

NOTE SALE AGREEMENT

This Note Sale Agreement (this “**Agreement**”) is entered into as of _____, 2011 (the “**Effective Date**”), by and among «**Seller**» (the “**Seller**”), «**Buyer**», «**Buyer_Type_of_Entity**» (individually, or if more than one, collectively, the “**Buyer**”) and, for the sole purpose of acknowledging its receipt of the Earnest Money Deposit (as hereinafter defined) and agreeing to the provisions of **Sections 1.5, 1.8** and **3** of this Agreement, _____ (the “**Escrow Agent**”).

The Seller is the holder of that certain promissory note dated as of «**Note_Date**» (as from time to time it may have been amended, modified or replaced, the “**Note**”), in the original principal balance of «**Original_Principal_Amount_of_Note**» (the “**Loan**”), executed and delivered by «**Borrower**», «**Borrower_Type_of_Entity**» (the “**Borrower**”). The Borrower is a party to the Note and a «**Name_of_Mortgage**» dated as of «**Date_of_Mortgage**» by which the Borrower, among other things, granted the Seller a security interest in the real and personal property described therein in order to secure the Borrower’s obligations under the Note (as from time to time may be amended, modified or replaced, the “**Security Instrument**,” the Security Instrument together with the Note and all other documents, instruments, agreements, letter and documents evidencing, guaranteeing, securing or otherwise relating to the Loan are collectively referred to herein as the “**Loan Documents**”).

PART I

“**Seller’s Notice Address**”: c/o Torchlight Loan Services, LLC
230 Park Avenue
New York, New York 10169
Attention: Steven P. Altman

“**Buyer’s Notice Address**”: «**Buyer**»
«**Buyer_Street_Address**»
«**Buyer_City**», «**Buyer_State**», «**Buyer_Zip**»
Attention: «**Buyer_Representative**»

“**Closing Date**”: is _____, which is a date that is no later than ten (10) Business Days after the Effective Date; provided, however, that if the Loan is sold “subject to”, Buyer hereby acknowledges and agrees that the Closing Date shall be ten (10) Business Days after the acceptance of the “subject to” bid by Seller.

“**Cut-Off Date**”: is _____, 2011.

“**Escrows and Reserves**”: is _____ as of the Cut-Off Date. At Closing, Buyer shall receive a credit (the “**Reserve Credit Amount**”) against the Note Purchase Price equal to either: (a) _____ & ____/100THS DOLLARS (\$_____) as of the Cut-Off Date; or (b) the aggregate amount of all amounts being held by Seller at Closing as tax, insurance or any other Property related reserves pursuant to the terms of the Loan Documents, if such amount is different from the amount held by Seller as of the Cut-Off Date. At Closing, Buyer assumes all responsibility with respect to the Escrows and Reserves.

“**Note Purchase Price**”: is _____, which is an amount equal to the Winning Bid Amount (as defined below) *plus* actual amount of any Escrows and Reserves.

“**Winning Bid Amount**”: is _____, which is the amount accepted by Seller in connection with the sale of the Loan via the Auction (as defined below).

PART II

NOW THEREFORE, the Buyer (and if more than one, jointly and severally) and the Seller agree as follows:

1. **Definitions:** The following terms shall be defined as follows:
 - 1.1 “**Auction**” means the online auction of the Note conducted by Auction.com, LLC.
 - 1.2 “**Borrower Party**” means the Borrower and any guarantor and their respective officers, directors, principals, partners, employees and agents.
 - 1.3 “**Business Days**” means any day on which commercial banks are not authorized or required to close in New York City, New York or Atlanta, Georgia.
 - 1.4 “**Buyer’s Premium**” is 5% of the Winning Bid Amount (as defined below), which shall be remitted by Buyer at time of closing to the auctioneer and/or loan sale advisor as provided in Section 3 hereof.
 - 1.5 “**Closing**” means delivery of the Closing Documents to Buyer and receipt of the Closing Funds by Seller or its agent and auctioneer and/or loan sale advisor. Closing shall occur through the Escrow Agent on the Closing Date.
 - 1.6 “**Closing Date**” as defined in Part I. Buyer has a one time option to extend the Closing Date; provided Buyer (1) gives Seller written notice (the “**Extension Notice**”) at least two (2) Business Days prior to the Closing Date requesting Seller’s approval of such extension and specifying a new closing date, which new closing date must not be a date that is later than ten (10) Business Days after the Closing Date, and (2) Buyer pays Seller a non-refundable extension fee equal to the aggregate of **\$2,500.00** per day for every day after the Closing Date (the “**Extension Fee**”). The Extension Fee will not be credited towards the Note Purchase Price. The Extension Fee is required to be delivered to Seller within 24 hours of delivery of the Extension Notice to Seller. Failure to provide the Extension Notice and/or to pay the Extension Fee shall render the extension request void and Seller may terminate this Agreement and retain the Earnest Money Deposit. Seller, within five (5) Business Days after Seller’s receipt of the Extension Notice and Extension Fee, will deliver a written notice to Buyer approving the new closing date. Notwithstanding anything contained in this Agreement to the contrary, Seller may extend the Closing Date at Seller’s option to a date deemed necessary by Seller in its sole and absolute discretion.
 - 1.7 “**Due Date**” has the meaning given such term in the Note.
 - 1.8 “**Earnest Money Deposit**” is equal to 10% of the Note Purchase Price. Buyer shall deposit the Earnest Money Deposit into an account designated by the Escrow Agent (the “**Escrow Account**”) within twenty-four (24) hours after being declared the winning bidder at the Auction. **The Earnest Money Deposit shall be absolutely non-refundable and will be applied to the Note Purchase Price at Closing.**

If Buyer fails to deliver the Earnest Money in accordance with Section 1.8, regardless of whether or not Buyer executes this Agreement, then Buyer shall be in default of the Terms and Conditions (in the event this Agreement has not otherwise been executed by Buyer) and also in default of this Agreement, which is incorporated into the Terms and Conditions by reference, and **Seller shall have the right to seek any and all remedies available to the Seller at law and in equity, including, but not limited to, liquidated damages equal to the amount of the Earnest Money Deposit and Seller shall have the right to immediately put the Note back up for sale**

Within twenty-four (24) hours following receipt of a fully executed copy of this Agreement, the Escrow Agent hereby agrees to transfer the Earnest Money Deposit (including all interest accrued thereon) by wire transfer of immediately available funds to an account designated by the Seller or the Seller's counsel.

- 1.9 “**Extension Fee**” as defined in Part I.
- 1.10 “**Hazardous Substances**” shall mean any dangerous, toxic or hazardous pollutant, chemical, waste or other substance, (i) which is required by a Legal Requirement to be treated or removed from the Property by the owner thereof, or (ii) the presence of which on the Property subjects a Borrower Party or the holder of the Loan or the Property to a Claim by any Person. Hazardous Substances include, without limitation, those substances classified as such for purposes of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., as amended, and all other federal or state environmental laws and regulations now existing, include, without limitation friable asbestos and friable asbestos-containing materials, polychlorinated biphenyls and urea formaldehyde.
- 1.11 “**Loan**” means the Note and the Security Instrument or other security agreement, if any, and the Seller's rights thereunder.
- 1.12 “**Note Purchase Price**” as defined in Part I of this Agreement.

The Winning Bid Amount shall be deemed to completely represent the discounted aggregate value of the principal amount outstanding under the Note as of the Closing Date, together with any interest thereon, and any costs and expenses thereunder all as calculated by the Seller.

If for any reason, without fault of Seller, Buyer fails to consummate the purchase of the Loan upon the terms and conditions provided in this Agreement, Seller may terminate this Agreement and retain the Earnest Money Deposit, which is hereby stipulated as Seller's liquidated damages, it being understood and agreed that it is difficult to estimate or otherwise determine the total amount of damages that would be incurred by Seller should Buyer default in its obligations under this Agreement.

- 1.13 “**Seller Party**” means the Seller, its trustee, servicer, master servicer or special servicer and any of their respective officers, directors, principals, partners, employees and agents.
2. **Terms and Conditions of Sale:** The Seller agrees to sell, assign, transfer, and convey to the Buyer, on the terms and conditions set forth in this Agreement (including, but not limited to Section 5 below), Seller's right, title, interest and obligations in, to and under the Loan,

including, without limitation, all of Seller's rights to principal, interest, fees, costs and expenses payable thereunder and all of Seller's other rights and claims thereunder (including all rights in any receivership estate which exists in connection with the Loan Documents after the Closing Date) after the Closing Date. The Buyer acknowledges and agrees (a) that the Seller's sale of the Note to the Buyer is irrevocable and (b) that the Buyer shall have no recourse to the Seller.

3. **Delivery of Funds:** No later than two (2) Business Days prior to the Closing Date, Buyer shall deposit into the Escrow Account, by wire transfer of immediately available funds *in an amount sufficient to pay*: (i) the balance of the Note Purchase Price (net of the Earnest Money Deposit and the Reserve Credit Amount), (ii) the Buyer's Premium and (ii) all additional amounts payable by Buyer pursuant to the closing adjustments and prorations described in this **Section 3** (collectively, the "**Closing Funds**").

Escrow Agent's fees for serving as escrow agent shall be paid by Buyer. Buyer shall pay all other closing, title and escrow costs and expenses related to the purchase and sale of the Loan. For the sake of clarity, Seller shall not bear the cost of any recordation fees and/or taxes associated with selling, transferring, and assigning the Loan, including, without limitation, recording an assignment of the mortgage or deed of trust which secures the Loan, assignments of any financing statements, and any fees and/or taxes associated with other transfer documents which are to be recorded in connection with the transactions contemplated hereby. The Note Purchase Price shall be absolutely net to Seller, and there shall be no prorations except as provided in this **Section 3**. Buyer hereby agrees to indemnify and hold Seller harmless from and against any and all claims, liability, costs and expenses arising out of or in connection with the failure of Buyer to pay any such amounts on a timely basis.

In the event that Seller made a protective advance for taxes, insurance or any other property related items required to keep title free of any liens or encumbrances, Buyer shall reimburse Seller for the amount of such protective advance that will benefit Buyer after the Closing (which shall be calculated from the Closing Date to the date up to which such protective advance was made). In the event that Seller prior to the Closing Date or Buyer after the Closing Date, protests or appeals the taxes for the billing period in which Seller made a protective advance for taxes, and such protest results in a reduction in (or credit against) the taxes payable (or Buyer receives a refund check for such tax savings), Buyer shall reimburse Seller for the entire amount of such reduction, credit or refund check. If Buyer does not promptly remit to Seller the entire amount of such reduction, credit or refund check, Seller shall have the right to file a lien against the real property securing the Loan for the amount of such reduction, credit or refund check.

All principal payments, interest payments, default interest, late charges and other payments received by Seller with respect to the Loan ***before Closing shall be the sole property of Seller.*** After the Closing, all such principal payments, interest payments, default interest, late charges and other payments received by Seller with respect to the Loan shall be the sole property of Buyer and shall be promptly paid to Buyer if received by Seller.

4. **Place of Closing:** The Closing shall be held at the offices of Kilpatrick Townsend & Stockton LLP located at 1100 Peachtree Street, Atlanta, Georgia 30309, or such other place as may be practicable. The Closing shall, at the Seller's option, be either by telephone, confirmed by letter or wire, or conducted in person at the place designated by the Seller.

5. **Delivery of Closing Documents:** Seller agrees to deposit with the Escrow Agent for delivery to Buyer at Closing, *or as soon as practicable after the Closing Date*, the following documents (collectively, the “**Closing Documents**”): (1) the original Note, or an affidavit of lost note, endorsed to Buyer by allonge in the form of **Exhibit A** hereto, (2) an Assignment of Mortgage – Deed of Trust substantially in the form of **Exhibit B** hereto, (3) an Assignment of Assignment of Leases and Rents substantially in the form of **Exhibit C** hereto, to the extent that there is an Assignment of Leases and Rents separate from the Mortgage – Deed of Trust; (4) an Assignment of Loan Documents substantially in the form of **Exhibit D** hereto; and (5) a Notice of Assignment of Loan substantially in the form of **Exhibit E** hereto. For the avoidance of doubt, the definition of the Closing Documents does not include any allonges from prior or interim loan holders, any assignments from prior or interim loan holders, any powers of attorney, written consents, resolutions or other evidence or documentation regarding the authenticity or authorization of any signatory of Seller on any document, endorsement, allonge or instrument, including, but not limited to Seller’s signatories, any loan payment histories, rent rolls, any financing statements, guaranties, any title insurance policies or endorsements thereto, or any other documentation that is not expressly set forth in the immediately preceding sentence (collectively, the “**Collateral Documents**”). **Seller will endeavor and use its best efforts to locate and deliver any of the Collateral Documents, but Seller’s inability to deliver any or all of the Collateral Documents is not a condition of Closing and will not delay Closing.** If Buyer insists on delaying Closing for receipt of any or all of the Collateral Documents, Seller, in Seller’s sole and absolute discretion, may (i) terminate this Agreement and retain the Earnest Money Deposit as Seller’s liquidated damages or (ii) charge the Extension Fee for each day that Buyer insists on delaying the Closing until actual receipt of a Collateral Document, including, without limitation any documentation evidencing Seller’s authority to sell the Loan.

Furthermore, Buyer acknowledges and agrees that Seller holds some documents that pertain to the Note, which Seller will not disclose or transfer any rights to, including, without limitation, certain internal correspondence, internal analysis, internal memoranda, internal assessments of value, correspondence between Seller and its attorneys, which Seller deems to be confidential within the generally accepted definition of attorney/client privileged communications, and all documents related to any prior efforts of Seller to sell the Note.

Buyer has completed all of Buyer’s due diligence relative to the purchase of the Note and, accordingly, there are no contingencies or outstanding conditions precedent to Buyer’s obligation to purchase the Loan.

Buyer is responsible for delivering the Notice of Assignment of Loan no later than five (5) Business Days after the Closing. Seller will have no obligation to Buyer with respect to the giving of such notice. Buyer shall also be responsible for notifying all tenants, if required, of the assignment of Seller’s interest in, to and under the Loan and provide such tenants with the correct address or wiring instructions for the payment of rent.

6. **Insured Collateral.** Buyer is responsible for having itself substituted as loss payee on any collateral risk insurance in which Seller is currently listed as a loss payee. Any loss after the Closing to either Borrower or to Buyer or to the value or collectability of the Loan due to Seller’s cancellation of collateral risk insurance or its failure to identify Buyer as loss payee is the sole responsibility of Buyer.
7. **Title Insurance.** Seller shall have no responsibility for and shall have no obligation to pay any costs associated with transferring and obtaining any endorsements to any existing title policy or

new title policy in connection with this transaction. Seller makes no assurance regarding the availability of any endorsements or accuracy or enforceability of any existing title policy.

8. **Representations, Warranties and Agreements of the Buyer:** The Buyer represents, warrants and agrees as follows:

- 8.1 The Buyer will not violate any laws relating to unfair credit collection practices in connection with the Loan. The Buyer will indemnify the Seller and hold the Seller harmless from and against any and all claims, demands, losses, damages, penalties, fines, forfeitures, judgments, legal fees and any other costs, fees, and expenses heretofore or hereafter incurred by the Seller as a result of (i) a breach by the Buyer of the aforesaid agreement or (ii) any claim, demand or assertion that the Buyer or the Seller was in any way involved in or had in any way authorized any unlawful collection practices in connection with the Loan or (iii) any claim, demand or assertion by the Borrower in connection with the Loan. The Buyer agrees to notify the Seller within three (3) Business Days of notice or knowledge of any such claim or demand.
- 8.2 The Buyer will not institute any legal action in the name of the Seller or continue to prosecute in the name of the Seller any pending legal action nor shall the Buyer intentionally or unintentionally, through misrepresentation or nondisclosure, mislead or conceal that the Buyer's ownership of the Note following the Closing. The Buyer acknowledges that there is no adequate remedy at law for violation of this subparagraph and consents to the entry of an order by a court of competent jurisdiction enjoining any violation or threatened violation of the provisions of this subparagraph. The Buyer will indemnify the Seller and hold the Seller harmless from and against any and all claims, demands, losses, damages, judgments, legal fees and any other costs, fees and expenses heretofore or hereafter incurred by the Seller as a result of a breach by the Buyer of the aforesaid agreement.
- 8.3 Buyer's decision to purchase the Note is based upon the Buyer's own independent evaluation. The Buyer has made such independent investigation as the Buyer deems to be warranted into the nature, validity, enforceability, collectability, and value of the Note and all other facts it deems material to its purchase, and is entering into this transaction herein provided for, solely on the basis of that investigation and the Buyer's own judgment, and is not acting in reliance on any representation of, or information furnished by the Seller and acknowledges that no employee or representative of the Seller has been authorized to make any statements or representations other than those specifically contained in this Agreement. The Buyer hereby waives any right or cause of action it might now or in the future have against the Seller as a result of its purchase of the Note.
- 8.4 The Buyer (i) is able to bear the economic risk associated with the purchase of the Note, (ii) has adequate information concerning the business and financial condition of the Borrower or any third party to make an informed decision regarding the purchase of the Note, (iii) has such knowledge and experience so as to be aware of the risks and uncertainties inherent in the purchase of rights and assumption of liabilities of the type contemplated in this Agreement and (iv) has independently and without reliance upon the Seller, and based on such information as the Buyer has deemed appropriate, made its own analysis and decision to enter into this Agreement. The Buyer acknowledges that the Seller has not given the Buyer any investment advice, credit information or opinion on whether the purchase of the Note is prudent.

- 8.5 The Buyer has full power and authority to execute, deliver and perform its obligations under, this Agreement and is authorized to enter into this Agreement. All laws, rules and regulations to which the Buyer may be subject have been duly complied with. This Agreement has been duly and validly executed and delivered by the Buyer and constitutes the legal, valid, and binding obligation of the Buyer, enforceable against the Buyer in accordance with its terms, except that such enforceability may be limited by bankruptcy, insolvency, or other similar laws of general applicability affecting the enforcement of creditors' rights generally and by the court's discretion in relation to equitable remedies.
- 8.6 The Buyer is an "accredited investor" as that term is defined by the Securities Act of 1933, as amended. The Buyer has such knowledge and experience in financial and business matters, relating to the ownership and collection of loan assets, that it is capable of evaluating the merits and risks of a prospective investment in the Note. The Buyer acknowledges that the Note may have limited or no liquidity and it has the financial capability to hold the Note for an indefinite period of time and to bear the economic risks of, including a complete loss of its investment in, the purchase and acquisition of the Note.
- 8.7 Neither Buyer nor any of its respective officers, directors, shareholders, partners, managers, members or affiliates (including without limitation indirect holders of equity interests in Buyer) is or will be an entity or person (i) that is listed in the Annex to, or is otherwise subject to the provisions of Executive Order 13224 issued on September 24, 2001 ("**EO13224**"), (ii) whose name appears on the United States Treasury Department's Office of Foreign Assets Control ("**OFAC**") most current list of "Specifically Designated National and Blocked Persons" (which list may be published from time to time in various mediums including, but not limited to, the OFAC website, <http://www.treas.gov/ofac/t11sdn.pdf>) (iii) who commits, threatens to commit or supports "terrorism", as that term is defined in EO3224, (iv) is subject to sanctions of the United States government or is in violation of any federal, state, municipal or local laws, statutes, codes, ordinances, orders, decrees, rules or regulations relating to terrorism or money laundering, including, without limitation, EO13224 and the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, or (v) who is otherwise affiliated with any entity or person listed above (any and all parties or persons described in clauses (i) – (v) above are herein referred to as a "**Prohibited Person**"). Buyer covenants and agrees that neither Buyer nor any of its respective officers, directors, shareholders, partners, managers, members or affiliates (including without limitation indirect holders of equity interests in Buyer) shall (aa) conduct any business, nor engage in any transaction or dealing, with any Prohibited Person, including, but not limited to, the making or receiving of any contribution of funds, goods, or services, to or for the benefit of a Prohibited Person, or (bb) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in EO13224.
- 8.8 Buyer has fully complied with all covenants, terms, and obligations set forth in the Confidentiality Agreement executed by Buyer, as Bidder (as defined therein) for the benefit of Auction.com, LLC, Owner (as defined therein), and other parties as described therein (the "**Confidentiality Agreement**") and is not aware of any circumstances which may lead to a breach thereof.

- 8.9 Buyer is a “United States person” within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended.
- 8.10 Buyer is not an employee benefit plan that is subject to the Employee Retirement Income Security Act of 1974, as amended.
- 8.11 Without implying any characterization of the Loan, or any part thereof or interest therein, as a “security” within the meaning of the Securities Act or any other statute or law, Buyer is not purchasing the Loan in contemplation of, or for resale in connection with, any distribution, private placement or public offering of the Loan or any part thereof or any interest therein, in a manner that would violate any statute, law, regulation or other legal requirement. Buyer is acquiring the Loan for its own account, in each case not with a view to the distribution of the Loan or any interest therein within the meaning of any Securities Act, unless such distribution shall be pursuant to an effective registration statement filed in accordance with any Securities Act, or an exemption thereto. Buyer acknowledges that: (i) the Loan has not been registered or qualified under any Securities Act, (ii) Seller does not intend to so register or qualify the Loan, and (iii) the Loan may not be eligible for resale by Buyer unless the Loan is so registered or qualified by Buyer or are lawfully exempt from registration or qualification.
- 8.12 Buyer shall not accept a release of liability from any Borrower Party or grant a release of liability to any Borrower Party with respect to the Loan, unless Buyer shall have used its best efforts to obtain the simultaneous release of Seller and Seller Party from all claims which Borrower Party could have against it with respect to the Loan prior to the date of such release.
- 8.13 Buyer shall submit Internal Revenue Service Form 1098 and 1099 Information Returns for the Loan for the entire year of the year in which the Closing Date occurs, and Seller will make commercially reasonable efforts to provide necessary data for same.
- 8.14 The Loan shall be sold and conveyed to Buyer on a servicing-released basis. As of the Closing Date, all rights, obligations, liabilities and responsibilities with respect to the servicing of the Loan shall pass to and be assumed by Buyer, and all Seller Parties shall be discharged from all liability therefor. No Seller Party shall have any obligation to perform any servicing activities with respect to the Loan from and after the Closing Date. Seller shall use reasonable efforts to inform Buyer of material events which occur with respect to the Loan after the Effective Date but prior to the Closing Date. Buyer shall be bound by all actions taken by any Seller Party with respect to the Loan prior to the Closing Date. Buyer shall take no action to communicate with any Borrower Party or to enforce or otherwise service or manage the Loan until after the Closing Date. In no event shall Buyer be deemed a third party beneficiary of any servicing contract or agreement between Seller and any Seller Party, and in no event shall Seller Party be deemed a fiduciary for the benefit of Buyer with respect to the Loan.

9. **No Recourse or Warranty, Etc.:** NOTWITHSTANDING ANY CONTRARY PROVISION IN THIS AGREEMENT, EXCEPT THAT SELLER REPRESENTS AND WARRANTS THAT IT IS THE OWNER AND HOLDER OF THE LOAN AND IS AUTHORIZED TO SELL THE LOAN, THE SALE OF THE LOAN TO BUYER UNDER THIS AGREEMENT

SHALL BE WITHOUT RECOURSE, AND WITHOUT REPRESENTATION OR WARRANTY OF ANY NATURE OR KIND, EXPRESS, IMPLIED OR BY OPERATION OF LAW BY ANY SELLER OR ANY PARTY ACTING ON BEHALF OF SELLER, AND BUYER ACKNOWLEDGES AND AGREES THAT, NEITHER, SELLER NOR ANY PARTY ACTING ON BEHALF OF SELLER HAS MADE, DOES NOT MAKE AND SPECIFICALLY DISCLAIMS, AND BUYER IS NOT RELYING ON SELLER OR ANY PARTY ACTING ON BEHALF OF SELLER WITH RESPECT TO ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTIES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OF, AS TO, CONCERNING OR WITH RESPECT TO: (A) THE LOAN, (B) THE MARKETABILITY, VALUE, QUALITY OR CONDITION OF THE LOAN; (C) THE VALIDITY, ENFORCEABILITY, OR COLLECTIBILITY OF THE LOAN OR ANY OF THE LOAN DOCUMENTS; (D) THE VALIDITY, PRIORITY, OR PERFECTION OF ANY LIENS CREATED BY THE LOAN DOCUMENTS; (E) THE STATE OF TITLE, PRIORITY OF LIENS, ZONING, TAX CONSEQUENCES, PHYSICAL CONDITION, UTILITY CAPACITY OR COMMITMENT FOR UTILITY CAPACITY, OPERATING HISTORY OR PROJECTIONS, VALUATIONS, GOVERNMENTAL APPROVALS OR GOVERNMENTAL REGULATIONS, COMPLIANCE WITH SPECIFICATIONS, LOCATION, EXISTENCE OF OR COMPLIANCE BY ANY PROPERTY SECURING THE LOAN WITH ANY FRANCHISE, MANAGEMENT OR OPERATING AGREEMENT, ANY LIQUOR, USE OR OCCUPANCY PERMIT OR LICENSE, DESIGN, USE, QUALITY, DESCRIPTION, DURABILITY, OR QUALITY OF MATERIAL OR WORKMANSHIP WITH RESPECT TO OR PERTAINING IN ANY MANNER TO THE PROPERTIES WHICH ARE COLLATERAL FOR THE LOAN AND ALL STRUCTURES AND IMPROVEMENTS LOCATED ON ANY PROPERTY SECURING THE PAYMENT OF THE LOAN; (F) THE COMPLIANCE BY SELLER OR ANY SELLER PARTY OR ANY PREDECESSOR TO SELLER OR SELLER PARTY WITH ANY AND ALL APPLICABLE FEDERAL, STATE OR LOCAL LAWS AND ALL RULES, REGULATIONS, OR ORDINANCES PROMULGATED PURSUANT THERETO, PERTAINING TO OR IN ANY MANNER RELATED TO THE LOAN OR THE PROPERTY AND ANY STRUCTURES AND IMPROVEMENTS LOCATED ON THE PROPERTY, INCLUDING BUT NOT LIMITED TO THE AMERICANS WITH DISABILITIES ACT OF 1990 (AS SET FORTH IN CHAPTER 126 OF TITLE 42 OF THE UNITED STATES CODE) AND ALL REGULATIONS PROMULGATED THEREUNDER; (G) THE COMPLIANCE OF THE LOAN WITH ANY STATE OR FEDERAL USURY LAWS AND REGULATIONS APPLICABLE THERETO; (H) THE ACCURACY OR COMPLETENESS OF ANY INFORMATION, DATA, STATEMENTS, AMOUNTS OR SOURCES OF INFORMATION CONTAINED IN THE LOAN DOCUMENTS; AND (I) ANY OTHER MATTERS PERTAINING TO THE LOAN OR THE PROPERTY. IN ADDITION, SELLER AND SELLER PARTY EXPRESSLY DISCLAIM ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. WITHOUT LIMITING THE FOREGOING, NEITHER SELLER NOR ANY SELLER PARTY MAKES OR HAS MADE ANY REPRESENTATION OR WARRANTY REGARDING THE PRESENCE OR ABSENCE OF ANY HAZARDOUS SUBSTANCES ON, UNDER OR ABOUT THE PROPERTY OR THE COMPLIANCE OR NONCOMPLIANCE OF THE PROPERTY WITH ANY STATUTE, LAW, REGULATION OR OTHER REQUIREMENT OF LAW REGARDING HAZARDOUS SUBSTANCES, INCLUDING, WITHOUT LIMITATION, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, THE SUPERFUND AMENDMENT AND REAUTHORIZATION ACT, THE RESOURCE CONSERVATION RECOVERY ACT, THE FEDERAL WATER POLLUTION

CONTROL ACT, THE FEDERAL ENVIRONMENTAL PESTICIDES ACT, THE CLEAN WATER ACT, THE CLEAN AIR ACT, ANY SO CALLED FEDERAL, STATE OR LOCAL "SUPERFUND" OR "SUPERLIEN" STATUTE, OR ANY OTHER STATUTE, LAW, ORDINANCE, CODE, RULE, REGULATION, ORDER OR DECREE REGULATING, RELATING TO OR IMPOSING LIABILITY (INCLUDING STRICT LIABILITY) OR STANDARDS OF CONDUCT CONCERNING ANY HAZARDOUS SUBSTANCES (COLLECTIVELY, THE "HAZARDOUS SUBSTANCE LAWS"). FOR PURPOSES OF THIS AGREEMENT, THE TERM "HAZARDOUS SUBSTANCES" SHALL INCLUDE, WITHOUT LIMITATION, THOSE ELEMENTS OR COMPOUNDS WHICH ARE CONTAINED ON THE LIST OF HAZARDOUS SUBSTANCES ADOPTED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY AND THE LIST OF TOXIC POLLUTANTS DESIGNATED BY CONGRESS OR THE ENVIRONMENTAL PROTECTION AGENCY OR UNDER ANY HAZARDOUS SUBSTANCE LAWS. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT BUYER HAS BEEN GIVEN THE OPPORTUNITY TO REVIEW THE LOAN DOCUMENTS AND ANY OTHER INFORMATION WHICH IT DEEMED NECESSARY OR DESIRABLE TO REVIEW PRIOR TO THE EXECUTION OF THIS AGREEMENT AND THEREFORE, BUYER WILL BE PURCHASING THE LOAN PURSUANT TO ITS INDEPENDENT EXAMINATION, STUDY, INSPECTION AND KNOWLEDGE OF THE LOAN AND THE LOAN DOCUMENTS, AND BUYER IS RELYING UPON ITS OWN DETERMINATION OF THE QUALITY, VALUE AND CONDITION OF THE LOAN AND THE PROPERTY, AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER OR ANY SELLER PARTY. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT ANY INFORMATION PROVIDED OR TO BE PROVIDED WITH RESPECT TO THE LOAN WAS OR WILL BE OBTAINED FROM A VARIETY OF SOURCES AND THAT SELLER AND SELLER PARTY HAVE NOT MADE OR WILL BE OBLIGATED TO MAKE ANY INDEPENDENT INVESTIGATION OR VERIFICATION OF SUCH INFORMATION AND SELLER AND SELLER PARTY MAKES NO REPRESENTATIONS AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. BUYER FURTHER ACKNOWLEDGES AND AGREES THAT SELLER AND SELLER PARTY HAVE NOT UNDERTAKEN TO CORRECT ANY MISINFORMATION OR OMISSIONS OF INFORMATION WHICH MIGHT BE NECESSARY TO MAKE ANY INFORMATION DISCLOSED TO BUYER NOT MISLEADING IN ANY RESPECT. BUYER AGREES CLOSING UNDER THIS AGREEMENT SHALL CONSTITUTE AN ACKNOWLEDGMENT THAT THE LOAN WAS PURCHASED, AND WILL BE ACCEPTED AT CLOSING, WITHOUT REPRESENTATION OR WARRANTY EXPRESS OR IMPLIED AND OTHERWISE IN AN "AS IS", "WHERE IS", AND "WITH ALL FAULTS" CONDITION BASED SOLELY ON BUYER'S OWN INSPECTION, AND WITHOUT LIABILITY BY OR RECOURSE TO SELLER OR ANY SELLER PARTY EXCEPT AS SPECIFICALLY SET FORTH ABOVE. NO EVENT OR CONDITION SHALL ENTITLE BUYER TO HAVE THE LOAN REPURCHASED BY SELLER.

10. **Buyer's Further Agreements:** The Buyer further agrees as follows:

- 10.1 The Buyer agrees to abide by all applicable state and federal laws, rules and regulations regarding the handling and maintenance of all documents and records relating to the Note purchased hereunder including, but not limited to, the length of time such documents and records are to be retained.
- 10.2 After transfer of documents or files to the Buyer pursuant to the terms of this Agreement, the Buyer agrees that the Seller shall have the continuing right to use,

inspect, and make extracts from or copies of any such documents or records, upon the Seller's reasonable notice to the Buyer.

- 10.3 The Buyer further agrees to allow the Seller the possession, custody and use of original documents for any lawful purpose and upon reasonable terms and conditions.
- 10.4 Before destruction or disposition of any documents or files transferred hereunder, the Buyer agrees to give reasonable notice to the Seller and to allow the Seller, at its own expense, to recover the same from the Buyer.
- 10.5 In the event the Loan becomes subject to litigation between any Borrower Party and Seller after the Closing Date but before any of the documents transferring the Loan to Buyer have been recorded or filed, and Seller is unable to compromise, settle or cause Seller to be dismissed as a defendant in the lawsuit within sixty (60) days after commencement of such lawsuit, Seller may, in its sole discretion, and without obligation to do so, cancel and terminate this Agreement and repurchase the Loan by giving a written notice to Buyer in which case the Purchase Price, less any payments on account of the principal of the Loan received by Buyer, shall be returned by Seller to Buyer and neither party shall have any further obligations hereunder, except that the Confidentiality Agreement shall continue in full force and effect. As between Seller and Buyer, the Loan so repurchased by Seller shall not be deemed to have been transferred and assigned to Buyer. Buyer shall cancel, void and return any proposed transfer documents to Seller in connection with the Loan repurchased hereunder.
- 10.6 Nothing in this Agreement or any documents delivered pursuant to this Agreement will prejudice Seller from seeking the benefit of any environmental indemnity delivered by any indemnitor in connection with the Loan to the extent permitted by applicable law and provided further that the rights of the then holder of the Loan are not reduced in any material respect.
11. **Notice of Claim:** The Buyer shall immediately notify the Seller of any claim, threatened claim, or any litigation against the Seller which may come to its attention.
12. **Notices:** Unless otherwise agreed in writing, notices shall be given to the Seller at the Seller's Notice Address and the Buyer at the Buyer's Notice Address each as set forth in **Part I** of this Agreement, or such other address communicated in writing by either such party to the other. Notices to the Seller shall only be effective upon receipt.
13. **Use of the Seller Name:** The Buyer agrees that it will not use or permit the use by its agents, successors or assigns, of any name or combination of letters which is similar to «Seller», «Name_of_Master_Servicer», «Special_Servicer». The Buyer will not represent or imply that it is affiliated with, authorized by, or in any way related to the Seller.
14. **Severability:** Each part of this Agreement is intended to be severable. If any term, covenant, condition or provision hereof is unlawful, invalid, or unenforceable for any reason whatsoever, such illegality, invalidity, or unenforceability shall not affect the legality, validity, or enforceability of the remaining parts of this Agreement, and all such remaining parts hereof shall be valid and enforceable and have full force and effect as if the invalid or unenforceable part had not been included.

15. **Construction:** Unless the context otherwise requires, singular nouns and pronouns, when used herein, shall be deemed to include the plural and vice versa, and impersonal pronouns shall be deemed to include the personal pronoun of the appropriate gender.
16. **Assignment:** This Agreement and the terms, covenants, conditions, provision, obligation, undertaking, rights and benefits hereof, shall be binding upon, and shall inure to the benefit of, the undersigned parties and their respective heirs, executors, administrators, representatives successors, and assigns. This Agreement shall not be assigned without the Seller's prior written consent.
17. **Prior Understandings:** This Agreement supersedes any and all prior discussions and agreements between the Seller and the Buyer with respect to the purchase of the Note and other matters contained herein, and this Agreement contains the sole and entire understanding between the parties hereto with respect to the transactions contemplated herein.
18. **Survival:** Each and every covenant made by the Buyer or the Seller in this Agreement shall survive the Closing and shall not merge into the closing documents, but instead shall be independently enforceable.
19. **Governing Law; Jurisdiction:** This Agreement shall be governed by and construed in accordance with the laws of the State of New York. The Buyer consents to the exclusive jurisdiction and venue of the state or federal courts located in State of New York, Eastern District of New York. Service of process by the Seller in connection with any dispute shall be binding on the Buyer if sent to the Buyer by registered mail at the address(es) specified above or to such further address(es) as the Buyer may specify to the Seller in writing.
20. **Counterparts:** This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument.
21. **Attorneys' Fees:** If either party hereto defaults in the performance of any of its obligations under this Agreement or if any dispute arises between the Parties hereto concerning the meaning or interpretation of any provision of this Agreement, then the defaulting party or the party not prevailing in such dispute, as the case may be, shall pay any and all costs and expenses incurred by the other party on account of such default and/or in enforcing or establishing its rights hereunder, including, without limitation, court costs (including costs of any trial or appeal therefrom) and reasonable attorneys' fees and disbursements.
22. **Waiver of Jury Trial:** EACH PARTY HEREBY WAIVES, IRREVOCABLY AND UNCONDITIONALLY, TRIAL BY JURY IN ANY ACTION BROUGHT ON, UNDER OR BY VIRTUE OF OR RELATING IN ANY WAY TO THIS AGREEMENT OR ANY OF THE DOCUMENTS EXECUTED IN CONNECTION HEREWITH, THE LOAN, THE PROPERTY OR ANY CLAIMS, DEFENSES, RIGHTS OF SET-OFF OR OTHER ACTIONS PERTAINING HERETO OR TO ANY OF THE FOREGOING.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Seller and the Buyer have executed this Agreement by their duly authorized officers as of the date first set forth above.

SELLER:

«Seller»

By: **TORCHLIGHT LOAN SERVICES, LLC**, solely
in its capacity as Special Servicer and not personally

By: _____

Name: Steven P. Altman

Title: Authorized Signatory

Non-Negotiable

BUYER:

«Buyer», «Buyer_Type_of_Entity»

By: _____

Name: _____

Title: _____

Non-Negotiable

Escrow Agent, hereby acknowledges receipt of the Earnest Money Deposit and its agreement to be bound by the provisions set forth in **Sections 1.5, 1.8** and **3** of this Agreement, as of the date first above written.

ESCROW AGENT:

By: _____
Name: _____
Title: _____

Non-Negotiable

EXHIBIT A

ALLONGE

THIS ALLONGE is made to that certain [Promissory Note] dated _____, in the original principal amount of \$_____ from _____, a _____, to the order of _____, a _____, as later transferred and assigned to _____.

Pay to the order of _____, a _____ corporation, without recourse or representation or warranty, express, implied or by operation of law, of any kind and nature whatsoever.

(SELLER).

By: _____
Name: _____
Title: _____

Non-Negotiable

EXHIBIT B

Recorded By:

And When Recorded Mail To:

(Space above this line for recorder's use)

ASSIGNMENT OF [MORTGAGE] [DEED OF TRUST]

_____ a _____ (“Assignor”), whose address is _____, for good valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby assigns, transfers, sets over and conveys to _____, a _____ (“Assignee”), whose address is _____, all Assignor’s right, title and interest in and to the [Mortgage] [Deed of Trust] and Security Agreement dated _____, made by _____ [in favor of] [to the trustee for the benefit of] _____ recorded on _____, in Official Records Book _____, Page _____ of the Records of _____ County, _____, as the same may have been assigned, amended, supplemented, restated or modified.

To have and to hold the same into Assignee and to the successors and assigns of Assignee favor.

This Assignment is made without recourse representation or warranty, express, implied or by operation of law, of any kind and nature whatsoever.

[THE REMAINDER OF THIS PAGE WAS LEFT BLANK INTENTIONALLY]

Exhibit B-1

IN WITNESS WHEREOF, Assignor has duly executed this Assignment as of _____.

By: _____
Name: _____
Title: _____

STATE OF _____)

)

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____, 2011, by _____ [name] as _____ [title] of _____, a _____, on behalf of said company as the attorney-in-fact on behalf of _____, a _____. He/She is _____ personally known to me or has produced a _____ [state] driver's license as identification.

My Commission Expires: _____

[NOTARIAL SEAL]

Print Name: _____
NOTARY SEAL: _____
Serial No., if any: _____

Non-Negotiable

Exhibit B-2

EXHIBIT C

Recorded By:

And When Recorded Mail To:

(Space above this line for recorder's use)

ASSIGNMENT OF ASSIGNMENT OF LEASES AND RENTS

_____, a _____ ("Assignor"), whose address is _____, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby assigns, transfers, sets over and conveys to _____, a _____ ("Assignee"), whose address is _____, all Assignor's right, title and interest in and to the Assignment of Leases and Rents dated _____, made by _____ [in favor of] [to a trustee for the benefit of] _____ recorded on _____, in Official Records Book _____, Page _____ of the Public Records of _____ County, _____, as the same may have been assigned, amended supplemented, restated or modified.

To have and to hold the same into Assignee and to the successors and assigns of Assignee favor.

This Assignment is made without recourse representation or warranty, express, implied or by operation of law, of any kind and nature whatsoever.

[THE REMAINDER OF THIS PAGE WAS LEFT BLANK INTENTIONALLY]

Exhibit C-1

IN WITNESS WHEREOF, Assignor has duly executed this Assignment as of _____.

By: _____
Name: _____
Title: _____

STATE OF _____)

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____, 2011, by _____ [name] as _____ [title] of _____, a _____, on behalf of said company as the attorney-in-fact on behalf of _____, a _____ He/She is _____ personally known to me or has produced a _____ [state] driver's license as identification.

My Commission Expires: _____

[NOTARIAL SEAL]

Print Name: _____
NOTARY SEAL: _____
Serial No., if any: _____

Non-Negotiable

EXHIBIT D

ASSIGNMENT OF LOAN DOCUMENTS

_____, a _____ (“Assignor”), whose address is _____, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, hereby assigns, transfers, sets over and conveys to _____, a _____ (“Assignee”), whose address is _____, all Assignor’s right, and title and interest in and to the loan documents described on Schedule A attached hereto and incorporated herein, as each may have been assigned, amended, supplemented, rested or modified.

To have and to hold the same unto Assignee and to the successors and assigns of Assignee forever.

This Assignment is made without recourse of representation or warranty, express, implied or by operation of law, of any kind nature whatsoever.

IN WITNESS WHEREOF, Assignor has duly executed this Assignment as of _____.

By: _____
Name: _____
Title: _____

STATE OF _____)

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____, 2011, by _____ [name] as _____ [title] of _____, a _____, on behalf of said company as the attorney-in-fact on behalf of _____, a _____. He/She is _____ personally known to me or has produced a _____ [state] driver’s license as identification.

My Commission Expires: _____

[NOTARIAL SEAL]

Print Name: _____
NOTARY SEAL: _____
Serial No., if any: _____

SCHEDULE A

1. [Promissory Note] dated as of _____ from _____, a _____ (“Borrower”), to _____, a _____ (“Original Lender”) in the original principal amount of \$ _____.
2. [Mortgage] [Deed of Trust] and Security Agreement dated as of _____, from Borrower to Original Lender recorded on _____ in Official Records Book _____, Page _____, of Public Records of _____ County, _____ (the “Records”).
3. Assignment of Leases dated _____, from Borrower in favor of Original Lender, recorded _____, in Official Records Book _____, Page _____ in the Records.
4. UCC Financing Statement Reflecting Borrower, as debtor, recorded in Official Records Book _____, Page _____ in the Records.
5. UCC Financing Statement reflection Borrower, as debtor, filed with the _____ Secretary of State under File No. _____.
6. [LIST ANY OTHER LOAN DOCUMENTS HERE]

Non-Negotiable

EXHIBIT E

NOTICE OF ASSIGNMENT OF LOAN

_____, 2011

Re: Loan in original principal amount of \$ _____ made by
_____ to _____

Dear Sir or Madam:

Please be advised that we have sold the above referenced Loan to _____, a
_____.

From and after the date of this notice, all payments under your Loan should be made to the order of
_____ and mailed to:

Thank you for your attention in this matter,

Sincerely,

By: _____
Name: _____
Title: _____

Non-Negotiable