Subject: Re: RE: RE:

All notes are correct with short term as you see them

Please let me know what time docs will be ready for signature

Thanks

Sent from my iPhone

On Oct 1, 2012, at 5:31 PM, Gregg Reichman <greichman@activefundinggroup.com> wrote:

Ok. Are you ok with the rest of the terms so at last we can start our doc prep

Gregg Reichman
Active Funding Group
602-692-3812 cell
602-252-1155 x 110 ofc
greichman@activefundinggroup.com

On Oct 1, 2012 5:27 PM, "Scott Menaged" <smena98754@aol.com> wrote:
I'm just waiting for a email back from short term to confirm what my books say.... Just double checking.... The may not respond till the middle of the night bc he is in Israel

Sent from my iPhone

On Oct 1, 2012, at 4:40 PM, Gregg Reichman <greichman@activefundinggroup.com> wrote:

Scotty - it would be good if you can get me this info and agreement with the terms tonight.

It is a huge amount of work for the morning and I want / need to get it put to bed - I know you do as well.

Thank you,
GR

Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net

-----Original Message-----

From: Scott Menaged [<mailto:smena98754@aol.com>]
Sent: Monday, October 01, 2012 2:54 PM
To: Gregg Reichman
Subject: Re: RE:

Let me check short terms loans first

Hang on

Sent from my iPhone

On Oct 1, 2012, at 2:30 PM, Gregg Reichman
<greichman@activefundinggroup.com> wrote:

Scott:

We are in agreement with what you wrote with the following structural suggestions:

The following properties are carved out since they are free and clear and we can lay off the paper: We will do individual DOT's on these so we can

assign our beneficial interest to our Investors in lieu of the defective collateral we have now. We won't get made whole but it's a start. In addition, if any of the other properties listing your Dad as 1st position are actually paid off please tell us and lets add to the carve out list. This is causing us the most heartburn.

18202 Cave Creek #215
2969 19th #48
4624 72th Ave
11614 Charter Oak
3124 W. Pima Street
7513 N. 47th Drive
25612 Desert Mesa
68090 N 27th Ave

On the rest, we can do a blanket DOT for the full amount we deployed on the defective collateral \$1,400,000.00. We will list all of the other properties on my summary, excluding "carved out" collateral above.

We prepare a memorandum of understanding / agreement that relates to the security interest that has following terms:

1. You agree to keep current on all interest due per the terms of the notes in place 2. In addition to payments due, you agree to make a principal pay down on the 1st of each month in the amount of \$30,000.00. This is credited to principal reduction provided you are current on all other payments 3. On any collateral already pledged where Short Term or a family member or related entity has a security position that is superior to the AFG position you agree to get that position released 4. You agree to begin marketing the properties for sale at market, retail price (hopefully with our brokerage) and continue to try to sell them until we are paid off 5. On a sale by sale, property by property by piece basis we agree to release our security interest in each specific asset in exchange for fifty percent (50%) of the net distributable cash at closing, after closing costs and are paid. This needs to be a "pure" calculation of net cash available with no fees or other charges being distributed to you or an entity of yours before the split is calculated.
6. The agreement will carry your personal guarantee in addition to the company guarantee

If the above terms are acceptable, we will begin the documentation process for final signature tomorrow

Thanks Scott,
GR

Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax

greichman@activefundinggroup.com
bidpro@earthlink.net

-----Original Message-----

From: Scott Menaged [mailto:smena98754@aol.com]

Sent: Monday, October 01, 2012 1:58 PM

To: Gregg Reichman; Jody Angel

Subject:

I think it's too hard to value these Becuase with the market going up I may get more than I think.. ..

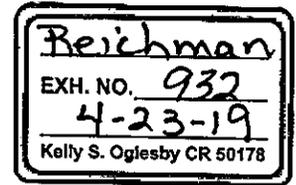
Can we agree to a 50% split on all properties....

You get 50/50 of net proceeds? I am trying to make it simple....

Then maybe we can do a blanket dot on props ?

Sent from my iPhone

PROMISSORY NOTE



Single Payment

\$1,400,000.00 (Principal Sum)

OCTOBER 2, 2012

FOR VALUE RECEIVED, EASY INVESTMENTS, LLC, ("Maker") promises to pay to Active Funding Group, LLC, an Arizona Limited Liability Company, ("Lender"), the principal sum of ONE MILLION FOUR HUNDRED THOUSAND DOLLARS AND 00/100 (\$1,400,000.00) (the "Principal Sum"), with simple interest thereon at the rate of percent Zero (0%) per annum for the first thirty (30) days and SEVENTEEN AND ONE HALF Percent (17.5%) per annum thereafter.

Payments. The Principal Sum and interest due under this Note shall be paid as follows: "interest only" payments in advance, on the monthly anniversary date of the note. The entire note, including interest, penalties (if applicable) and all principal becomes due and payable on or before .

Late Payments. Late payments will carry a late payment fee of \$200.00 or 10% of the payment amount, whichever is greater. Such late payment fees represents a reasonable estimate by Lender and Maker of fair compensation for the administrative expense of handling a delinquent payment. Such late charge is in addition to interest, and shall be paid without prejudice to the right of the Lender to collect any other amounts provided or agreed to be paid or to declare a default hereunder or under the Deed of Trust.

PrePayment. Maker may prepay this Promissory Note at any time, in whole or in part, without penalty, **EXCEPT IN THE EVENT THAT THE MAKER PAYS THIS NOTE IN FULL WITHIN 30 CALENDAR DAYS OF ITS ORIGINATION, IN WHICH CASE THE LENDER WILL BE ENTITLED TO A FULL 30 DAYS OF INTEREST, REGARDLESS OF THE NUMBER OF DAYS THAT HAVE ELAPSED FROM LOAN INCEPTION.**

Note Security. This Promissory Note is secured by a Deed of Trust and Security Agreement with Assignment of Rents ("Deed of Trust"), of even date herewith. Reference is made to the Deed of Trust for the remedies available to Lender in the event of a default under this Promissory Note or the Deed of Trust.

Application of Payments. Payments on this Promissory Note will be applied to pay the following in the order stated: (i) costs of collection, if any, (ii) any interest due and payable under this Note and (iii) the unpaid Principal Sum.

Acceptance of Partial Payments. Lender, in its sole and absolute

discretion, may choose to accept partial payments from Maker. In the event Lender chooses to accept a partial payment from Maker, Both Lender and Maker agree to the following:

- (i) Acceptance of a partial payment is not deemed as a cure of the default
- (ii) Acceptance of a partial payment will not be deemed as a reinstatement of the loan and promissory note
- (iii) Acceptance of a partial payment will not serve to terminate any foreclosing proceedings, to the extent that any proceedings have been initiated by the Lender
- (iv) Acceptance of a partial payment does not limit or change the Lenders rights under the Promissory Note and Deed of Trust

Insufficient Funds. If at any time during the term of this Promissory Note, or any Extension thereof, the Maker (Borrower) tenders a check or any form of payment to satisfy any obligation due herein, and in the event that such payment is deemed insufficient, in the case of a check, or rejected, in the case of a wire transfer, then the following will occur:

The Maker will immediately (within 24 hours of notice) tender a cashiers check replacing the NSF check, or, tender a cashiers check in identical amount to the wire transfer that was rejected. From that point forward, Maker agrees that all payments due the Lender will be made in certified funds only.

For each instance when a check tendered by Maker is presented to a financial Institution, and such check is returned unpaid for any reason, Maker agrees to pay to lender a fee of One Hundred Dollars (\$100.00) in addition to any other remedies contained herein.

Events of Default. Each of the following will constitute an event of default ("Event of Default") under this Promissory Note:

1 Maker's failure to pay the Principal Sum, and/or any Payment due, and/or any accrued interest due under this Promissory Note on or before the scheduled payment date, and/or Maturity Date without any requirements of notice from Lender of such failure to pay;

2 Maker's (i) assignment for the benefit of its creditors, or (ii) application for, consent to or acquiescence in, the appointment of a trustee, receiver or other custodian for Maker, the property of Maker or any part thereof, or in the absence of any application, consent or acquiescence, the appointment of a trustee, receiver or other custodian for Maker or a substantial part of the property of Maker, which appointment is not discharged within forty-five (45) days; or

3 Commencement of any case under Title 11 of the United States Code or any other bankruptcy, re-organization, receivership, custodianship, or similar

proceeding under any state or federal law by or against Maker or Trust and, with respect to any such case or proceeding that is involuntary, such case or proceeding is not dismissed within forty-five (45) days of the filing thereof.

4 **Cross Default Agreement:** In the event Maker (including any entity in which Maker or any guarantor hereunder is a member, partner or shareholder or otherwise holds an interest therein or and member, partner or shareholder or other interest holder of Maker herein) has more than one promissory note with Lender, both Maker and Lender agree that an event of default in the payment or performance under any such promissory note shall constitute a default under this Promissory Note.

5. Maker's failure to deliver to Lender a copy of the recorded Trustee's Deed Upon Sale (bearing the recording date and instrument number) within twenty one (21) days following Lender's disbursement of loan funds hereunder.

Default Interest Rate. In the event that Maker fails to pay any interest, Default Interest, late charges or other amounts due hereunder, the Principal Sum shall bear interest at a default rate of interest of THIRTY percent (30%) per annum ("Default Interest Rate") from the date the payment was due until the payment is made or the Principal Sum is paid in full in the event of acceleration. At such time as a judgment is obtained for any amount owing under this Promissory Note or any document or instrument securing this Note, interest shall continue to accrue on the amount of judgment at the Default Interest Rate.

Acceleration Upon Default. During the continuance of an Event of Default, Lender may, at its option, without notice, declare the entire unpaid Principal Sum owing by Maker to Lender under this Promissory Note immediately due and payable.

General Provisions.

A. Successor and Assigns. This Note will be binding upon and inure to the benefit of Lender, Maker and their respective successors, assigns, executors, heirs, devisees and beneficiaries.

B. Modification. This Note may not be modified except by an instrument in writing and signed by Lender.

C. Time of Essence. Time is of the essence with regard to each and every term, condition and obligation of the Maker of this Note.

D. Non-Waiver. Failure or delay in exercising any right or portion hereunder given to Lender will not constitute a waiver of any such right or option or waiver of any other right or option under this Promissory Note.

E. Limitation on Interest. Notwithstanding any provision herein to the

nor shall or may amounts received hereunder be credited to interest hereunder, so that Lender shall receive or be paid interest exceeding the maximum amount permitted by applicable law.

F. Applicable Law. The loan evidenced by this Note is made in the State of Arizona and the provisions hereof shall be construed in accordance with the substantive laws of the State of Arizona. The exclusive venue and forum for any action concerning this Note shall be the Superior Court of Maricopa County, Arizona.

G. Severability. If at any time any provision of this Note is or becomes illegal, invalid or unenforceable in any respect, the legality, validity and enforceability of the remaining provisions of this Note will not be affected and such remaining provisions will remain in full force and effect.

H. Waiver of Maker's Rights. Maker and any guarantors of this Note hereby expressly waive diligence, demand, presentment for payment, protest and notice of non-payment and of protest, notice of default, notice of acceleration, and all other notices or demands of any kind, except as otherwise provided for in this Promissory Note or the Deed of Trust, or any other instrument securing this Promissory Note.

I. Costs of Collection. In the event this Promissory Note is placed in the hands of an attorney for collection, or if Lender becomes party plaintiff or defendant in any legal proceeding arising out of or to enforce this Promissory Note, the Deed of Trust or other instrument securing this Note, or for the recovery or protection of the real property that secured the Deed of Trust ("Trust Property"), the Maker hereof, and Maker's successors and assigns, shall pay to Lender hereof on demand, all costs and expenses, including, without limitation, attorneys' fees, together with interest at the Default Interest Rate.

J. Notices. All notices and other communications required or permitted to be given hereunder shall be in writing and will be effective upon personal delivery or, if mailed, three (3) days after mailing, by certified or registered mail, return receipt requested, postage prepaid, addressed to Maker as follows (or to such other address as Maker may designate by written notice):

-SIGNATURE PAGE TO FOLLOW-

Active Funding Group, LLC
8925 E Pima Center Pkwy Ste 135
Scottsdale, AZ 85258
Attention: Mr. Gregg Reichman

EASY INVESTMENTS, LLC
3030 N CENTRAL AVE # 603
PHOENIX, AZ 85012
480-277-7118
SMENA98754@AOL.COM

The time of any such notice shall begin to run on the date of the mailing of such notice. For purposes hereof the refusal of certified mail shall constitute receipt.

Maker:
EASY INVESTMENTS, LLC



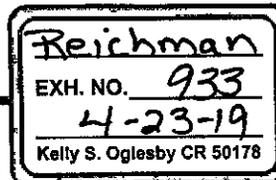
By: Yomtov S. Menaged
It's: MANAGER

Date: 10.11.12

**Interest Payments should be made payable to:
ACTIVE FUNDING GROUP, LLC**

**All Interest Payments should be sent to:
PO BOX 5377
SCOTTSDALE, AZ 85261-5377**

Gregg Reichman



From: Gregg Reichman
Sent: Wednesday, November 14, 2012 2:06 PM
To: Scott Menaged
Cc: Jody Angel
Subject: RE: Densco

Corrected amount is \$415,773.00..

Sorry
GR



Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net

From: Gregg Reichman [<mailto:greichman@activefundinggroup.com>]
Sent: Wednesday, November 14, 2012 2:02 PM
To: Scott Menaged (SMENA98754@AOL.COM)
Cc: Jody Angel (Jangel@activefundinggroup.com)
Subject: Densco

Scotty:

Please let Denny know that he will receive a single wire in the amount of \$415,733.00 today for full payoff of the following assets

11728 Mariposa Grande, Sun City Az 85373	\$75,572.50
226 N. 221 st Ave, Buckeye Az 85326	\$50,073.50
6231 W. Maryland Avenue, Glendale Az 85301	\$50,945.00
12463 W. Via Camille, El Mirage Az 85335	\$40,440.00
2448 W. Sunrise Drive, Phx Az 85041	\$82,049.50
11538 W. Corrine Dr, El Mirage Az 85335	\$35,482.50
2126 W. Solano Drive, Phx Az 85015	\$40,620.00
11927 W. Dahlia Dr, El Mirage Az 85335	\$40,550.00



The wire will come from Note Acquisition Company, LLC

Please also let him know that tomorrow, he will receive a second wire, also Note Acquisition Company, LLC in the amount of \$350,655.25 for full payoff of the following assets:

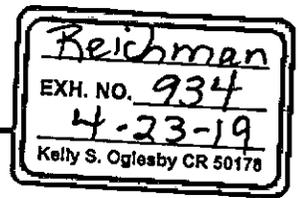
25816 W. Burgess Ln, Buckeye Az 85326	\$40,900.00
6111 W. Gelding Dr, Glendale Az 85306	\$50,732.75
2233 E. Highland Ave, #54 Phx Az 85016	\$40,800.00
2930 E. Libby St, Phx Az 85032	\$60,830.00
6339 W. Pima St Phoenix Az 85043	\$35,247.50
13023 W. Soledad St El Mirage Az 85335	\$50,770.00
8746 W. Heber Rd, Tolleson Az 85353	\$71,375.00

Also, he sent over 2 payoffs for assets that we do not want, and didn't request payoffs for and as a result we won't be sending funds for them. They are 4905 E. Grandview St, Mesa Az 85205 and 5126 N. 78th St, Scottsdale Az 85250

Thank you,
GR



Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net



Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 2/13/2013 12:03:16 AM
To: Scott Menaged [smena98754@aol.com]; Jody Angel [Jangel@activefundinggroup.com]
Subject: Re: Account summary

You are welcome and thank you also

GR

Gregg S. Reichman
Active Funding Group, LLC
602-443-6148 direct
602-692-3812 mobile
greichman@activefundinggroup.com

On Feb 12, 2013, at 4:02 PM, Scott Menaged <smena98754@aol.com> wrote:

All the 3 checks are ready as promised. Please let Paul know Veronica has them

Thank you! And thank you for the 6 hour email hahahahaha

Sent from my iPhone

On Feb 12, 2013, at 3:03 PM, Gregg Reichman <greichman@activefundinggroup.com> wrote:

<image001.gif>

Scott:

We have now had an opportunity to meet internally and discuss the various issues related to your account. I will address them one by one. The goal at the conclusion of today is for everyone to have a comprehensive understanding of where we stand today and responsibilities of the parties into the future.

1. **Payment promised from last Friday, not received.** You and I did not address this in our communications from yesterday and today because I was unaware that the payment had not been submitted as agreed. You had committed to a \$50,000.00 payment to be tendered on your pay down / pay back account last Friday. We didn't receive it. Please send it today with the other payments.
2. **Payment reminders.** You have asked for us to prepare a list for you containing addresses of assets attached to loan payments due for the upcoming week along with the amount due. You have asked for this to be delivered to you weekly, every Friday. You agree that once the list is received, you will tender a check the following Monday for full payment of all payments due. We will accommodate this request but we want to be clear about a couple of things. First, this is a courtesy to you, not a requirement or responsibility of ours. If we are unable to send the reminder for whatever reason, the payments are still due on time and it is your responsibility as a Borrower to run your business in such a fashion that you calendar when payments are due and pay them on time in the ordinary course of business. Secondly, our agreement to extend this courtesy to you does not in any way alter the terms and conditions of the agreements we have in

place with you To summarize, we want to help when we can and we will do our best to do so but in the final analysis it is your responsibility to get the payments in on time, as agreed and late penalties apply if they are not tendered as agreed in the loan documents.

3. Additional payments for properties we have funded: I was able to determine through conversations internally why these payments were being treated in two different manners. When I am in the office and a loan request comes in from your office Melissa (our underwriter) would discuss the loan with me immediately and to the extent that more funds were necessary for us to feel comfortable with the LTV I would call you and tell you that we needed more funds and you would send those additional funds in with your Borrower Doc's..... When I was not here, it was happening differently. We would get the loan request in and fund the loan no matter what the LTV was. If that loan stayed on the books past our 10 day agreed upon "waiting period", then the LTV was reviewed to determine if we needed more funds from you. If the determination was made that we needed more funds then Jody was instructing Laura to send you an email indicating that we needed more funds. That explains your questions about note amounts. And to address the loan amounts, it may be true that the original amount owed on the note might be higher than the actual amount owed (if subsequent funds are tendered by you after we fund the loan) you should know that our records, internally would always show the correct principal amount owing, and you would never pay more than what is owed. Even if your monthly payments were coming in higher than they should be (because the note amount was higher than it should be because of a principal pay down after we funded the loan) it still would not matter because at loan payoff we calculate the total number of days outstanding against the total amount of interest paid and that give us the amount due at payoff. The point is you get credit for 100% of the interest you have paid, even if it is the wrong amount. What we would like to do is have one standardized way of dealing with this into the future. From now on when the loan is underwritten, before loan funding we will determine if more down payment is needed and call you up front, and you will send the additional funds with the loan documents for that asset. The promissory note we send over will reflect the lower amount, after credits for both the bid deposit, and additional down payment tendered. Please acknowledge that you are in agreement with this standardized approach which should clear up any confusion.

4. Late Payment fees: As you and I discussed earlier, we are willing to waive approximately \$9,000.00 of late charges currently due on the account and you agree to pay (today) late charges of \$2,500.00. We will call the late charges "even" with your submission of that payment. To be clear on late charges going forward, if the payments are late, from here forward, you agree to pay the late charges, period. We all agree that the existence or non-existence of a reminder list from our accounting department has nothing to do with your responsibility for late payments if in fact the payments are late.

5. Payments due today: As you and I discussed, please prepare 3 checks, one as stated in Article 1 above (dated today) for the \$50,000.00 pay down due last Friday, another dated today and one dated for Monday February 18th. The one (other than the \$50K pay down) dated today should be in the amount of \$145,999.82. This represents interest payments due on loans, including last due loans with due dates through 2/14/2013. This includes the adjusted late fee, reduced down to \$2,500.00 as agreed. The second check should be in the amount of \$178,138.49. This represents the amount of additional down payments and 1st interest payments due for properties we have already funded. Laura will email you a detail that shows line-item charges asset by asset.

Please let us know when checks are cut and we will send Paul. I am glad we got this worked out and let's move forward smoothly with these understandings in place.

Best regards,
GR

--

<image003.jpg>

Gregg S. Reichman

Managing Director

602-443-6148 direct to my desk

602-692-3812 - Mobile

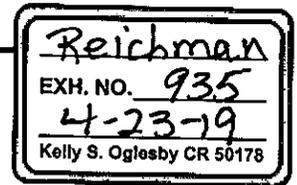
602-252-1177 - Fax

greichman@activefundinggroup.com

bidpro@earthlink.net

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 2/7/2013 7:58:47 PM
To: Scott Menaged [smena98754@aol.com]
Subject: RE:



Just curious - why aren't you refinancing with us?
GR

Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bidpro@earthlink.net

-----Original Message-----

From: Scott Menaged [mailto:smena98754@aol.com]
Sent: Thursday, February 07, 2013 12:52 PM
To: Gregg Reichman
Subject:

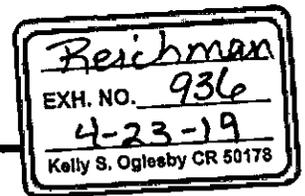
I am refinancing Denny's note on 10030 e friess dr

Please send me subordination on the 1.4 mill note. The new lender obviously won't be in second. Or release it and I will sign another note putting you back in chain

Thanks

Sent from my iPhone

Gregg Reichman



From: Scott Menaged
Sent: Wednesday, June 05, 2013 7:52 AM
To: Gregg Reichman
Subject: Re: Confirmation of discussion regarding legal fees

I agree to pay reasonable attorney fees for this lawsuit

Thanks

Sent from my iPhone

On Jun 5, 2013, at 7:38 AM, Gregg Reichman <greichman@activefundinggroup.com> wrote:

<image001.gif>

Scott:

As a follow up to our telephone discussion this morning please reply to this email confirming and acknowledging that you will pay the legal fees relating to the cost of defense for Active Funding Group, LLC arising out of the Superior Court Action CV2013-007663, FREQ ARIZONA, LLC v. Easy Investments, LLC, Active Funding Group LLC, et.al.

Thank you,

GR

<image002.jpg>

Gregg S. Reichman
Managing Director
602-443-6148 direct to my desk
602-692-3812 - Mobile
602-252-1177 - Fax
greichman@activefundinggroup.com
bldpro@earthlink.net

1 Richard L. Cobb, SBN 011427
cobb@lakeandcobb.com
2 Joseph J. Glenn, SBN 023228
jjglenn@lakeandcobb.com
3 LAKE & COBB, P.L.C.
4 1095 W. Rio Salado Pkwy., Suite 206
Tempe, Arizona 85281
5 (602) 523-3000 office
(602) 523-3001 fax
6 Attorneys for Freo Arizona, LLC

6/4/13 3:30 PM
ah

7 IN THE SUPERIOR COURT FOR THE STATE OF ARIZONA
8 IN AND FOR THE COUNTY OF MARICOPA

9 FREO ARIZONA, LLC, a Delaware limited
liability company,

CV

CV2013-007663

11 Plaintiff,

SUMMONS

12 v.

13 EASY INVESTMENTS, LLC, an Arizona
limited liability company; ACTIVE
14 FUNDING GROUP, LLC, an Arizona limited
liability company; ~~DENSCO INVESTMENT~~
CORPORATION, an Arizona corporation;
15 TIMOTHY P. MCCORMICK, as Trustee of
the TIMOTHY P. MCCORMICK
16 REVOCABLE TRUST; OCWEN LOAN
SERVICING, LLC, a Delaware limited
17 liability company,

18 Defendants.

if you would like legal advice from a lawyer,
contact the Lawyer Referral Service at
602-257-4434

or
www.maricopalawyers.org
Sponsored by the
Maricopa County Bar Association

19 THE STATE OF ARIZONA TO THE DEFENDANTS:

20 EASY INVESTMENTS, LLC
21 Corporation Service Company
22 2338 W. Royal Palm Rd., #J
Phoenix, Arizona 85021
23
24

LAKE & COBB, P.L.C.
1095 W. Rio Salado Pkwy.
Suite 206
Tempe, Arizona 85281

LAKE & COBB, P.L.C.
1085 W. Rio Sabalo Pkwy.
Suite 208
Tempe, Arizona 85281

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ACTIVE FUNDING GROUP, LLC

Andrew Abraham, Statutory Agent
Burch & Cracchiolo PA
702 E. Osborn Rd., #200
Phoenix, AZ 85014

DENSCO INVESTMENT CORPORATION

Kurt Johnson Association, PC, Statutory Agent
23005 N. 15th Ave, Suite 2
Phoenix, Arizona 85027

OCWEN LOAN SERVICING, LLC

Corporation Service Company, Statutory Agent
2338 W. Royal Palm Rd., #J
Phoenix, Arizona 85021

Timothy P. McCormick, Trustee of the Timothy P. McCormick Revocable Trust

YOU ARE HEREBY SUMMONED and required to appear and defend, within the time applicable, in this action in this Court. If served within Arizona, you shall appear and defend within twenty (20) days after the service of the Summons and Complaint upon you, exclusive of the day of service. If served out of the State of Arizona--whether by direct service, by registered or certified mail, or by publication--you shall appear and defend within thirty (30) days after the service of the Summons and Complaint upon you is complete, exclusive of the day of service. Where process is served upon the Arizona Director of Insurance as an insurer's attorney to receive service of legal process against it in this State, the insurer shall not be required to appear, answer or plead until expiration of forty (40) days after date of such service upon the Director. Service by registered or certified mail without the State of Arizona is complete thirty (30) days after the date of filing the receipt and affidavit of service with the Court. Service by publication is complete thirty (30) days after the date of first publication. Direct service is complete when made. Service upon the Arizona Motor Vehicle Superintendent is complete thirty (30) days after filing the Affidavit of Compliance and return receipt or Officer's Return. RCP; A.R.S. §§ 20-222, 28-502, 28-503.

1 **YOU ARE HEREBY NOTIFIED** that in case of your failure to appear and
defend within the time applicable, judgment by default may be rendered against you for
2 the relief demanded in the Complaint.

3 **YOU ARE CAUTIONED** that in order to appear and defend, you must file an
4 Answer or proper response in writing with the Clerk of this Court, accompanied by the
necessary filing fee, within the time required, and you are required to serve a copy of any
5 Answer or response upon the Plaintiff's attorney. RCP 10(d); A.R.S. § 12-311; RCP 5.

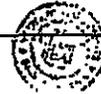
6 **REQUESTS FOR REASONABLE ACCOMMODATION FOR PERSONS WITH**
7 **DISABILITIES MUST BE MADE TO THE DIVISION ASSIGNED TO THE CASE**
8 **BY PARTIES AT LEAST 3 JUDICIAL DAYS IN ADVANCE OF A SCHEDULED**
9 **COURT PROCEEDING.**

10 The name and address of Plaintiff's attorney is:

11 Richard L. Cobb (#011427)
12 cobb@lakeandcobb.com
Joseph J. Glenn (#023228)
13 jjglenn@lakeandcobb.com
14 **LAKE & COBB, P.L.C.**
15 1095 W. Rio Salado Pkwy., Suite 206
16 Tempe, AZ 85281

17 SIGNED AND SEALED this date: _____

18 By _____
19 Deputy Clerk



20 **COPY**
21 **MAY 24 2013**
22 **KYLE R. GEMER, CLERK**
23 **K. W. HAZEN**
24 **DEPUTY CLERK**

LAKE & COBB, P.L.C.
1095 W. Rio Salado Pkwy.
Suite 206
Tempe, Arizona 85281

1 Richard L. Cobb, SBN 011427
cobb@lakeandcobb.com
2 Joseph J. Glenn, SBN 023228
jjglenn@lakeandcobb.com
3 LAKE & COBB, P.L.C.
4 1095 W. Rio Salado Pkwy., Suite 206
5 Tempe, Arizona 85281
(602) 523-3000 office
(602) 523-3001 fax
6 Attorneys for Freo Arizona, LLC

COPY

MAY 24 2013



CLERK OF SUPERIOR COURT
K. J. HESAN
CLERK

7 IN THE SUPERIOR COURT FOR THE STATE OF ARIZONA
8 IN AND FOR THE COUNTY OF MARICOPA

9 FREO ARIZONA, LLC, a Delaware limited
10 liability company,

CV

CV2013-007663

11 Plaintiff,

COMPLAINT

12 v.

(DECLARATORY JUDGMENT,
BREACH OF CONTRACT)

13 EASY INVESTMENTS, LLC, an Arizona
14 limited liability company; ACTIVE
15 FUNDING GROUP, LLC, an Arizona limited
16 liability company; DENSCO INVESTMENT
17 CORPORATION, an Arizona corporation;
18 TIMOTHY P. MCCORMICK, as Trustee of
19 the TIMOTHY P. MCCORMICK
20 REVOCABLE TRUST; OCWEN LOAN
21 SERVICING, LLC, a Delaware limited
22 liability company,

23 Defendants.

24 Plaintiff Freo Arizona, LLC ("Freo") for its Complaint against Defendants Easy
Investments, LLC ("Easy"), Active Funding Group, LLC ("Active"), DenSco Investment
Corporation ("DenSco"), Timothy P. McCormick, as Trustee of the Timothy P.

LAKE & COBB, P.L.C.
1095 W. Rio Salado Pkwy.
Suite 206
Tempe, Arizona 85281

1 McCormick Revocable Trust ("McCormick"), and Ocwen Loan Servicing, LLC, alleges
2 as follows:

3 **PARTIES, JURISDICTION, AND VENUE**

4 1. Freo is a Delaware limited liability company doing business in Arizona.

5 2. Upon information and belief, Easy is an Arizona limited liability company
6 doing business in Maricopa County, Arizona.

7 3. Upon information and belief, Active is an Arizona limited liability
8 company doing business in Maricopa County, Arizona.

9 4. Upon information and belief, DenSco is an Arizona corporation doing
10 business in Maricopa County, Arizona.

11 5. Upon information and belief, McCormick resides in Maricopa County,
12 Arizona and is doing business in Maricopa County, Arizona.

13 6. Upon information and belief, Owcen is Delaware limited liability company
14 doing business in Maricopa County, Arizona.

15 7. This action concerns a real property located in Maricopa County, Arizona.

16 8. Venue is proper in this court pursuant to A.R.S. § 12-401.

17 9. This court has jurisdiction pursuant to A.R.S. § 12-1176, et seq. and A.R.S.
18 § 12-1831 *et seq.*

19 **FACTUAL ALLEGATIONS**

20 10. On December 12, 2012, a Notice of Trustee's Sale was recorded involving
21 the property located at 7089 W. Andrew Lane, Peoria, Arizona, 85383 (the "Property")
22
23
24

1 11. Joshua and Kathryn Guidone were the trustors for the Deed of Trust
2 identified in the Notice of Trustee's Sale.

3 12. Freo entered into a contract to purchase the Property from the Guidones.

4 13. On behalf of Freo, Nayriam Silver obtained a Payoff Statement from
5 Ocwen for the loan that was the subject of the noticed trustee's sale.

6 14. Ocwen represented to Freo that it would cancel the trustee's sale and
7 release the Deed of Trust due to the sale of the Property to Freo and the payment to
8 Ocwen of the payoff amount.

9 15. On March 18, 2013, the sale closed and the Warranty Deed transferring the
10 Property to Freo was recorded. Ocwen was also paid the payoff amount of \$153,167.59.

11 16. Freo subsequently made improvements to the Property.

12 17. Despite the completion of the sale and the payment to Ocwen, Ocwen
13 failed to timely instruct the trustee to cancel the trustee's sale.

14 18. A purported trustee's sale occurred on March 22, 2013, on the paid-off
15 Ocwen Deed of Trust—resulting in a purported trustee's sale to Easy.

16 19. Ocwen subsequently caused Deed of Release and Reconveyance and
17 Cancellation of Notice of Trustee's Sale to be recorded.

18 20. Easy attempted to encumber the property with deeds of trust to Active and
19 DenSco.
20

21 21. Active subsequently purported to transfer its interest in one of its deeds of
22 trust to McCormick.
23
24

LAKE & COBB, P.L.C.
1195 W. 17th Avenue, Suite 208
Tempe, Arizona 85281

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22. Because the Ocwen Deed of Trust was paid off and the Warranty Deed to Freo was a matter of record, the trustee's sale on the Ocwen Deed of Trust was invalid and Easy, Active, Densco, and McCormick did not obtain any interest in the property.

23. Alternatively, Freo was equitably subrogated to first position through its payoff of the Ocwen loan, resulting in a trustee's deed to Easy, subject to the interests of Freo.

24. There is an actual controversy regarding the rights of Freo and Defendants in regards to the Property, such that declaratory relief is appropriate.

COUNT ONE - DECLARATORY JUDGMENT

25. Because Freo paid off the Ocwen Deed of Trust, Ocwen had no interest in the Property at the time of the trustee's sale and Easy did not acquire any rights in the Property.

26. Because Easy did not acquire any rights in the Property, Active, DenSco, and McCormick also failed to receive any interest in the Property.

27. Because Freo paid off the Ocwen Deed of Trust, Freo was equitably subrogated to Ocwen's rights under the Deed of Trust.

28. Freo is entitled to legal and/or equitable relief to secure clear title to the Property.

29. There is an actual and present controversy regarding the rights of Freo and Defendants in regards to their rights in the Property.

1 30. Declaratory relief is proper in order to determine the status and actual rights
2 of the parties in regards to the Property.

3 31. Because this matter arises out of contract, Freo is entitled to an award of its
4 costs and reasonable attorneys' fees pursuant to A.R.S. §§ 12-341 and 12-341.01.

5 **Count II -- Breach of Contract**

6 32. Defendant Ocwen has breached its agreement with Freo by failing to cancel
7 the trustee's sale and timely release its Deed of Trust.

8 33. Freo complied with its contractual obligation by paying Ocwen the payoff
9 amount of \$153,167.59.

10 34. The breach of contract has caused damages to Freo in an amount to be
11 determined at trial.

12 35. Additionally, Plaintiff is entitled to its costs and attorneys fees pursuant to
13 A.R.S. §§ 12-341 and 12-341.01.

14 WHEREFORE, Freo respectfully requests the following relief:

15 A. For an order declaring that Freo owns fee simple title to the Property and
16 that Easy, Active, DenSco, and McCormick have no right or interest in the Property.

17 B. For breach of contract against Ocwen and an award of monetary damages
18 in an amount to be proven at trial, plus pre and post-judgment interest, costs, and
19 attorneys' fees.

20 C. Such other and further legal and/or equitable relief as the Court deems just
21 and proper.
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RESPECTFULLY SUBMITTED this 24th day of May, 2013.

LAKE & COBB, P.L.C.

By: Joseph J. Glenn

Richard L. Cobb
Joseph J. Glenn
Attorneys for Free

LAKE & COBB, P.L.C.
1003 W. Rio Salado Pkwy.
Suite 200
Tempe, Arizona 85281

COPY

MAY 24 2013



JOSEPH J. GLENN
COURT CLERK

1 Richard L. Cobb, SBN 011427
cobb@lakeandcobb.com
2 Joseph J. Glenn, SBN 023228
jjglenn@lakeandcobb.com
3 LAKE & COBB, P.L.C.
4 1095 W. Rio Salado Pkwy., Suite 206
5 Tempe, Arizona 85281
(602) 523-3000 office
(602) 523-3001 fax
6 Attorneys for Freo Arizona, LLC

7 IN THE SUPERIOR COURT FOR THE STATE OF ARIZONA

8 IN AND FOR THE COUNTY OF MARICOPA

9 FREO ARIZONA, LLC, a Delaware limited
10 liability company,

CV CV2013-007663

11 Plaintiff,

CERTIFICATE OF COMPULSORY
ARBITRATION

12 v.

13 EASY INVESTMENTS, LLC, an Arizona
14 limited liability company; ACTIVE
15 FUNDING GROUP, LLC, an Arizona limited
16 liability company; DENSCO INVESTMENT
17 CORPORATION, an Arizona corporation;
18 TIMOTHY P. MCCORMICK, as Trustee of
19 the TIMOTHY P. MCCORMICK
REVOCABLE TRUST; OCWEN LOAN
SERVICING, LLC, a Delaware limited
liability company,

Defendants.

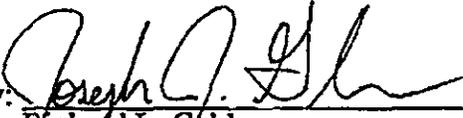
20 Plaintiff Freo Arizona, LLC hereby certifies that this matter is not subject to
21 compulsory arbitration for the reason that it seeks other than monetary relief.

22 ///

LAKE & COBB, P.L.C.
1095 W. Rio Salado Pkwy.
Suite 206
Tempe, Arizona 85281

RESPECTFULLY SUBMITTED this 24th day of May, 2013.

LAKE & COBB, P.L.C.

By: 
Richard L. Cobb
Joseph J. Glenn

LAKE & COBB, P.L.C.
1005 W. The Exchange Place
Suite 200
Tempe, Arizona 85281

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1 Richard L. Cobb, SBN 011427
cobb@lakeandcobb.com
2 Joseph J. Glenn, SBN 023228
jjglenn@lakeandcobb.com
3 LAKE & COBB, P.L.C.
4 1095 W. Rio Salado Pkwy., Suite 206
Tempe, Arizona 85281
5 (602) 523-3000 office
(602) 523-3001 fax
6 Attorneys for Freo Arizona, LLC

7 IN THE SUPERIOR COURT FOR THE STATE OF ARIZONA

8 IN AND FOR THE COUNTY OF MARICOPA

9 FREO ARIZONA, LLC, a Delaware limited
10 liability company,

11 Plaintiff,

12 v.

13 EASY INVESTMENTS, LLC, an Arizona
limited liability company; ACTIVE
14 FUNDING GROUP, LLC, an Arizona limited
liability company; DENSCO INVESTMENT
15 CORPORATION, an Arizona corporation;
TIMOTHY P. MCCORMICK, as Trustee of
16 the TIMOTHY P. MCCORMICK
REVOCABLE TRUST; OCWEN LOAN
17 SERVICING, LLC, a Delaware limited
liability company,

18
19 Defendants.

CV CV2013-007663

LIS PENDENS

20 NOTICE IS HEREBY GIVEN that a legal action has been commenced in the
21 Maricopa County Superior Court for the State of Arizona by Plaintiff Freo Arizona, LLC,
22
23
24

1 against the above-named Defendants, which suit is now pending and involves the title to
2 real property situated in Maricopa County, Arizona, described as:

3 7089 W. Andrew Lane, Peoria, Arizona, 85383

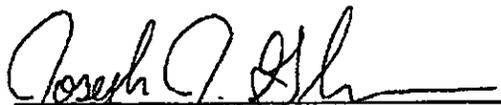
4 **Legal Description:**

5
6 Lot 92, of SONORAN MOUNTAIN RANCH PARCEL 5, according to the plat of
7 record in the office of the County Recorder of Maricopa County, Arizona, recorded
8 in Book 672 of Maps, Page 37.

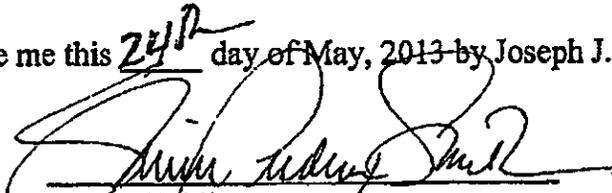
9 The object of the action and the relief demanded is a declaratory action seeking a
10 declaration that Free Arizona, LLC has fee simple title to the property and that the above-
11 named Defendants do not have any interest in the property.

12 DATED this 24th day of May, 2013.

13 **LAKE & COBB, P.L.C.**

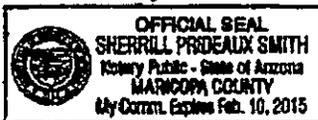
14 
15 Joseph J. Glenn
16 Attorneys for Plaintiff

17 Subscribed and sworn to before me this 24th day of May, 2013 by Joseph J.
18 Glenn.

19 
20 Notary Public

21 My Commission Expires:

22 Feb. 10, 2015



Reichman
EXH. NO. 937
4-23-19
Kelly S. Oglesby CR 50178

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 7/1/2013 1:44:02 PM
To: Veronica Gutierrez [veronicagutierrez@live.com]; Scott Menaged [SMENA98754@aol.com]
CC: Laura Boucher [lboucher@activefundinggroup.com]; Melissa Shields [mshields@activefundinggroup.com]; Prime Foreclosures [adubois@activefundinggroup.com]; Jody Angel [Jangel@activefundinggroup.com]
Subject: New buying entity

Veronica – as a follow up to my discussion and agreement with Scott we will not be funding any more loans for the entity Easy Investments, LLC.

Scott will be using a different entity for his purchases that are financed with AFG from this point forward. Please provide us with the name of that entity, a copy of the operating agreement and articles of organization.

Thank you,

GR



Gregg S. Reichman
Active Funding Group, LLC
602-443-6148 direct
602-692-3812 mobile
greichman@activefundinggroup.com

Reichman
 EXH. NO. 938
 4-23-19
 Kelly S. Oglesby CR 50178

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 7/31/2013 3:26:26 PM
To: Scott Menaged [SMENA98754@aol.com]; Jody Angel [jangel@activefundinggroup.com]
Subject: 2013 loan review for Menaged related entities

EASY INVESTMETNS & ARIZONA HOME FORECLOSURES
 MENAGED
 REVIEW

YEAR	MONTH	NO. NEW LOANS	NO PAYOFFS
2013	January	20	2
2013	February	13	2
2013	March	17	3
2013	April	11	3
2013	May	10	5
2013	June	17	2
2013	July	18	4
2013	August		
2013	September		
2013	October		
2013	November		
2013	December	106	21

Scott – here is a summary of your loan activity thus far 2013. We make roughly 5 loans for every 1 loan that pays off.

This is one of the reasons we are occasional illiquid. After our meeting of last week I was very curious as to what the actual numbers were since we spent a portion of the meeting discussing this.

Best regards,
 GR



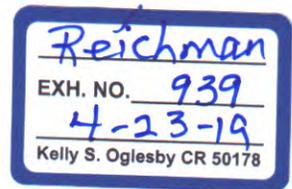
Gregg S. Reichman

Managing Director

602-443-6141 direct

602-692-3812 mobile

reichman@activefundinggroup.com



TOLLING AGREEMENT

This Agreement ("Agreement") is made and entered into as of April 10, 2019 (the "Effective Date"), by and between Peter S. Davis, as the court-appointed receiver of DenSco Investment Corporation (the "Receiver"), and Active Funding, LLC, Active Funding Group, LLC, Active Funding Group II, Active Funding Group Holdings, LLC, and their respective members and managers (collectively, "Active Funding Group").

The Receiver believes it may have claims against Active Funding Group arising from its relationship with Yomtov Scott Menaged, Easy Investments, LLC, Arizona Home Foreclosures, LLC, and other entities owned or controlled by Menaged (collectively, "Menaged"), and may have worked in concert with Menaged to defraud DenSco. However, none of the parties to this Agreement desires the Receiver to assert those potential claims at this time. Therefore, in consideration of the mutual promises stated in this Agreement, the parties agree as follows:

- (1) The period between the Effective Date of this Agreement and the Termination Date, as defined below in paragraph four and six, shall not be included in determining the applicability of any statute of limitations, laches, or any other defense based on the lapse of time in any action or proceeding brought by the Receiver against Active Funding Group related to Active Funding Group's relationship with Menaged or DenSco.
- (2) Nothing in this Agreement shall affect any defense available to any party as of the Effective Date of this Agreement, and this Agreement shall not be deemed to revive any claim that is or was already barred on that date. Nothing in this Agreement, or in the circumstances which gave rise to this Agreement, shall be construed as an acknowledgment by any party that any claim has or has not been barred, or is about to be barred, by the statute of limitations, laches, or other defense based on the lapse of time.
- (3) This Agreement shall not operate as an admission of liability by any party. Neither this Agreement nor any action taken pursuant to this Agreement shall be offered or received in evidence in any action or proceeding as an admission of liability or wrongdoing by any party.
- (4) Any party may terminate this Agreement on thirty (30) days written notice to the other sent by registered mail, return receipt requested, to the party and its counsel at the following addresses:

To Receiver at:

Ryan W. Anderson
General Counsel to Peter S. Davis, as Receiver of DenSco
5415 E. High St., Suite 200
Phoenix, AZ 85054
(480) 304-8300

To Active Funding Group:

Andrew Abraham
Burch & Cracchiolo, PA
702 E. Osborn Rd. #200
P.O. Box 16882
Phoenix, Arizona 85014-5281
(602) 274-7611

- (5) Any party may change the address by which it should be given notice by giving written notice of the change of address to the other at the above addresses by registered mail, return receipt requested.
- (6) If not earlier terminated by notice, this Agreement shall terminate on April 10, 2020. Accordingly, the Termination Date shall be the earlier of April 10, 2020, or the first business day following thirty (30) days after the date of mailing of notice of termination pursuant to this paragraph.
- (7) This Agreement comprises the entire agreement of the parties with respect to the tolling of any statute of limitations and the doctrine of laches; and this Agreement may be modified, amended, or supplemented only by a written instrument signed by all of the parties.
- (8) Each undersigned party represents, warrants, and states that all legal action necessary for the effectuation and execution of this Agreement has been validly taken and that the individuals whose signatures appear below on behalf of each party are duly authorized to execute this Agreement on behalf of their respective parties.
- (9) This Agreement shall be interpreted in accordance with the substantive law of the State of Arizona, without application of choice of law rules.



Peter S. Davis, as Receiver of DenSco Investment Corporation

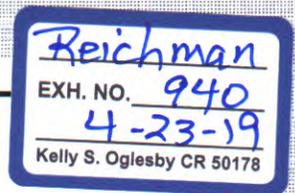


Active Funding Group, LLC

By G. Rachman

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 8/2/2013 11:28:12 PM
To: Scott Menaged [SMENA98754@aol.com]; Jody Angel [Jangel@activefundinggroup.com]
Subject: Easy comping project
Attachments: Easy Comping project Aug 2, 2013 (2).xls



Scott – here are the results of our comping project on your assets. The analysis takes into consideration back taxes, HOA liens and we assume a 4% sales cost (3% to buyers side and maximum 1% for all Seller costs combined).

Please review and let's discuss the results next week.

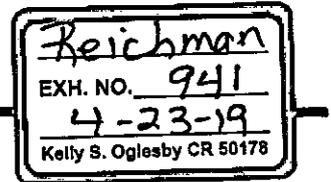
Best regards,

GR



Gregg S. Reichman
Active Funding Group, LLC
602-443-6148 direct
602-692-3812 mobile
greichman@activefundinggroup.com

Gregg Reichman



From: Gregg Reichman
Sent: Monday, December 23, 2013 3:13 PM
To: Dan Diethelm Gmail
Cc: Jody Angel
Subject: RE: Demand Letter to DENSCO

Dan - the demand looks great. Would you please verbally represent to Denny during the "face to face" that Active Funding Group, LLC is in support of the demand and seeking the same subordinations for that AFG has with Easy Investments, LLC as well as Arizona Home Foreclosures, LLC.

Once you know exactly when the meeting will take place please let us know.
Thank you for agreeing to make this important delivery.

Best regards,
GR

Gregg S. Reichman
Managing Director
602-443-6141 direct
602-692-3812 mobile
greichman@activefundinggroup.com

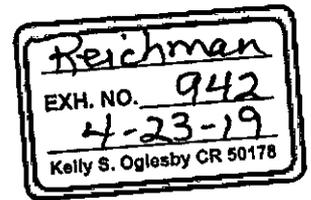
-----Original Message-----

From: Dan Diethelm Gmail [mailto:dandiethelm@gmail.com]
Sent: Monday, December 23, 2013 2:21 PM
To: Reichman Gregg
Subject: Demand Letter

>
>
>



Robert J. Miller
 Direct: (602) 364-7043
 Fax: (602) 716-8043
 rjmiller@bryancave.com



January 6, 2014

VIA HAND-DELIVERY

Densco Investment Corporation
 Attn: Mr. Denny J. Chittick
 6132 W. Victoria Place
 Chandler, AZ 85226

Re: Mortgage Recordation; Demand For Subordination

Dear Mr. Chittick:

This law firm represents Azben Limited, LLC ("Azben"), Geared Equity, LLC ("Geared Equity") and 50780, LLC in connection with their disputes with you and your company, Densco Investment Corporation ("Densco"). As you know, Geared Equity and 50780, LLC previously made various loans to Arizona Home Foreclosures, LLC and/or Easy Investments, LLC (collectively, the "Borrower"). Sell Wholesale Funding, LLC ("SWF") also made certain loans to Borrower which were collaterally assigned to Azben. Azben, Geared Equity, and 50780, LLC will be collectively referred to herein as the "Lienholders." Geared Equity, 50780, LLC, and SWF will be collectively referred to herein as the "Lenders."

This demand letter addresses the Lienholders' loans to the Borrower and the real property collateral described on Exhibit A attached hereto (the "Loans" and the "Properties," respectively). The Lenders made each of the Loans to the Borrower for the specific purpose of providing purchase money financing so the Borrower would have sufficient funds to acquire the Properties through trustee sales conducted under Arizona law. The Lenders, in each and every instance, deliberately advanced the loan proceeds pursuant to certified funds delivered directly to the trustee and received a receipt from the trustee confirming delivery of such funds. The Lenders, in each and every instance, also promptly recorded deeds of trust confirming a senior lien position on each of the Properties.

The Lienholders recently learned that your company, Densco, engaged in a practice of recording a "mortgage" on each of the Properties on or around the same time as the Lenders were recording their senior deeds of trust. In each and every instance, Densco's recorded mortgage states that Densco provided purchase money funding and that Densco's loans are "evidenced by a check payable" to the trustee for each of the Properties.

Thus, Densco is taking the position in recorded documents that it provided a purchase money loan to the Borrower with respect to each of the Properties.

752649.3

Bryan Cave LLP
 One Renaissance Square
 Two North Central Avenue
 Suite 2200
 Phoenix, AZ 85004-4406
 Tel: (602) 364-7000
 Fax: (602) 364-7070
 www.bryancave.com

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Mr. Denny J. Chittick

January 6, 2014

Page 2

Presumably, Densco is taking the position that its alleged loan is senior to the liens of the Lienholders with respect to each of the Properties. Of course, this is a practical and legal impossibility since, in each and every instance, only the Lenders provided the applicable trustee with certified funds supporting the Borrower's purchase money acquisition for each of the Properties and, with respect to the loans made by SWF, Azben "stands in the shoes" of SWF as the senior purchase money lender.

This demand letter provides Densco with an opportunity to immediately clarify its position and rectify this situation. Because of the seriousness of this situation, the Lenders are presenting their position as a formal demand on you and Densco. The demand is as follows:

Included herein are two forms of subordination agreement – one form document applies to the Azben loans and the other form applies to the loans of Geared Equity and 50780, LLC. The Lienholders hereby demand that Densco agree to complete and deliver this exact form of subordination agreement for each of the Properties to my office so that these completed subordination agreements may be recorded and delivered to the Borrower.¹ If Densco does not immediately so agree in writing and complete this entire subordination delivery process by no later than five (5) business days from the date of this demand letter, then the Lenders will immediately commence litigation against Densco and the other parties involved in this situation.

Please give this matter your immediate and undivided attention. While the Lienholders will be asserting all of the claims they have against the parties involved in this situation absent the timely completion of this subordination process, the most obvious claims the Lienholders will assert are: (i) fraud and conspiracy to defraud; (ii) negligent misrepresentation; and (iii) wrongful recordation pursuant to A.R.S. §33-420. The Lienholders reserve all of their rights and remedies against Densco, you, and all other parties, and no such rights or remedies are waived, modified, or impaired in any way pursuant to this demand letter or otherwise.

Sincerely,



Robert J. Miller
FOR THE FIRM

RJM:se
Enclosure

¹ Property addresses and other "form" information will need to be included in each subordination agreement. My firm will only commence preparing a subordination agreement for each loan when written confirmation is provided that Densco has unconditionally agreed to execute each subordination agreement in the form enclosed herein. A subordination agreement is required for each and every loan even though several of the loans have been paid in full and even though in several instances it is very clear the Densco mortgage was recorded *after* the Lender's deed of trust was recorded – the Lenders are entitled to total and permanent clarity on all of these issues now.

Mr. Denny J. Chittick
January 6, 2014
Page 3

cc: **VIA FEDERAL EXPRESS (w/encs.)**

Kurt Johnson Associates, PC
23005 N. 15th Avenue
Suite 2
Phoenix, AZ 85027
Statutory Agent for Dcnscsco

Azben Limited, LLC (w/o encs.)
Geared Equity, LLC (w/o encs.)
50780, LLC (w/o encs.)
Sell Wholesale Funding, LLC (w/encs.)

Exhibit A

Azben Limited, LLC Loans

<u>Loan #</u>	<u>Street Address</u>	<u>City</u>	
5445	Sheila Ln, 7134 W	Phoenix	Paid in Full
5448	Palmer St, 3826 E	Gilbert	
5506	Palm St, 2681 S	Gilbert	
5514	Horsetail Trail, 1751 W	Phoenix	Paid in Full
5594	Maui Ln, 13920 W	Surprise	
5597	66th Dr, 10020 N	Glendale	
5619	Millbrae Ln, 2895 E	Gilbert	
5620	Wood Dr, 1502 W	Phoenix	
5621	170th Ln, 16010 N	Surprise	
5629	Wayland Dr, 23687 W	Buckeye	
5631	Lobo Ave, 10125 E	Mesa	
5641	Dublin St, 518 W	Chandler	
5644	Sunsites Dr, 18915 N	Surprise	
5645	Cortland, 3043 S	Mesa	
5648	Yale, 1355 S	Mesa	
5660	Kent Ave, 3425 E	Gilbert	Paid in Full
5667	101st Dr, 2027 S	Tolleson	
5672	Peck Dr, 8987 W	Glendale	
5679	Colonial Dr, 977 S	Gilbert	
5680	220th Ln, 1040 S	Buckeye	
5684	Tyson St, 4232 E	Gilbert	Paid in Full
5685	Navajo St, 16739 W	Goodyear	
5690	Milburn, 2716 S	Mesa	
5691	Hassett, 126 S	Mesa	
5693	Ogelsby Ave, 11603 W	Youngstown	
5694	Cristine Ln, 15829 N	Surprise	Paid in Full
5695	85th Dr, 1629 S	Tolleson	
5719	Puget Ave, 18146 W	Waddell	
5720	Caribbean Ln, 14869 W	Surprise	
5722	Rosé Garden Lh, 3014 W	Phoenix	
5724	Valley View Dr, 4119 W	Laveen	
5728	Gelding Dr, 4906 W	Glendale	
5729	Maldonado Dr, 3247 E	Phoenix	
5730	Anderson Dr, 3830 W	Glendale	
5742	Olla Ave, 9832 E	Mesa	
5754	Whyman St, 25510 W	Buckeye	
5755	233rd Lh, 1697 S	Buckeye	
5757	Bent Tree Dr, 2507 W	Phoenix	
5760	Arcadia Ave, 10836 E	Mesa	
5761	Sundance Way, 523 W	Chandler	

Geared Equity, LLC Loans

<u>Loan #</u>	<u>Street Address</u>	<u>City</u>	
13-6091	10440 W. Hammond Lane	Tolleson	
13-6094	39817 N. Messner Way	Anthem Way	
13-6104	W. Via Montoya Drive	Phoenix	
13-6105	11509 E. Pratt Ave	Mesa	Paid in Full
13-6113	707 E. Potter Drive	Phoenix	Property under review with Trustee for possible rescission of sale
13-6114	14904 W. Port Royale Lane	Surprise	
13-6118	4728 W. Carson Road	Laveen	
13-6122	978 N. 85th Place	Scottsdale	
13-6123	635 S. St Paul	Mesa	

50780, LLC Loans

<u>Loan #</u>	<u>Street Address</u>	<u>City</u>
13-1020	8116 E. Onza Avenue	Mesa
13-1051	11634 W. Adams Street	Avondale
13-1052	25863 W. Saint James Avenue	Buckeye

RECORDING REQUESTED
BY AND WHEN RECORDED
MAIL TO:

AZBEN LIMITED, L.L.C.
1223 S. Clearview Avenue
Suite 103
Mesa, Arizona 85209

Space Above This Line for Recorder's Use Only

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT (THIS "AGREEMENT") RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("Agreement"), made this _____ day of January, 2014, by SELL WHOLESALE FUNDING, LLC, an Arizona limited liability company (hereinafter referred to as "**Senior Creditor**"), whose mailing address is 4105 N. 20th Street, #210, Phoenix, Arizona 85016, and DENSCO INVESTMENT CORPORATION, an Arizona corporation (hereinafter referred to as "**Junior Creditor**"), whose mailing address is 6132 W. Victoria Place, Chandler, Arizona 85226;

WITNESSETH

THAT WHEREAS, Arizona Home Foreclosures, LLC, an Arizona limited liability company (hereinafter referred to as "**Owner**"), is the owner of the land hereinafter described on **Exhibit "A"** attached hereto and made a part hereof (the "**Land**" or the "**Property**"); and

WHEREAS, Owner, as mortgagor, executed a Mortgage ("**Junior Mortgage**") dated September 16, 2013, to and for the benefit of Junior Creditor, as mortgagee, and recorded on September 17, 2013 at 8:32 a.m., as Instrument No. 2013-0832534 in the Records of Maricopa County, Arizona ("**Records**"), purporting to encumber the Land, which Junior Mortgage purportedly secures payment of the sum of \$140,000.00 ("**Junior Liabilities**") which might come due under or pursuant to a purported loan made by Junior Creditor to Owner in such purported amount referenced in said Junior Mortgage. When used herein, the term "Junior Mortgage" shall not only mean and refer to the Junior Mortgage stated above, but also to: i) any re-recording thereof; and ii) that certain Deed of Trust and Assignment of Rents, of even date with the Junior Mortgage ("**Junior Deed of Trust**"), made by Owner, as trustor, to First American Title, as trustee, to and for the benefit of Junior Creditor, as beneficiary, which Junior Deed of Trust was recorded September 27, 2013 as Instrument No. 2013-0863555 in the Records; and

WHEREAS, Owner, as trustor, also executed that certain Deed of Trust and Assignment of Rents ("**Senior Deed of Trust**") dated September 16, 2013, to Fidelity National Title, as trustee, to and for the benefit of Senior Creditor, as beneficiary, which Senior Deed of Trust secures payment of a Promissory Note of Owner to Senior Creditor in the original stated principal amount of \$144,080.00 ("**Purchase**

Money Note"), recorded September 17, 2013 at 9:50 a.m. as Instrument No. 2013-0833010 in the Records. Proceeds from the Purchase Money Note were used to pay, and represent, purchase money of and for the Property. The beneficial interest in the Senior Deed of Trust was thereafter collaterally assigned by Senior Creditor to Azben Limited, L.L.C., an Arizona limited liability company (hereinafter referred to as "**Azben**"), by Collateral Assignment of Beneficial Interest Under a Single Deed of Trust dated September 16, 2013 and recorded on September 17, 2013 as Instrument No. 2013-0833044 in the Records, and subsequently re-recorded on October 25, 2013 as Instrument No. 2013-0940922 in the Records to correct the recited date of original recordation of such document. When used herein, the term "Senior Deed of Trust" shall not only mean and refer to the Senior Deed of Trust, but also to the re-recordation thereof on October 4, 2013 as Instrument No. 2013-0885110 in the Records. Capitalized terms not otherwise defined herein shall have the meanings given them in the Senior Deed of Trust; and

WHEREAS, Senior Creditor and Junior Creditor have further agreed that the Junior Liabilities secured by the Junior Mortgage are and shall be subordinated to the Purchase Money Note and to other sums due and owing thereunder and under the Senior Deed of Trust (collectively, the "**Senior Liabilities**"), all in accordance with the terms hereof; and

WHEREAS, Senior Creditor and Junior Creditor have further agreed that i) the Senior Deed of Trust, securing the Purchase Money Note and representing purchase money for the Land, is a lien or charge upon the Land prior and superior to the lien or charge of the Junior Mortgage, ii) that Junior Creditor will specifically and unconditionally subordinate the lien or charge of the Junior Mortgage to the lien or charge of the Senior Deed of Trust, and iii) that the Junior Liabilities secured by the Junior Mortgage are subordinated to the Senior Liabilities, all as more fully set forth herein below; and

WHEREAS, it is to the mutual benefit of the parties hereto that Senior Creditor not; i) take any formal action (which would entail time and expense and in which Senior Creditor would prevail) to establish the first and prior nature of the lien of the Senior Deed of Trust; ii) institute immediate action for foreclosure of the Senior Deed of Trust which might result in proceeds insufficient to defray both the Senior Liabilities and the Junior Liabilities (it being understood that Senior Creditor's forbearance in this regard is limited to Owner's default ("**Owner's Recording Default**") under the Senior Deed of Trust occasioned by the existence of the Junior Deed of Trust and not to any other current or future defaults under the Senior Deed of Trust, including, without limitation, failure to pay at maturity or to perform any other terms and conditions of the Senior Deed of Trust or the Purchase Money Note [herein, "**Other Defaults**"]); and iii) presently enforce the right of Senior Creditor to charge interest at the default rate under the Senior Deed of Trust (it being understood that such forbearance is limited to the effect of Owner's Recording Default and not to any Other Defaults) which would be in priority to the Junior Liabilities, and Junior Creditor is willing to agree that the Senior Deed of Trust securing the Purchase Money Note shall constitute a lien or charge upon the Land which is unconditionally prior and superior to the lien or charge of the Junior Mortgage.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Senior Creditor to forbear from taking formal actions to establish the lien priority of the Senior Deed of Trust, to not institute any foreclosure actions on account of Owner's Recording Default and not presently enforce interest at the default rate due on the Purchase Money Note on account of Owner's Recording Default, it is hereby declared, understood and agreed as follows:

- (1) That the Senior Deed of Trust securing the Senior Liabilities, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Land therein described, prior and superior to the lien or charge of the Junior Mortgage.
- (2) That this Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Junior Mortgage to the lien or charge of the Senior Deed of Trust.

(3) That Senior Creditor may amend the Senior Deed of Trust or the Purchase Money Note in any manner without the prior written consent of Junior Creditor. No renewal, modification or extension of time of payment of the Senior Liabilities, and no release or surrender of any security for the Senior Liabilities, or the obligations of any endorsers, sureties or guarantors thereof, or release from the terms of this or any other subordination agreement of any claims subordinated, and no delay or omission in exercising any right or power on account of or in connection with the Senior Liabilities, or under this Agreement, shall, in any manner, impair or affect the rights and duties of Senior Creditor or Junior Creditor. Senior Creditor, in its uncontrolled discretion, may waive or release any right or option accorded Senior Creditor under this Agreement without the consent Junior Creditor, and without otherwise in any way affecting the obligations Junior Creditor hereunder. Junior Creditor hereby waives notice of the creation, existence, renewal, modification or extension of the time of payment, of the Senior Liabilities.

(4) That Junior Creditor may not amend the Junior Mortgage in any manner that would materially and adversely affect the Senior Liabilities or the Property, including, without limitation, increasing the face amount of the Junior Liabilities, increasing the interest rate or any payment obligations under the Junior Liabilities, or expanding Junior Creditor's security interests and liens under the Junior Loan relating to the Property, without the prior written consent of the Senior Creditor. Junior Creditor shall give Senior Creditor written notice as well as copies of any such amendments within five (5) business days after such documents have been executed by Junior Creditor.

(5) That Junior Creditor shall send to Senior Creditor a written copy of any notices given to Owner regarding: (i) any default under the Junior Mortgage or Junior Liabilities; or (ii) any event, with the giving of such notice or the passage of time without cure, would result in a default under the Junior Mortgage or Junior Liabilities. Junior Creditor agrees that all such notices to Senior Creditor shall be sent contemporaneously with the sending of such notices to Owner. Senior Creditor shall send to Junior Creditor a written copy of any notices given to Owner regarding: (i) any default under any of the Purchase Money Note or the Senior Deed of Trust; or (ii) any event, with the giving of such notice or the passage of time without cure, would result in a default or Event of Default under either the Purchase Money Note or the Senior Deed of Trust. Senior Creditor agrees that all such notices to Junior Creditor shall be sent contemporaneously with the sending of such notices to Owner. Senior Creditor and Junior Creditor shall each have the right, but not the obligation, to cure any default by Owner under the Junior Mortgage, on one hand, or the Purchase Money Note or the Senior Deed of Trust, on the other hand, and respectively. In addition, at any time and from time to time, Junior Creditor, at its option, shall have the right to fully repay the Purchase Money Note in full, together with accrued but unpaid interest and all of Senior Lender's costs and fees thereunder, in which case Junior Creditor shall be entitled to all of the rights and benefits of Senior Lender thereunder.

(6) Notwithstanding any lien now held or hereafter acquired by the Junior Creditor, the Senior Creditor may take possession of, sell, dispose of, and otherwise deal with all or any part of the Property, and may enforce any right or remedy available to it with respect to the Owner or the Property, all without notice to or the consent of the Junior Creditor except as specifically required by applicable law or this Agreement. The Senior Creditor shall have no duty to preserve, protect, care for, insure, take possession of, collect, dispose of, or otherwise realize upon any of the Property, except in accordance with applicable law (including the Arizona Uniform Commercial Code), and in no event shall the Senior Creditor be deemed the Junior Creditor's agent with respect to the Property. All proceeds received by the Senior Creditor with respect to the Property, or any portion thereof, may be applied, first, to pay or reimburse the Senior Creditor for all costs and expenses (including reasonable attorneys' fees) incurred by the Senior Creditor in connection with the collection of such proceeds, and, second, to any Senior Liabilities secured by the Senior Deed of Trust in any order that it may choose or as otherwise required by the Purchase Money Note or applicable law, and, third, to the Junior Liabilities.

(7) That, until the Senior Liabilities are paid in full, Junior Creditor agrees, except as expressly set forth herein, to not take any action or exercise any remedies under the Junior Deed of Trust or with respect of the Junior Liability or to cause Owner to voluntarily or involuntarily seek relief from its creditors, appointment of a receiver, liquidator or trustee for all or a major part of its assets or file a pleading or answer in any proceeding admitting insolvency, bankruptcy or inability of pay its debts as they mature.

(9) That if: (a) there occurs any casualty to the buildings or improvements constructed on the Property that is covered by insurance; or (b) any portion of the Property is condemned or taken under a power of eminent domain, Senior Creditor shall have the sole right, without any involvement or rights of Junior Creditor, to adjust, collect and compromise, in its sole discretion, all insurance proceeds and compensation and awards issued on account of such action.

(10) That the Recitals set forth above are incorporated by reference into the body of the Subordination Agreement as if fully re-written herein.

(11) No addition to or modification of any term or provision of this Agreement shall be effective unless set forth in writing and signed by both Senior Creditor and Junior Creditor.

(12) That each of Senior Creditor and Junior Creditor and attorneys for each such party have participated in the drafting and preparation of this Agreement. Therefore, the provisions of this Agreement shall not be construed in favor of or against either Senior Creditor or Junior Creditor, but shall be construed as if both Senior Creditor and Junior Creditor equally prepared this Agreement.

(13) That this Agreement may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute a single agreement. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by the other party.

(14) That the laws of the State of Arizona applicable to contracts to be performed wholly within Arizona shall govern this Agreement.

NOTICE: THIS SUBORDINATION AGREEMENT CONTAINS A PROVISION WHICH ALLOWS THE PERSON OBLIGATED ON YOUR REAL PROPERTY SECURITY TO OBTAIN SPECIFIC CONSIDERATION, A PORTION OF WHICH MAY BE EXPENDED, UTILIZED AND/OR APPLIED FOR OTHER PURPOSES THAN THE IMPROVEMENT OF THE LAND.

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

(Remainder of page intentionally blank.)

SENIOR CREDITOR:

SELL WHOLESale FUNDING, LLC, an Arizona limited liability company

By: _____
Printed Name: _____
Title: _____

STATE OF ARIZONA)

)ss.

County of Maricopa)

On _____, before me, the undersigned Notary Public, personally appeared _____, the _____ of SELL WHOLESale FUNDING, LLC, an Arizona limited liability company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal,

My Commission
Expires:

Notary Public

JUNIOR CREDITOR:

DENSCO INVESTMENT CORPORATION, an Arizona corporation

By: _____
Denny J. Chittick, President

STATE OF ARIZONA)
)ss.
County of Maricopa)

On _____, before me, the undersigned Notary Public, personally appeared Denny J. Chittick, President of DENSCO INVESTMENT CORPORATION, an Arizona corporation, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

My Commission
Expires:

Notary Public

EXHIBIT "A"

Description of Property

Lot 176, of SUBDIVISION LINDSAY AND WARNER, according to the Plat of Record in the Office of the County Recorder of Maricopa County, Arizona, recorded in Book 610 of Maps, Page 17.

APN: 309-25-432

RECORDING REQUESTED
BY AND WHEN RECORDED
MAIL TO:

GEARED EQUITY, LLC
6828 E. Camelback Rd.
Scottsdale, Arizona 85251

Space Above This Line for Recorder's Use Only

SUBORDINATION AGREEMENT

NOTICE: THIS SUBORDINATION AGREEMENT (THIS "AGREEMENT") RESULTS IN YOUR SECURITY INTEREST IN THE PROPERTY BECOMING SUBJECT TO AND OF LOWER PRIORITY THAN THE LIEN OF SOME OTHER OR LATER SECURITY INSTRUMENT.

THIS SUBORDINATION AGREEMENT ("Agreement"), made this ____ day of January, 2014, by GEARED EQUITY, LLC, an Arizona limited liability company (hereinafter referred to as "Senior Creditor"), whose mailing address is 6828 E Camelback Rd., Phoenix, Arizona 85251, and DENSCO INVESTMENT CORPORATION, an Arizona corporation (hereinafter referred to as "Junior Creditor"), whose mailing address is 6132 W. Victoria Place, Chandler, Arizona 85226;

WITNESSETH

THAT WHEREAS, Arizona Home Foreclosures, LLC, an Arizona limited liability company (hereinafter referred to as "Owner"), is the owner of the land hereinafter described on Exhibit "A" attached hereto and made a part hereof (the "Land" or the "Property"); and

WHEREAS, Owner, as mortgagor, executed a Mortgage ("Junior Mortgage") dated August 6, 2013, to and for the benefit of Junior Creditor, as mortgagee, and recorded on August 6, 2013 at 12:46 p.m., as Instrument No. 2013-0717135 in the Records of Maricopa County, Arizona ("Records"), purporting to encumber the Land, which Junior Mortgage purportedly secures payment of the sum of \$150,000.00 ("Junior Liabilities") which might come due under or pursuant to a purported loan made by Junior Creditor to Owner in such purported amount referenced in said Junior Mortgage. When used herein, the term "Junior Mortgage" shall not only mean and refer to the Junior Mortgage stated above, but also to: i) any re-recording thereof; and ii) that certain Deed of Trust and Assignment of Rents, of even date with the Junior Mortgage ("Junior Deed of Trust"), made by Owner, as trustor, to Trustee Corps, as trustee, to and for the benefit of Junior Creditor, as beneficiary, which Junior Deed of Trust was recorded August 21, 2013 as Instrument No. 2013-0760511 in the Records; and

WHEREAS, Owner, as trustor, also executed that certain Deed of Trust and Assignment of Rents ("Senior Deed of Trust") dated August 6, 2013, to Thomas C. Wilmer, Esq., as trustee, to and for the benefit of Senior Creditor, as beneficiary, which Senior Deed of Trust secures payment of a Promissory Note of Owner to Senior Creditor in the original stated principal amount of \$152,800.00 ("Purchase

Money Note"), recorded August 7, 2013 at 12.42 p.m. as Instrument No. 2013-0721399 in the Records. Proceeds from the Purchase Money Note were used to pay, and represent, purchase money of and for the Property. When used herein, the term "Senior Deed of Trust" shall not only mean and refer to the Senior Deed of Trust, but also to the re-recording thereof on August 22, 2013 as Instrument No. 2013-0765233 in the Records. Capitalized terms not otherwise defined herein shall have the meanings given them in the Senior Deed of Trust; and

WHEREAS, Senior Creditor and Junior Creditor have further agreed that the Junior Liabilities secured by the Junior Mortgage are and shall be subordinated to the Purchase Money Note and to other sums due and owing thereunder and under the Senior Deed of Trust (collectively, the "**Senior Liabilities**"), all in accordance with the terms hereof, and

WHEREAS, Senior Creditor and Junior Creditor have further agreed that i) the Senior Deed of Trust, securing the Purchase Money Note and representing purchase money for the Land, is a lien or charge upon the Land prior and superior to the lien or charge of the Junior Mortgage, ii) that Junior Creditor will specifically and unconditionally subordinate the lien or charge of the Junior Mortgage to the lien or charge of the Senior Deed of Trust, and iii) that the Junior Liabilities secured by the Junior Mortgage are subordinated to the Senior Liabilities, all as more fully set forth herein below; and

WHEREAS, it is to the mutual benefit of the parties hereto that Senior Creditor not: i) take any formal action (which would entail time and expense and in which Senior Creditor would prevail) to establish the first and prior nature of the lien of the Senior Deed of Trust; ii) institute immediate action for foreclosure of the Senior Deed of Trust which might result in proceeds insufficient to defray both the Senior Liabilities and the Junior Liabilities (it being understood that Senior Creditor's forbearance in this regard is limited to Owner's default ("**Owner's Recording Default**") under the Senior Deed of Trust occasioned by the existence of the Junior Deed of Trust and not to any other current or future defaults under the Senior Deed of Trust, including, without limitation, failure to pay at maturity or to perform any other terms and conditions of the Senior Deed of Trust or the Purchase Money Note [herein, "**Other Defaults**"]); and iii) presently enforce the right of Senior Creditor to charge interest at the default rate under the Senior Deed of Trust (it being understood that such forbearance is limited to the effect of Owner's Recording Default and not to any Other Defaults) which would be in priority to the Junior Liabilities, and Junior Creditor is willing to agree that the Senior Deed of Trust securing the Purchase Money Note shall constitute a lien or charge upon the Land which is unconditionally prior and superior to the lien or charge of the Junior Mortgage.

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledged, and in order to induce Senior Creditor to forbear from taking formal actions to establish the lien priority of the Senior Deed of Trust, to not institute any foreclosure actions on account of Owner's Recording Default and not presently enforce interest at the default rate due on the Purchase Money Note on account of Owner's Recording Default, it is hereby declared, understood and agreed as follows:

(1) That the Senior Deed of Trust securing the Senior Liabilities, and any renewals or extensions thereof, shall unconditionally be and remain at all times a lien or charge on the Land therein described, prior and superior to the lien or charge of the Junior Mortgage.

(2) That this Agreement shall be the whole and only agreement with regard to the subordination of the lien or charge of the Junior Mortgage to the lien or charge of the Senior Deed of Trust.

(3) That Senior Creditor may amend the Senior Deed of Trust or the Purchase Money Note in any manner without the prior written consent of Junior Creditor. No renewal, modification or extension of time of payment of the Senior Liabilities, and no release or surrender of any security for the Senior Liabilities, or the obligations of any endorsers, sureties or guarantors thereof, or release from the terms of this or any other subordination agreement of any claims subordinated, and no delay or omission in exercising any right or power on account of or in connection with the Senior Liabilities, or under this Agreement, shall, in

any manner, impair or affect the rights and duties of Senior Creditor or Junior Creditor. Senior Creditor, in its uncontrolled discretion, may waive or release any right or option accorded Senior Creditor under this Agreement without the consent Junior Creditor, and without otherwise in any way affecting the obligations Junior Creditor hereunder. Junior Creditor hereby waives notice of the creation, existence, renewal, modification or extension of the time of payment, of the Senior Liabilities.

(4) That Junior Creditor may not amend the Junior Mortgage in any manner that would materially and adversely affect the Senior Liabilities or the Property, including, without limitation, increasing the face amount of the Junior Liabilities, increasing the interest rate or any payment obligations under the Junior Liabilities, or expanding Junior Creditor's security interests and liens under the Junior Loan relating to the Property, without the prior written consent of the Senior Creditor. Junior Creditor shall give Senior Creditor written notice as well as copies of any such amendments within five (5) business days after such documents have been executed by Junior Creditor.

(5) That Junior Creditor shall send to Senior Creditor a written copy of any notices given to Owner regarding: (i) any default under the Junior Mortgage or Junior Liabilities; or (ii) any event, with the giving of such notice or the passage of time without cure, would result in a default under the Junior Mortgage or Junior Liabilities. Junior Creditor agrees that all such notices to Senior Creditor shall be sent contemporaneously with the sending of such notices to Owner. Senior Creditor shall send to Junior Creditor a written copy of any notices given to Owner regarding: (i) any default under any of the Purchase Money Note or the Senior Deed of Trust; or (ii) any event, with the giving of such notice or the passage of time without cure, would result in a default or Event of Default under either the Purchase Money Note or the Senior Deed of Trust. Senior Creditor agrees that all such notices to Junior Creditor shall be sent contemporaneously with the sending of such notices to Owner. Senior Creditor and Junior Creditor shall each have the right, but not the obligation, to cure any default by Owner under the Junior Mortgage, on one hand, or the Purchase Money Note or the Senior Deed of Trust, on the other hand, and respectively. In addition, at any time and from time to time, Junior Creditor, at its option, shall have the right to fully repay the Purchase Money Note in full, together with accrued but unpaid interest and all of Senior Lender's costs and fees thereunder, in which case Junior Creditor shall be entitled to all of the rights and benefits of Senior Lender thereunder.

(6) Notwithstanding any lien now held or hereafter acquired by the Junior Creditor, the Senior Creditor may take possession of, sell, dispose of, and otherwise deal with all or any part of the Property, and may enforce any right or remedy available to it with respect to the Owner or the Property, all without notice to or the consent of the Junior Creditor except as specifically required by applicable law or this Agreement. The Senior Creditor shall have no duty to preserve, protect, care for, insure, take possession of, collect, dispose of, or otherwise realize upon any of the Property, except in accordance with applicable law (including the Arizona Uniform Commercial Code), and in no event shall the Senior Creditor be deemed the Junior Creditor's agent with respect to the Property. All proceeds received by the Senior Creditor with respect to the Property, or any portion thereof, may be applied, first, to pay or reimburse the Senior Creditor for all costs and expenses (including reasonable attorneys' fees) incurred by the Senior Creditor in connection with the collection of such proceeds, and, second, to any Senior Liabilities secured by the Senior Deed of Trust in any order that it may choose or as otherwise required by the Purchase Money Note or applicable law, and, third, to the Junior Liabilities.

(7) That, until the Senior Liabilities are paid in full, Junior Creditor agrees, except as expressly set forth herein, to not take any action or exercise any remedies under the Junior Deed of Trust or with respect of the Junior Liability or to cause Owner to voluntarily or involuntarily seek relief from its creditors, appointment of a receiver, liquidator or trustee for all or a major part of its assets or file a pleading or answer in any proceeding admitting insolvency, bankruptcy or inability of pay its debts as they mature.

(9) That if: (a) there occurs any casualty to the buildings or improvements constructed on the Property that is covered by insurance; or (b) any portion of the Property is condemned or taken under a power of eminent domain, Senior Creditor shall have the sole right, without any involvement or rights of Junior Creditor, to adjust, collect and compromise, in its sole discretion, all insurance proceeds and compensation and awards issued on account of such action.

(10) That the Recitals set forth above are incorporated by reference into the body of the Subordination Agreement as if fully re-written herein.

(11) No addition to or modification of any term or provision of this Agreement shall be effective unless set forth in writing and signed by both Senior Creditor and Junior Creditor.

(12) That each of Senior Creditor and Junior Creditor and attorneys for each such party have participated in the drafting and preparation of this Agreement. Therefore, the provisions of this Agreement shall not be construed in favor of or against either Senior Creditor or Junior Creditor, but shall be construed as if both Senior Creditor and Junior Creditor equally prepared this Agreement.

(13) That this Agreement may be executed in counterparts, each of which shall constitute an original, but all of which together shall constitute a single agreement. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by the other party.

(14) That the laws of the State of Arizona applicable to contracts to be performed wholly within Arizona shall govern this Agreement.

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(ALL SIGNATURES MUST BE ACKNOWLEDGED)

IT IS RECOMMENDED THAT, PRIOR TO THE EXECUTION OF THIS SUBORDINATION AGREEMENT, THE PARTIES CONSULT WITH THEIR ATTORNEYS WITH RESPECT THERETO.

(Remainder of page intentionally blank.)

SENIOR CREDITOR:

GEARED EQUITY, LLC, an Arizona limited liability company

By: _____
Printed Name: _____
Title: _____

STATE OF ARIZONA)
)ss.
County of Maricopa)

On _____, before me, the undersigned Notary Public, personally appeared _____, the _____ of GEARED EQUITY, LLC, an Arizona limited liability company, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

My Commission
Expires:

Notary Public

JUNIOR CREDITOR:

DENSCO INVESTMENT CORPORATION, an Arizona corporation

By: _____
Denny J. Chittick, President

STATE OF ARIZONA)

)ss.

County of Maricopa)

On _____, before me, the undersigned Notary Public, personally appeared Denny J. Chittick, President of DENSCO INVESTMENT CORPORATION, an Arizona corporation, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies) and that his/her/their signature(s) on the instrument the person(s) or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

My Commission
Expires:

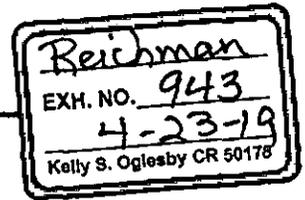
Notary Public

EXHIBIT "A"

Description of Property

Lot 218, of Anthem – Unit 55, According to the Plat of Record in the Office of the County Recorder of Maricopa County, Arizona, Recorded in Book 665 of Maps, Page 30.
EXCEPT therefrom all coal, oil, gas and other mineral deposits, as reserved in the patent to the land.

APN: 211-93-218



Message

From: Denny Chittick [dcmoney@yahoo.com]
Sent: 2/26/2014 4:11:58 PM
To: Scott Menaged [smena98754@aol.com]
Subject: Re: thinking

well let me know. i'm anxious to find out .

DenSco Investment Corp
www.denscoinvestment.com
602-469-3001 C
602-532-7737 f

From: Scott Menaged <smena98754@aol.com>
To: Denny Chittick <dcmoney@yahoo.com>
Sent: Wednesday, February 26, 2014 9:04 AM
Subject: Re: thinking

He probably will say it is necessary for his purposes as well. I am just thinking ahead before I meet with him.

I also am not comfortable with either of you taking a hit. I am comfortable doing a promissory note not dis chargeable in bk so everyone is secure.

Sent from my iPhone

On Feb 26, 2014, at 8:50 AM, Denny Chittick <dcmoney@yahoo.com> wrote:

I think I understand the 330 am rant haha

You take 1 mill hit

Gregg takes 1 mill hit

He gives me a personal loan for 1 mill

You give me a loan for 1 mill secured with a family asset?

GREGG DOESN'T HAVE TO KNOW HOW I'M SECURED, THIS IS NECESSARY FOR MY PURPOSES.

dc

So 4 million . Is that what your saying

Sent from my iPhone

On Feb 26, 2014, at 3:33 AM, Denny Chittick <dcmoney@yahoo.com> wrote:

i was thinking about what you said of selling a bunch of these. using your method, starting from the bottom. lets say each gregg and i took a million loss each and you sold as many as you could from the bottom up (knowing that might not be how it works, but just for this excercise) i took a million hit, gregg took a million hit. i secure my million against say uncle Bob's house, gregg gives you a million receivable by your good looks and charm and relationship.

that would pay off nearly 50 loans, greg would get back 4 million and so would i roughly.

that would eliminate 8 million of total debt between us, and 120k of interest a month.

total loans would be down to 90, minus the 20 or so that are in escrow now, we could have the total problem loans below 70. granted still a lot of money left, but a hell of a lot different situation.

now with the 1.6 coming in from isreal and 1 million from your friend in new york both coming March, that would

enable you to work down another chunk of loans and get the boat turned in your favor to wear you are only dealing with 50 or so loans, highly encumbered yes, but problem is getting smaller.

if you were to get some money from your inventory in the furniture store, that would cut a chunk down.

you sell some more retail, you got this issue down to less than 40 to 30 loans in say 4 weeks? holly god we are looking at a different issue all together. yes the dollars are still significant, but a HUGE dent is taking out of the whole issue, which would give you a lot more breathing room!
hopefully you follow my 3:30 am rant.
dc

DenSco Investment Corp
www.denscoinvestment.com
602-469-3001 C
602-532-7737 f

Reichman
 EXH. NO. 944
4-23-19
 Kelly S. Oglesby CR 50178

Message

From: Laura Boucher [lboucher@activefundinggroup.com]
Sent: 2/6/2014 10:48:01 PM
To: Scott Menaged [smena98754@aol.com]; Gregg Reichman [greichman@activefundinggroup.com]
Subject: RE: remaining loans

114				\$ 14,575,197.83	\$	215,464.87
BORROWER	LOAN #	COLLATERAL NAME	NOTE DATE	NOTE RECEIVABLE	DAY DUE	MONTHLY INTEREST
Easy Investments, LLC	5107	Mohave Street 23390 W	10/18/2012	\$ 102,009.00	18	\$ 1,487.63
Easy Investments (\$1.4M)	4152-Ex A	Mariposa Grande 11728	12/13/2010	\$ 75,000.00	13	\$ 1,093.80
Easy Investments, LLC	5157	Ellis Dr 1892 E	12/27/2012	\$ 146,500.00	27	\$ 2,136.46
Easy Investments, LLC	5158	Sexton St 3740 E	12/28/2012	\$ 173,000.00	28	\$ 2,566.67
Easy Investments, LLC	5160	70th St 320 S #9	1/3/2013	\$ 126,000.00	3	\$ 1,881.25
Easy Investments, LLC	5161	Warner St 7204 W	1/3/2013	\$ 107,000.00	3	\$ 1,560.42
Easy Investments, LLC	5162	Becker Ln 9451 E #B1057	1/4/2013	\$ 131,000.00	4	\$ 1,954.17
Easy Investments, LLC	5163	Laurel Ln 3016 W	1/4/2013	\$ 93,100.00	4	\$ 1,357.71
Easy Investments, LLC	5171	Markdale 1500 N #1	1/16/2013	\$ 124,763.00	16	\$ 2,001.75
Easy Investments, LLC	5172	Sunnyside Dr 5420 W	1/16/2013	\$ 103,500.00	16	\$ 1,582.29
Easy Investments, LLC	5176	Marlette Ave 7771 W	1/24/2013	\$ 131,000.00	24	\$ 2,027.08
Easy Investments, LLC	5177	Redwood Dr 1080 E	1/23/2013	\$ 128,400.00	23	\$ 2,054.79
Easy Investments, LLC	5178	Yucca St 2402 E	1/23/2013	\$ 229,000.00	23	\$ 3,339.58
Easy Investments, LLC	5180	Mission Ln 18356 W	1/28/2013	\$ 168,501.00	28	\$ 2,457.31
Easy Investments, LLC	5182	41st Ln 9016 S	1/30/2013	\$ 164,000.00	30	\$ 2,610.42
Easy Investments, LLC	5184	Kenneth Pl 311 N	1/31/2013	\$ 230,494.00	30	\$ 3,755.12
Easy Investments, LLC	5185	Balsam Dr 2367 E	1/31/2013	\$ 239,600.00	30	\$ 3,815.00
Easy Investments, LLC	5186	53rd Ln 26733 N	1/31/2013	\$ 106,600.00	30	\$ 1,846.25
Easy Investments, LLC	5188	Indian Bend Rd 7575 E #2123	2/1/2013	\$ 124,000.00	1	\$ 2,100.00
Easy Investments, LLC	5189	Sharon Dr 4529 E	2/1/2013	\$ 160,100.00	1	\$ 2,480.63
Easy Investments, LLC	5191	Ruth Ave 18203 W	2/4/2013	\$ 159,000.00	4	\$ 2,420.83
Easy Investments, LLC	5194	Willow Ave 12802 W	2/7/2013	\$ 89,500.00	7	\$ 1,305.21
Easy Investments	5118-	Highland Ave 2233 E	11/14/2012	\$ 40,800.00	14	\$ 595.00

(\$1.4M)	Ex B	#54					
Easy Investments (\$1.4M)	5124-Ex A	Mariposa Grande 11728 (ext)	11/14/2012	\$	75,572.50	14	\$ 1,102.10
Easy Investments (\$1.4M)	5130-Ex B	Maryland Ave 6231 W	11/14/2012	\$	51,333.73	14	\$ 742.95
Easy Investments, LLC	5145	Laurelwood 10721 W	12/10/2012	\$	122,000.00	10	\$ 1,779.17
Easy Investments, LLC	5195	Dana Ln 11106 W	2/11/2013	\$	142,501.00	11	\$ 2,304.18
Easy Investments, LLC	5206	Moonlight Path 22261 W	2/27/2013	\$	86,200.00	27	\$ 1,257.08
Easy Investments, LLC	5207	Apollo Rd 3333 W	2/28/2013	\$	110,500.00	28	\$ 1,611.46
Easy Investments, LLC	5208	Ranger Trl 5357 S	3/1/2013	\$	281,000.00	1	\$ 4,097.92
Easy Investments, LLC	5210	Carmel Ave 2360 E	3/5/2013	\$	100,000.00	5	\$ 1,458.33
Easy Investments, LLC	5212	Desert Mirage Dr 12827 W	3/8/2013	\$	145,200.00	8	\$ 2,117.50
Easy Investments, LLC	5198	52nd St 10401 N	2/14/2013	\$	119,000.00	14	\$ 1,735.42
Easy Investments, LLC	5199	Hopi St 11571 W	2/14/2013	\$	114,000.00	14	\$ 1,662.50
Easy Investments, LLC	5200	Hadley St 23949 W	2/14/2013	\$	94,500.00	14	\$ 1,378.13
Easy Investments, LLC	5219	Marco Polo Rd 2210 W	3/18/2013	\$	109,300.00	18	\$ 1,593.96
Easy Investments, LLC	5220	91st Ave 18650 N #3301	3/18/2013	\$	114,303.00	18	\$ 1,666.92
Easy Investments, LLC	5221	154th Ln 14556 N	3/19/2013	\$	126,000.00	19	\$ 1,837.50
Easy Investments, LLC	5227	Ruth Ave 18131 W	3/25/2013	\$	188,000.00	25	\$ 2,741.67
Easy Investments, LLC	5228	Andrew Ln 7089 W	3/25/2013	\$	175,500.00	25	\$ 2,559.38
Easy Investments, LLC	5201	Beardsley Rd 3150 E #1076	2/15/2013	\$	105,500.00	15	\$ 1,538.54
Easy Investments, LLC	5234	Ripple Cir 15677 W	4/19/2013	\$	77,000.00	19	\$ 1,122.92
Easy Investments, LLC	5235	Tierra Buena Ln 7389 W	4/19/2013	\$	102,000.00	19	\$ 1,487.50
Easy Investments, LLC	5236	159th Ave 436 N	4/19/2013	\$	136,500.00	19	\$ 1,990.63
Easy Investments, LLC	5241	Toronto Way 16832 W	4/23/2013	\$	126,000.00	23	\$ 1,837.50
Easy Investments, LLC	5244	Cactus Rd 4303 E #201	4/29/2013	\$	112,000.00	29	\$ 1,633.33
Easy Investments, LLC	5249	Desert Bloom St 23922 W	5/6/2013	\$	91,000.00	6	\$ 1,327.08
Easy Investments, LLC	5250	Golden Ln 4745 W	5/7/2013	\$	55,000.00	7	\$ 802.08
Easy Investments, LLC	5214	Sonora St 6332 W	3/11/2013	\$	61,500.00	11	\$ 896.88
Easy Investments, LLC	5253	Loughlin Dr 1511 W	5/17/2013	\$	106,000.00	17	\$ 1,545.83
Easy Investments, LLC	5255	Potter Dr 711 E	5/21/2013	\$	130,000.00	21	\$ 1,895.83

LLC							
Easy Investments, LLC	5257	Adams St 19296 W	5/23/2013	\$ 125,000.00	23	\$	1,822.92
Easy Investments, LLC	5259	Monona Dr 3354 W	5/29/2013	\$ 84,000.00	29	\$	1,225.00
Easy Investments, LLC	5262	Dunbar Dr 2945 E	6/5/2013	\$ 54,000.00	5	\$	787.50
Easy Investments, LLC	5263	Hadley St 11744 W	6/6/2013	\$ 93,000.00	6	\$	1,356.25
Easy Investments, LLC	5265	Gibson Ln 23827 W	6/6/2013	\$ 103,800.00	6	\$	1,513.75
Easy Investments, LLC	5216	Marilyn Ave 2048 E	3/12/2013	\$ 131,500.00	12	\$	1,917.71
Easy Investments, LLC	5217	Bridgeport Pkwy 1431 E	3/14/2013	\$ 209,600.00	14	\$	3,056.67
Easy Investments, LLC	5276	Pleasant Ln 3237 W	6/17/2013	\$ 138,000.00	17	\$	2,012.50
Easy Investments, LLC	5278	McRae Way 9423 W	6/20/2013	\$ 93,000.00	20	\$	1,356.25
Easy Investments, LLC	5279	Hidalgo Ave 23819 W	6/20/2013	\$ 90,000.00	20	\$	1,312.50
Easy Investments, LLC	5281	Arabian Dr 2182 E	6/21/2013	\$ 120,000.00	21	\$	1,750.00
Easy Investments, LLC	5282	Saddletree Dr 25209 S	6/24/2013	\$ 98,400.00	24	\$	1,435.00
Easy Investments, LLC	5284	70th St 3002 N #144	6/26/2013	\$ 35,000.00	26	\$	510.42
Easy Investments, LLC	5285	Lynx Way 2968 E	6/27/2013	\$ 207,000.00	27	\$	3,018.75
Arizona Home Foreclosures	5286	Oriole Dr 3326 E	7/3/2013	\$ 132,000.00	3	\$	1,925.00
Arizona Home Foreclosures	5287	Posada Ave 9521 E	7/3/2013	\$ 105,000.00	3	\$	1,531.25
Arizona Home Foreclosures	5288	Monte Vista St 5335 S	7/5/2013	\$ 231,000.00	5	\$	3,368.75
Easy Investments, LLC	5232	Encinas Ave 4320 E	4/11/2013	\$ 162,000.00	11	\$	2,362.50
Easy Investments, LLC	5252	Lamar Rd 7703 W	5/13/2013	\$ 98,000.00	13	\$	1,429.17
Easy Investments, LLC	5269	Foothill Dr 3154 W	6/10/2013	\$ 99,000.00	10	\$	1,443.75
Easy Investments, LLC	5273	Aire Libre Ave 614 W	6/12/2013	\$ 108,000.00	12	\$	1,575.00
Arizona Home Foreclosures	5289	Estrella Vista Dr 17540 N	7/9/2013	\$ 120,000.00	9	\$	1,750.00
Arizona Home Foreclosures	5301	Valencia Dr 6346 W	7/17/2013	\$ 84,000.00	17	\$	1,225.00
Arizona Home Foreclosures	5302	154th Dr 11979 N	7/18/2013	\$ 105,000.00	18	\$	1,531.25
Arizona Home Foreclosures	5305	Wethersfield Rd 6024 E	7/18/2013	\$ 200,000.00	18	\$	2,916.67
Arizona Home Foreclosures	5306	Ananea St 2733 S	7/22/2013	\$ 138,000.00	22	\$	2,012.50
Arizona Home Foreclosures	5310	Windsong Dr 1427 W	7/23/2013	\$ 186,000.00	23	\$	2,712.50
Arizona Home	5311	Marshall Ave 13512 W	7/25/2013	\$ 105,000.00	25	\$	1,531.25

Foreclosures							
Arizona Home Foreclosures	5316	Post Dr 16527 W	8/1/2013	\$ 87,000.00	1	\$ 1,268.75	
Arizona Home Foreclosures	5317	Williams St 10025 W	8/2/2013	\$ 67,000.00	2	\$ 977.08	
Arizona Home Foreclosures	5319	47th Pl 15456 S	8/5/2013	\$ 162,000.00	5	\$ 2,362.50	
Arizona Home Foreclosures	5322	Flores Dr 11530 W	8/7/2013	\$ 78,000.00	7	\$ 1,137.50	
Arizona Home Foreclosures	5323	Mia Ln 1561 E	8/7/2013	\$ 171,000.00	7	\$ 2,493.75	
Arizona Home Foreclosures	5293	74th Ave 8224 S	7/10/2013	\$ 78,000.00	10	\$ 1,137.50	
Arizona Home Foreclosures	5331	Potter Dr 1750 W	8/16/2013	\$ 87,000.00	16	\$ 1,268.75	
Arizona Home Foreclosures	5333	Chatsworth St 839 S	8/22/2013	\$ 99,000.00	22	\$ 1,443.75	
Arizona Home Foreclosures	5334	Columbus Ave 31008 W	8/23/2013	\$ 81,000.00	23	\$ 1,181.25	
Arizona Home Foreclosures	5337	27th Pl 17016 S	8/26/2013	\$ 117,000.00	26	\$ 1,706.25	
Arizona Home Foreclosures	5339	Frank Lloyd Wright Blvd 15550 N #1005	8/27/2013	\$ 175,000.00	27	\$ 2,552.08	
Arizona Home Foreclosures	5295	Heather Dr 5414 S	7/12/2013	\$ 150,000.00	12	\$ 2,187.50	
Arizona Home Foreclosures	5352	47th St 15835 N	10/2/2013	\$ 237,000.00	2	\$ 3,456.25	
Arizona Home Foreclosures	5353	Villa Theresa Dr 3740 W	10/3/2013	\$ 90,500.00	3	\$ 1,319.79	
Arizona Home Foreclosures	5354	Valley View Dr 114 E	10/4/2013	\$ 125,500.00	4	\$ 1,830.21	
Arizona Home Foreclosures	5355	Aspen Dr 15143 E	10/4/2013	\$ 209,000.00	4	\$ 3,047.92	
Arizona Home Foreclosures	5357	Runion Dr 10769 W	10/7/2013	\$ 151,000.00	7	\$ 2,202.08	
Arizona Home Foreclosures	5296	Beech Creek Dr 25852 S	7/12/2013	\$ 117,340.00	12	\$ 1,711.21	
Arizona Home Foreclosures	5299	Keene 2210 S	7/15/2013	\$ 201,000.00	15	\$ 2,931.25	
Arizona Home Foreclosures	5327	Wier Ave 23851 W	8/12/2013	\$ 102,000.00	12	\$ 1,487.50	
Arizona Home Foreclosures	5342	Sapphire 3938 N	9/12/2013	\$ 232,000.00	12	\$ 3,383.33	
Arizona Home Foreclosures	5371	Gary Dr 1791 E	11/1/2013	\$ 125,600.00	1	\$ 1,831.67	
Arizona Home Foreclosures	5372	Pontiac Dr 7030 W	11/5/2013	\$ 140,000.00	5	\$ 2,041.67	
Arizona Home Foreclosures	5374	Marconi Ave 17661 W	11/6/2013	\$ 152,500.00	6	\$ 2,223.96	
Arizona Home Foreclosures	5375	Grovers Ave 4119 W	11/7/2013	\$ 110,000.00	7	\$ 1,604.17	
Arizona Home Foreclosures	5363	Pioneer St 8742 W	10/11/2013	\$ 108,500.00	11	\$ 1,582.29	
Arizona Home Foreclosures	5378	106th Ln 1820 S	11/22/2013	\$ 87,000.00	22	\$ 1,268.75	
Arizona Home Foreclosures	5364	Brookview Ter 4705 N	10/11/2013	\$ 157,500.00	11	\$ 2,296.88	

Foreclosures						
Easy Investments (\$1.4M)	4932- Ex A	97th Pl 14894 N	5/8/2012	\$ 298,890.00	8	\$ 4,359.00
Easy Investments (\$1.4M)	5045- Ex A	Grayhawk Dr 20802 #1079	8/20/2012	\$ 247,690.60	20	\$ 3,851.40
Arizona Home Foreclosures	5366	Belmont Dr 11954 W	10/15/2013	\$ 98,400.00	15	\$ 1,435.00
Arizona Home Foreclosures	5367	Sheffield Ave 842 E	10/15/2013	\$ 133,000.00	15	\$ 1,939.58
Arizona Home Foreclosures	5376	Verde Ln 14365 W	11/13/2013	\$ 120,000.00	13	\$ 1,750.00
Arizona Home Foreclosures	5315- AHF	Plata Cir 2216 W (AHF)	8/2/2013	\$ 113,200.00	2	\$ 1,650.83

-----Original Message-----

From: Scott Menaged [mailto:smena98754@aol.com]

Sent: Thursday, February 6, 2014 3:36 PM

To: Laura Boucher; Gregg Reichman

Subject:

Laura,

You should have recieved 2 payoffs today . Can you please email me a list of remaining loans with afg after you take those 2 off the list

Thanks

Sent from my iPhone



Message

From: Laura Boucher [lboucher@activefundinggroup.com]
Sent: 2/7/2014 7:20:47 PM
To: smena98754@aol.com; Veronica Gutierrez [veronicagutierrez@live.com]
CC: Gregg Reichman [greichman@activefundinggroup.com]; Jody Angel [jangel@activefundinggroup.com]; mrkosanovich@live.com
Subject: Interest due 2/10 \$53,308.30

32

\$ 3,622,810.23

\$

53,308.30

LOAN #	COLLATERAL NAME	NOTE DATE	NOTE RECEIVABLE	DAY DUE	MONTHLY INTEREST
4152-Ex A	Mariposa Grande 11728	12/13/2010	\$ 75,000.00	13	\$ 1,093.80
5171	Markdale 1500 N #1	1/16/2013	\$ 124,763.00	16	\$ 2,001.75
5172	Sunnyside Dr 5420 W	1/16/2013	\$ 103,500.00	16	\$ 1,582.29
5118-Ex B	Highland Ave 2233 E #54	11/14/2012	\$ 40,800.00	14	\$ 595.00
5124-Ex A	Mariposa Grande 11728 (ext)	11/14/2012	\$ 75,572.50	14	\$ 1,102.10
5130-Ex B	Maryland Ave 6231 W	11/14/2012	\$ 51,333.73	14	\$ 742.95
5145	Laurelwood 10721 W	12/10/2012	\$ 122,000.00	10	\$ 1,779.17
5195	Dana Ln 11106 W	2/11/2013	\$ 142,501.00	11	\$ 2,304.18
5198	52nd St 10401 N	2/14/2013	\$ 119,000.00	14	\$ 1,735.42
5199	Hopi St 11571 W	2/14/2013	\$ 114,000.00	14	\$ 1,662.50
5200	Hadley St 23949 W	2/14/2013	\$ 94,500.00	14	\$ 1,378.13
5201	Beardsley Rd 3150 E #1076	2/15/2013	\$ 105,500.00	15	\$ 1,538.54
5214	Sonora St 6332 W	3/11/2013	\$ 61,500.00	11	\$ 896.88
5216	Marilyn Ave 2048 E	3/12/2013	\$ 131,500.00	12	\$ 1,917.71
5217	Bridgeport Pkwy 1431 E	3/14/2013	\$ 209,600.00	14	\$ 3,056.67
5232	Encinas Ave 4320 E	4/11/2013	\$ 162,000.00	11	\$ 2,362.50
5252	Lamar Rd 7703 W	5/13/2013	\$ 98,000.00	13	\$ 1,429.17
5269	Foothill Dr 3154 W	6/10/2013	\$ 99,000.00	10	\$ 1,443.75
5273	Aire Libre Ave 614 W	6/12/2013	\$ 108,000.00	12	\$ 1,575.00
5293	74th Ave 8224 S	7/10/2013	\$ 78,000.00	10	\$ 1,137.50
5331	Potter Dr 1750 W	8/16/2013	\$ 87,000.00	16	\$ 1,268.75
5295	Heather Dr 5414 S	7/12/2013	\$ 150,000.00	12	\$ 2,187.50
5296	Beech Creek Dr 25852 S	7/12/2013	\$ 117,340.00	12	\$ 1,711.21
5299	Keene 2210 S	7/15/2013	\$ 201,000.00	15	\$ 2,931.25
5327	Wier Ave 23851 W	8/12/2013	\$ 102,000.00	12	\$ 1,487.50
5342	Sapphire 3938 N	9/12/2013	\$ 232,000.00	12	\$ 3,383.33
5363	Pioneer St 8742 W	10/11/2013	\$ 108,500.00	11	\$ 1,582.29
5364	Brookview Ter 4705 N	10/11/2013	\$ 157,500.00	11	\$ 2,296.88
5366	Belmont Dr 11954 W	10/15/2013	\$ 98,400.00	15	\$ 1,435.00
5367	Sheffield Ave 842 E	10/15/2013	\$ 133,000.00	15	\$ 1,939.58
5376	Verde Ln 14365 W	11/13/2013	\$ 120,000.00	13	\$ 1,750.00

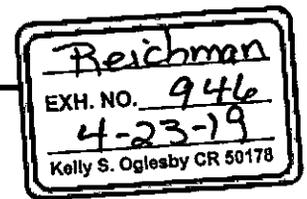
Thank you,
 Laura



Laura Boucher
Accounting Manager
8925 E Pima Center Pkwy, Ste 135
Scottsdale, AZ 85258
Tel: (602) 252-1155 x105
Fax: (602) 252-1177
www.activefundinggroup.com

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 1/21/2014 6:13:43 PM
To: Scott Meanged [smena98754@aol.com]
Subject: RE: RE:



117 loans as follows:

I can send a list with principal amounts of the loans if you like
GR

BORROWER	LOAN #	COLLATERAL NAME
Easy Investments, LLC5107		Mohave Street 23390 W
Easy Investments (\$1.4M)	4152-Ex A	Mariposa Grande 11728
Easy Investments, LLC5157		Ellis Dr 1892 E
Easy Investments, LLC5158		Sexton St 3740 E
Easy Investments, LLC5160		70th St 320 S #9
Easy Investments, LLC5161		Warner St 7204 W
Easy Investments, LLC5162		Becker Ln 9451 E #B1057
Easy Investments, LLC5163		Laurel Ln 3016 W
Easy Investments, LLC5171		Markdale 1500 N #1
Easy Investments, LLC5172		Sunnyside Dr 5420 W
Easy Investments, LLC5176		Marlette Ave 7771 W
Easy Investments, LLC5177		Redwood Dr 1080 E
Easy Investments, LLC5178		Yucca St 2402 E
Easy Investments, LLC5180		Mission Ln 18356 W
Easy Investments, LLC5182		41st Ln 9016 S
Easy Investments, LLC5184		Kenneth Pl 311 N
Easy Investments, LLC5185		Balsam Dr 2367 E
Easy Investments, LLC5186		53rd Ln 26733 N
Easy Investments, LLC5188		Indian Bend Rd 7575 E #2123
Easy Investments, LLC5189		Sharon Dr 4529 E
Easy Investments, LLC5191		Ruth Ave 18203 W
Easy Investments, LLC5194		Willow Ave 12802 W
Easy Investments (\$1.4M)	5118-Ex B	Highland Ave 2233 E #54
Easy Investments (\$1.4M)	5124-Ex A	Mariposa Grande 11728
(ext)		
Easy Investments, LLC5145		Laurelwood 10721 W
Easy Investments, LLC5195		Dana Ln 11106 W
Easy Investments, LLC5206		Moonlight Path 22261 W
Easy Investments, LLC5207		Apollo Rd 3333 W
Easy Investments, LLC5208		Ranger Trl 5357 S
Easy Investments, LLC5209		193rd Ave 5211 N
Easy Investments, LLC5210		Carmel Ave 2360 E
Easy Investments, LLC5212		Desert Mirage Dr 12827 W
Easy Investments, LLC5198		52nd St 10401 N
Easy Investments, LLC5199		Hopi St 11571 W
Easy Investments, LLC5200		Hadley St 23949 W
Easy Investments, LLC5219		Marco Polo Rd 2210 W
Easy Investments, LLC5220		91st Ave 18650 N #3301
Easy Investments, LLC5221		154th Ln 14556 N
Easy Investments, LLC5227		Ruth Ave 18131 W
Easy Investments, LLC5228		Andrew Ln 7089 W
Easy Investments, LLC5201		Beardsley Rd 3150 E #1076
Easy Investments, LLC5234		Ripple Cir 15677 W
Easy Investments, LLC5235		Tierra Buena Ln 7389 W
Easy Investments, LLC5236		159th Ave 436 N
Easy Investments, LLC5241		Toronto Way 16832 W
Easy Investments, LLC5244		Cactus Rd 4303 E #201
Easy Investments, LLC5249		Desert Bloom St 23922 W
Easy Investments, LLC5250		Golden Ln 4745 W
Easy Investments, LLC5214		Sonora St 6332 W
Easy Investments, LLC5253		Loughlin Dr 1511 W
Easy Investments, LLC5255		Potter Dr 711 E
Easy Investments, LLC5256		Saguaro Ln 18169 W
Easy Investments, LLC5257		Adams St 19296 W
Easy Investments, LLC5259		Monona Dr 3354 W
Easy Investments, LLC5262		Dunbar Dr 2945 E
Easy Investments, LLC5263		Hadley St 11744 W

Easy Investments, LLC5265 Gibson Ln 23827 W
 Easy Investments, LLC5266 133rd Ln 15020 N
 Easy Investments, LLC5216 Marilyn Ave 2048 E
 Easy Investments, LLC5217 Bridgeport Pkwy 1431 E
 Easy Investments, LLC5276 Pleasant Ln 3237 W
 Easy Investments, LLC5278 McRae Way 9423 W
 Easy Investments, LLC5279 Hidalgo Ave 23819 W
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 Easy Investments, LLC5282 Saddletree Dr 25209 S
 Easy Investments, LLC5284 70th St 3002 N #144
 Easy Investments, LLC5285 Lynx Way 2968 E
 Arizona Home Foreclosures 5286 Oriole Dr 3326 E
 Arizona Home Foreclosures 5287 Posada Ave 9521 E
 Arizona Home Foreclosures 5288 Monte Vista St 5335 S
 Easy Investments, LLC5232 Encinas Ave 4320 E
 Easy Investments, LLC5252 Lamar Rd 7703 W
 Easy Investments, LLC5269 Foothill Dr 3154 W
 Easy Investments, LLC5273 Aire Libre Ave 614 W
 Arizona Home Foreclosures 5289 Estrella Vista Dr 17540 N
 Arizona Home Foreclosures 5301 Valencia Dr 6346 W
 Arizona Home Foreclosures 5302 154th Dr 11979 N
 Arizona Home Foreclosures 5305 Wethersfield Rd 6024 E
 Arizona Home Foreclosures 5306 Ananea St 2733 S
 Arizona Home Foreclosures 5310 Windsong Dr 1427 W
 Arizona Home Foreclosures 5311 Marshall Ave 13512 W
 Arizona Home Foreclosures 5316 Post Dr 16527 W
 Arizona Home Foreclosures 5317 Williams St 10025 W
 Arizona Home Foreclosures 5319 47th Pl 15456 S
 Arizona Home Foreclosures 5322 Flores Dr 11530 W
 Arizona Home Foreclosures 5323 Mia Ln 1561 E
 Arizona Home Foreclosures 5293 74th Ave 8224 S
 Arizona Home Foreclosures 5331 Potter Dr 1750 W
 Arizona Home Foreclosures 5333 Chatsworth St 839 S
 Arizona Home Foreclosures 5334 Columbus Ave 31008 W
 Arizona Home Foreclosures 5337 27th Pl 17016 S
 Arizona Home Foreclosures 5339 Frank Lloyd Wright Blvd 15550 N
 #1005
 Arizona Home Foreclosures 5295 Heather Dr 5414 S
 Arizona Home Foreclosures 5352 47th St 15835 N
 Arizona Home Foreclosures 5353 Villa Theresa Dr 3740 W
 Arizona Home Foreclosures 5354 Valley View Dr 114 E
 Arizona Home Foreclosures 5355 Aspen Dr 15143 E
 Arizona Home Foreclosures 5357 Runion Dr 10769 W
 Arizona Home Foreclosures 5296 Beech Creek Dr 25852 S
 Arizona Home Foreclosures 5299 Keene 2210 S
 Arizona Home Foreclosures 5327 Wier Ave 23851 W
 Arizona Home Foreclosures 5342 Sapphire 3938 N
 Arizona Home Foreclosures 5371 Gary Dr 1791 E
 Arizona Home Foreclosures 5372 Pontiac Dr 7030 W
 Arizona Home Foreclosures 5374 Marconi Ave 17661 W
 Arizona Home Foreclosures 5375 Grovers Ave 4119 W
 Arizona Home Foreclosures 5363 Pioneer St 8742 W
 Arizona Home Foreclosures 5378 106th Ln 1820 S
 Arizona Home Foreclosures 5364 Brookview Ter 4705 N
 Easy Investments (\$1.4M) 4932-Ex A 97th Pl 14894 N
 Easy Investments (\$1.4M) 5045-Ex A Grayhawk Dr 20802 #1079
 Arizona Home Foreclosures 5366 Belmont Dr 11954 W
 Arizona Home Foreclosures 5367 Sheffield Ave 842 E
 Arizona Home Foreclosures 5376 Verde Ln 14365 W
 Arizona Home Foreclosures 5315-AHF Plata Cir 2216 W (AHF)

Gregg S. Reichman
 Managing Director
 602-443-6141 direct
 602-692-3812 mobile
 greichman@activefundinggroup.com

-----Original Message-----
 From: Scott Meanged [mailto:smena98754@aol.com]
 Sent: Tuesday, January 21, 2014 11:07 AM
 To: Gregg Reichman

Subject: Re: RE:

Gregg

Can u get on Laura. Really need list ASAP so I can work on things

Sent from my iPhone

> On Jan 21, 2014, at 10:36 AM, Gregg Reichman
<greichman@activefundinggroup.com> wrote:

>
> Yes, Laura will work on it ASAP.
> GR

>
>
> Gregg S. Reichman
> Managing Director
> 602-443-6141 direct
> 602-692-3812 mobile
> greichman@activefundinggroup.com

>
> -----Original Message-----

> From: Scott Meanged [mailto:smena98754@aol.com]

> Sent: Tuesday, January 21, 2014 10:32 AM

> To: Ashton DuBois; Gregg Reichman; Laura Boucher; Veronica Gutierrez

> Subject:

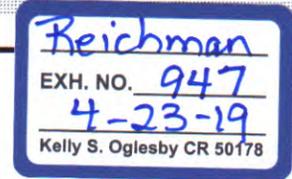
>
> Can you please provide me a list of the open loans . Property
> addresses are fine.

> Thanks

>
> Sent from my iPhone

Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 2/18/2014 7:49:21 PM
To: Scott Menaged [SMENA98754@aol.com]
CC: Jody Angel [jangel@activefundinggroup.com]
Subject: Payoffs since December 2013



Scotty – just an FYI these are the total number and amount of payoffs received from you since Dec 1, 2013 (so for Dec 2013, Jan 2014 and through today at this time)

9

\$ (1,220,000.00)

COLLATERAL NAME	PAYOFF DATE	PAYOFFS
Ruth Ave 18203 W	2/10/2014	(159,000.00)
193rd Ave 5211 N	2/6/2014	(231,000.00)
Clifton Ave 1262 E	1/3/2014	(168,000.00)
Saguaro Ln 18169 W	1/23/2014	(117,000.00)
133rd Ln 15020 N	2/6/2014	(85,200.00)
Beardsley Rd 3150 E #1030	12/30/2013	(87,000.00)
62nd St 12614 N	1/6/2014	(224,000.00)
Obispo Ave 7752 E	1/17/2014	(148,800.00)

Thank you,

GR



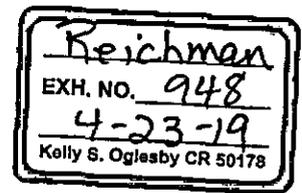
Gregg S. Reichman

Managing Director

602-443-6141 direct

602-692-3812 mobile

greichman@activefundinggroup.com



SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("the Agreement") is made and entered into this ___ day of February, 2014, by and among the following Parties:

PLAINTIFF – Freo Arizona, LLC, a Delaware limited liability company ("Plaintiff").

DEFENDANTS - Easy Investments, LLC, an Arizona limited liability company; Active Funding Group, LLC, an Arizona limited liability company ("Defendants").

RECITALS

A. Background

1. Joshua and Kathryn Guidone were the owners of the property located at 7089 W. Andrew Lane, Peoria, Arizona, 85383 (the "Property") and trustors for a Deed of Trust on the Property. On December 12, 2012, a Notice of Trustee's Sale was recorded and a trustee's sale was scheduled due to the default of the Guidones on the loan secured by the Deed of Trust. Prior to the trustee's sale, Plaintiff Freo entered into a contract to purchase the Property from the Guidones.
2. On behalf of Plaintiff Freo and the Guidones, Nayriam Silver, an escrow agent, obtained a Payoff Statement from Ocwen Loan Servicing Group, LLC ("Ocwen") for the loan that was the subject of the noticed trustee's sale. The sale to Plaintiff Freo would result in sufficient funds to completely pay off the Guidones' secured loan. Ocwen represented to Plaintiff Freo and the Guidones that Ocwen would cancel the trustee's sale and release the Deed of Trust due to the sale of the Property to Plaintiff Freo and the payment to Ocwen of the payoff amount of \$153,167.59.
3. On March 18, 2013, the sale closed and the Warranty Deed transferring the Property to Plaintiff Freo was recorded and the payoff was tendered on behalf of the Guidones to Ocwen. On March 19, 2013, Ocwen received and accepted its requested payoff amount of \$153,167.59.
4. Despite the completion of the sale and the payment to Ocwen, Ocwen failed to timely instruct the trustee to cancel the trustee's sale. A trustee's sale occurred on March 22, 2013, on the paid-off Ocwen Deed of Trust and Defendant Easy Investments obtained a Trustee's Deed upon Sale. Ocwen subsequently caused a Deed of Release and

Reconveyance and a Cancellation of Notice of Trustee's Sale to be recorded.

5. Defendant Easy subsequently encumbered the Property by granting interests in the Property to Defendant Active.
6. Plaintiff Freo filed a declaratory judgment action, CV2012-007663 in Maricopa County Superior Court seeking a ruling as to the rights and interests of the parties in regards to the Property (the "Action"). The parties' claims and defenses are more fully set forth in the pleadings, motions, and disclosures in the subject Action.

B. Plaintiff and Defendants desire to enter into this Agreement in full settlement and discharge of all claims which have been or might be made by or on behalf of Plaintiff, by reason of the circumstances described in Recital A above upon the terms and conditions set forth herein. Defendants also hereby discharge any and all related claims which have been or might be made against Plaintiff as a result of the circumstances described in Recital A above upon the terms and conditions set forth herein.

AGREEMENT

The above parties hereto agree as follows:

1.0 Release and Discharge

1.1 In consideration for the claims released herein by Defendants, Plaintiff does hereby completely release, waive, and forever discharge Defendants from any and all past, present, or future claims, demands, obligations, actions, causes of action, rights, damages, costs, losses of services, expenses, and compensation of any nature whatsoever, whether based on a tort, contract, statutory, common law, or other theory of recovery, which Plaintiff now has, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way grow out of past events, acts, or omissions related to circumstances described in Recital A above, including, without limitation, any and all known or unknown claims for amounts owed to Plaintiff, which have resulted or may result from any alleged past acts or omissions of Defendants.

1.2 In consideration of the claims released herein by Plaintiff, Defendants also contemporaneously hereby completely release and forever discharge Plaintiff from any and all past, present, or future claims, demands, obligations, actions, causes of action, rights, damages, costs, losses of services, expenses, and compensation of any nature whatsoever, whether based on a tort, contract, statutory, common law, or other theory of recovery, which Defendants now have, or which may hereafter accrue or otherwise be acquired, on account of, or may in any way grow out of past events, acts, or

omissions related to the circumstances described in or related to Recital A above, including, without limitation, any and all known or unknown claims for amounts owed to Defendants, which have resulted or may result from any past acts or omissions of Plaintiff.

1.3 This release and discharge shall also apply to (if and as applicable) Plaintiff's and Defendants' past, present, and future officers, directors, members, managers, attorneys, agents, servants, spouses, representatives, employees, departments, agencies, subsidiaries, affiliates, predecessors, successors-in-interest, and assigns and all other persons, firms, corporations, or other entities with whom any of the former have been, are now, or may hereafter be affiliated (collectively, the "Released Parties").

1.4 Plaintiff and Defendants acknowledge and agree that the release and discharge set forth above is a general release. Plaintiff and Defendants expressly waive and assume the risk of any and all claims for damages arising out of or related to the matters set forth in the Action which exist as of this date, but of which Plaintiff and/or Defendants do not know or suspect to exist, whether through ignorance, oversight, error, negligence, or otherwise, and which, if known, would materially affect their decision to enter into this Agreement. Plaintiff and Defendants assume the risk that the facts or law may be other than they believe. It is understood and agreed to by Plaintiff and Defendants that this settlement is a compromise of disputed claims. Furthermore, the Parties acknowledge and agree that this agreement is not to be construed as an admission of liability on the part of the Plaintiff or Defendants (or any related entities identified herein as Released Parties), by whom liability is expressly and categorically denied.

1.5 Notwithstanding anything to the contrary in this Agreement, Defendants do not waive their claims that their interests in the Property are superior to the Plaintiff. Plaintiff agrees to sign the quit claim deed and release of *lis pendens* referenced below to release Plaintiff's own claims to the Property.

1.6 In the event Plaintiff avoids any portion of this Agreement under (i) 11 U.S.C. §§ 544, 547, 548, 549, 550 or 553, or (ii) applicable non-bankruptcy law permitting the avoidance of preferential or fraudulent transfers, then the release contained above shall be void, and Defendants shall be entitled to immediately pursue all of their rights and remedies against Plaintiff.

2.0 Consideration

2.1 Plaintiff agrees that it will execute and deliver a quit claim deed of the subject Property to Defendant Easy Investments, LLC and execute and deliver a release of *lis pendens* upon complete execution of this Agreement by both parties, complete execution of a settlement agreement between Plaintiff and Ocwen Loan

Servicing, LLC, and Plaintiff Freo's receipt of settlement funds from Ocwen (the settlement funds are anticipated to be received in no more than 45 days from the execution of the settlement agreements. Copies of the quit claim deed and the release of *lis pendens* to be signed are attached hereto as Exhibits A and B.

2.2 Upon completion of the terms and conditions of Section 2.1 above, Plaintiff and Defendants agree to file a stipulation to dismiss the claims pending between them in CV2012-007663 with prejudice, with each party bearing their own costs and attorneys' fees.

2.3 All Parties agree and acknowledge the sufficiency of the consideration and releases described herein.

3.0 Attorneys' Fees

Each party hereto shall bear all attorneys' fees and costs arising from the actions of his, her, or its own counsel in connection with this Agreement, the issues and/or documents referred to herein, and all related matters.

4.0 Representation of Comprehension of Document

In entering into this Agreement, Plaintiff and Defendants represent that they have had the opportunity to consult with attorneys of their own choice, concerning the legal and tax consequences of this Agreement; that the terms of this Agreement have been completely read; and that the terms of this Agreement are fully understood and voluntarily accepted by Plaintiff and Defendants.

5.0 Warranty of Capacity to Execute Agreement

Plaintiff and Defendants represent and warrant that no other person or entity has, or has had, any interest in the claims, demands, obligations, or causes of action referred to in this Agreement, except as otherwise set forth herein; that Plaintiff and Defendants have the sole right and exclusive authority to execute this Agreement; and that neither Plaintiff nor Defendants have sold, assigned, transferred, conveyed, or otherwise disposed of any of the claims, demands, obligations, or causes of action referred to in this Agreement.

6.0 Governing Law

The Agreement shall be construed, interpreted, and enforced in accordance with the laws of the State of Arizona.

7.0 Additional Documents

Plaintiff and Defendants agree to cooperate fully and execute any and all supplementary documents and to take all additional actions which may be reasonably

necessary or appropriate to give full force and effect to the basic terms and intent of this Agreement.

8.0 Entire Agreement and Successors in Interest

This Agreement contains the entire agreement between Plaintiff and Defendants with regard to the matters set forth in it and shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors, and assigns of each and of the Released Parties.

9.0 Effectiveness

This Agreement may be executed in counterparts, each of which shall be deemed to be an original as against any party whose representative's signature appears thereon—whether a facsimile version or photocopied duplicate thereof—and all of which shall together constitute the same instrument.

FREO ARIZONA, LLC, a Delaware limited liability company

DATED: _____

By: _____

Its: _____

EASY INVESTMENTS, LLC, an Arizona limited liability company

DATED: 2/27/14

By: [Signature]

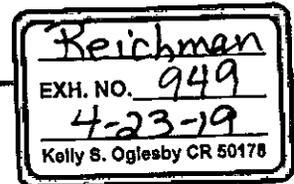
Its: managing member

ACTIVE FUNDING GROUP, LLC, an Arizona limited liability company

DATED: _____

By: _____

Its: _____



Message

From: Gregg Reichman [greichman@activefundinggroup.com]
Sent: 8/6/2014 7:09:21 PM
To: SMena98754@aol.com
CC: Jody Angel [Jangel@activefundinggroup.com]
Subject: RE: Need your help please regarding Leisure world

Sure, we will do that.

GR



Gregg S. Reichman

Managing Director

602-443-6141 direct

602-692-3812 mobile

greichman@activefundinggroup.com

From: SMena98754@aol.com [mailto:SMena98754@aol.com]
Sent: Wednesday, August 06, 2014 12:09 PM
To: greichman@activefundinggroup.com
Subject: Re: Need your help please regarding Leisure world

I Dont know. Give them a zero Balance right now and we will figure it out once you let me know the balance in full for the 1.4

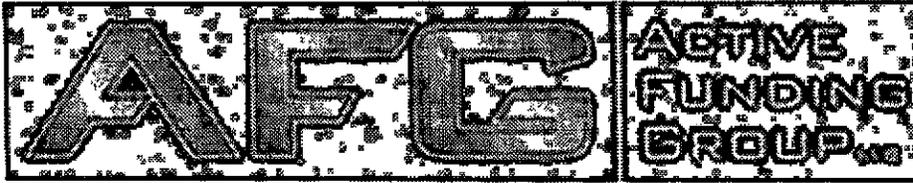
As it is I have to come up with a lot to close it and just want it gone because the HOA is ready to Sue for Paint and all this Crap.

The Second from Denny was Placed on there so I Could pay off 2 loans that you were in 2ND Position on so Bare with me. You see I am making Progress Please.

Get me an accounting of the Full balance and then we will handle this . It really is irrelevant with the balance being so small now. In a few months the Balance is paid off

In a message dated 8/6/2014 12:02:15 P.M. US Mountain Standard Time, greichman@activefundinggroup.com writes:

How would you like to handle leisure World?



Gregg S. Reichman

Managing Director

602-443-6141 direct

602-692-3812 mobile

greichman@activefundinggroup.com

From: SMena98754@aol.com [mailto:SMena98754@aol.com]

Sent: Wednesday, August 06, 2014 11:53 AM

To: greichman@activefundinggroup.com

Subject: Re: Need your help please regarding Leisure world

Yes

I would think it is just a simple spreadsheet?

In a message dated 8/6/2014 11:52:08 A.M. US Mountain Standard Time, greichman@activefundinggroup.com writes:

I can, but Jody has more familiarity with it and he is out sick possibly until next week. Is it OK if we get it next week for you?

GR



Gregg S. Reichman

Managing Director

602-443-6141 direct

602-692-3812 mobile

greichman@activefundinggroup.com

From: SMena98754@aol.com [mailto:SMena98754@aol.com]

Sent: Wednesday, August 06, 2014 11:47 AM

To: greichman@activefundinggroup.com

Subject: Re: Need your help please regarding Leisure world

HA HA HA HA

Can you Please Get me the exact amount ?

I am pretty sure it is under 200k

We did the note for 1.4 But the loan was less than that

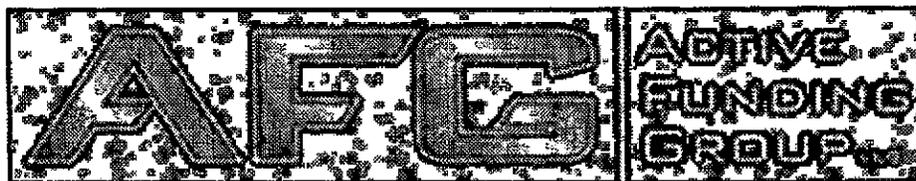
In a message dated 8/6/2014 11:43:40 A.M. US Mountain Standard Time,
greichman@activefundinggroup.com writes:

No, I am not on drugs. I don't take drugs for your information Sir.

That's how much you paid. I don't have the exact original amount at my fingertips but using \$1,400,000.00 as the amount owed originally you would still owe roughly \$206,000.00

There you go Mr. Cranky pants

GR



Gregg S. Reichman

Managing Director

602-443-6141 direct

602-692-3812 mobile

greichman@activefundinggroup.com

From: SMena98754@aol.com [mailto:SMena98754@aol.com]

Sent: Wednesday, August 06, 2014 11:36 AM

To: greichman@activefundinggroup.com

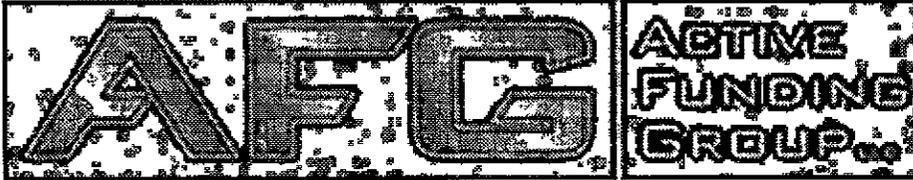
Subject: Re: Need your help please regarding Leisure world

Are you on Drugs?

It is a couple hundred thousand balance

In a message dated 8/6/2014 11:34:16 A.M. US Mountain Standard Time,
reichman@activefundinggroup.com writes:

\$1,196,160.35



Gregg S. Reichman

Managing Director

602-443-6141 direct

602-692-3812 mobile

reichman@activefundinggroup.com

From: SMena98754@aol.com [mailto:SMena98754@aol.com]

Sent: Wednesday, August 06, 2014 11:10 AM

To: reichman@activefundinggroup.com

Subject: Re: Need your help please regarding Leisure world

What is the balance on the 1.4?

In a message dated 8/6/2014 11:09:14 A.M. US Mountain Standard Time,
reichman@activefundinggroup.com writes:

Scott:

I am looking at a HUD 1 for 196 Leisure World. It shows a Densco payoff in the amount of \$131,091.39.

The issue is that Denny has a loan in the amount of \$62,000.00 that was recorded in front of our \$1.4M bulk note.

About 2 years later in April of this year, Denny advanced another \$55K on the property. This was Jr. to our \$1.4M bulk note recording.

We have attached a chain of title for you to examine. I have circled the appropriate loan amounts for you (last page)

This asset falls into the "B" asset category under our repayment agreement. AFG is to receive 50% of the net proceeds on all "B" category assets.

So the math looks like this:

Sales price is \$100K
less Densco loan \$62,000.00
Less settlement charges to Seller
\$10,300.39
Less other charges to Seller \$1,760.02

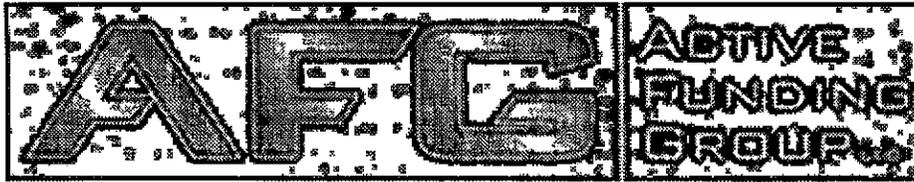
Net to be split 50%-50% between AFG & Easy is \$25,939.61 so roughly \$12,969.81 each.

The HUD 1 shows AFG getting a whopping \$1.00 from the closing.

If it makes it easier for you, you can write us a check for \$12,969.81 the day before closing and we will release our interest.

Let me know what you want to do and thank you.

Best regards,
GR



Gregg S. Reichman

Managing Director

602-443-6141 direct

602-692-3812 mobile

greichman@activefundinggroup.com