

BAILEE LETTER

Loan No.:

BAILEE LETTER

Date:

Investor Name: Flanagan State Bank

Investor Address: 333 Chicago Road

Investor City, State, Zip: Paw Paw, IL 61353

Borrower:

Co-Borrower:

My Mortgage Company hereby conditionally tenders to you as bailee and agent for My Mortgage Company the notes and related complete files for mortgage loans on the attached schedule. This letter shall apply to and govern each mortgage originated by My Mortgage Company pursuant to warehousing accommodations delivered to you by My Mortgage Company. If you do not, upon receipt of the Mortgage Note, immediately return the Mortgage Note attached to this Bailee Letter you, your successors, assigns or any other party deemed to be acting on your behalf shall be considered to have accepted the terms of this bailment.

Your further agree, except as stated herein, to not take action to sell, transfer, encumber or endorse same without obtaining the prior consent of My Mortgage Company. The rights and security interest of Flanagan State Bank in the Mortgage Note shall continue until final payment in good funds to purchase such Mortgage Loan has been made by Flanagan State Bank and accepted by My Mortgage Company. Title to the Mortgage Note shall pass to Flanagan State Bank only after My Mortgage Company has received proper remittance for the Mortgage Note as per the following wire transfer instruction. You have the option to purchase the mortgage loans within 10 days from this date on condition that you wire the proceeds of said purchase to:

ABA #:

Account #:

Upon receipt of proceeds by My Mortgage Company, we agree that the conditions of delivery will have been satisfied and that you will be discharged of further obligation to us as bailee and agent for My Mortgage Company as to said note.

My Mortgage Company has purchased or holds a perfected security interest in the mortgage loan and delivers the mortgage loans to you in bailment but does not assume or agree to perform any obligation to you or does it make any warranty to you, except as expressly state herein.

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Unless and until you buy and pay for the loan, My Mortgage Company shall retain full ownership thereof or retain its perfect security interest therein and you shall hold possession of each loan and the documentation evidencing the same as agent and bailee for and on behalf of My Mortgage Company.

This letter is also to set forth the conditions to the release of our interest in such loan. Upon confirmed transmittal by wire to the account referenced above in the amount of \$ _____ any security interest, claim, lien, encumbrance or other related interest, which we have in such note, the note representing such loan, and the mortgage securing such note, will be released, terminated and discharged without further action. We will have no further claim with respect to such loan, note and mortgage from and after such wiring.

If payment by Flanagan State Bank of the Purchase Price for the Mortgage Note, delivered to you and under this Bailee Letter in which My Mortgage Company has a security interest, is not made to My Mortgage Company within ten business days of the delivery of the Mortgage Note and other pertinent loan documentation, the Mortgage Note and other pertinent loan documentation shall be returned to My Mortgage Company. In the even this loan is unacceptable to you or if you fail to complete purchase and payment within 90 days, you as bailee and agent must return such mortgage loan and its file to:

Sincerely,

By: _____

Name:

Title: Owner

Acknowledgement

Flanagan State Bank hereby acknowledges receipt of the foregoing notice it is bailee for the My Mortgage Company in respect of the promissory note, executed by Flanagan State Bank and payable to the order of our endorsed by its payee to be payable to the order of My Mortgage Company, and which has been endorsed by My Mortgage Company. We are not accepting the loan for which we were originally agreeing to purchase and are today faxing a copy of the executed and property endorsed note to My Mortgage Company and mailing the original.