

Broker Agreement

This Broker Agreement (the "Agreement") is entered into by and between DFI Capital, its affiliates, and Broker.

RECITALS

A. DFI Capital is in the business of accepting from mortgage loan brokers fully processed applications (which include all documents relating to the application) (each an "Application") for loans secured by deeds of trusts or mortgages encumbering one-to-four unit, multi-unit, and/or commercial properties (the "Loans").

B. Broker is in the business of originating, processing, and preunderwriting Loans.

C. Broker desires to submit to DFI Capital, from time to time, on a nonexclusive basis, Applications for Loans to be closed and funded by DFI Capital in DFI Capital's name or that of its investors, pursuant to the terms of this Agreement.

TERMS OF AGREEMENT

1. TERM

This Agreement shall commence upon receipt of approval and shall continue until terminated. This Agreement may be terminated by either party at any time. Notwithstanding any provision in this Agreement to the contrary, all obligations which arose under this Agreement prior to its termination will survive the termination, including but not limited to, all representations warranties, and covenants and indemnification obligations. No grounds for termination are necessary, and it may be with or without cause.

2. COMPENSATION

DFI Capital shall compensate Broker for the performance of its duties under this Agreement on the basis of a compensation schedule to be established by DFI Capital from time to time and subject to change without notice. Any fees or other compensation to be received by Broker for performance of its obligations under this Agreement will be paid by DFI Capital after deducting all fees and charges due DFI Capital, if any. Under no circumstance will DFI Capital be obligated to pay Broker a fee in excess of the reasonable value of the goods, services, or facilities provided. DFI Capital is not obligated to pay Broker until after the security instrument has been recorded.

3. GENERAL REPRESENTATIONS, WARRANTIES AND COVENANTS OF BROKER

3.1. Subject to the terms and conditions of this Agreement, DFI Capital may close and fund Loans submitted by Broker that meet all criteria of DFI Capital's applicable underwriting guidelines and policies and procedures in effect at the time the Loan is closed and funded by DFI Capital. The documents evidencing any such Loan will reflect only DFI Capital as the creditor. Broker acknowledges that DFI Capital will not be obligated to fund any Loan submitted to DFI Capital under this Agreement unless DFI

Capital has reviewed, approved and determined that the Loan meets DFI Capital's underwriting policy and procedure guidelines.

3.2. If Broker is a corporation, limited liability company or other form of legal business entity, Broker is, and shall continue during the term of this Agreement to be duly organized, validly existing and in good standing under the laws of the state governing its creation and existence. Broker is duly qualified to transact business and is in good standing in the state in which the property which serves as security for the Loan transaction is located, holds all necessary licenses in that jurisdiction to perform the acts contemplated under this Agreement, and is in full compliance with the laws of that state. Broker has all requisite power, authority and capacity legally required to enter into this Agreement and to perform the obligations required of it under this Agreement.

3.3. There is no litigation or investigation pending or, to Broker's knowledge, threatened which if determined adversely to Broker, would adversely affect the execution, delivery or enforceability of this Agreement or the ability of Broker to perform all of its obligations under this Agreement or which would have a material affect on Broker's financial condition.

3.4. Notwithstanding any provision in this Agreement to the contrary, Broker will not solicit borrowers whose Loans Broker submitted to and closed by DFI Capital for a period of 12 months after the date of funding. If Broker violates this representation, warranty and covenant, DFI Capital will be entitled to seek injunctive relief against Broker and a refund of any compensation or fees Broker received in connection with the Loans, in addition to any other remedies or damages available. Promotions undertaken by Broker or any affiliate of Broker which are directed to the general public at large including, without limitation, mass mailing based on commercially acquired mailing lists, newspaper, radio and television advertisements shall not constitute solicitation under this Agreement.

3.5. Broker represents and warrants that with regard to Broker's activities in general, and the Loan Applications in particular, that Broker has complied with all applicable federal, state and local laws, regulations and rules, including, without limitation, applicable state lending and licensing laws, the Federal Fair Housing Act, Real Estate Settlement Procedures

Act, Truth-In-Lending Simplification Act, Equal Credit Opportunity Act, Consumer Credit Protection Act, and Flood Disaster

Protection Act, all as amended from time to time. Broker will maintain in its possession for DFI Capital's inspection, and will provide DFI Capital on demand, evidence of compliance not previously provided to DFI Capital. Broker is conversant with all relevant Fair Lending laws and regulations and will not discriminate during the course of its loan origination activities. Broker acknowledges that DFI Capital will monitor loan submissions in terms of Fair Lending performance and reserves the right to terminate this Agreement for Broker's failure to comply with any and all Fair Lending laws and regulations or DFI Capital's Fair Lending policies.

3.6. Except as otherwise noted in this Agreement, Broker shall, during the term of this Agreement, be responsible for and shall pay in full, costs and expenses directly or indirectly incurred in performing its duties hereunder. Broker shall have no right to reimbursement of any such costs or expenses unless DFI Capital otherwise agrees to such in writing.

Broker shall be liable for all costs, expenses and fees incurred for, including but not limited to, appraisals, including review appraisals, if requested by DFI Capital and credit reports ordered on any Loan applicants solicited by Broker if such costs, expenses or fees are not paid by the Loan applicant. Upon termination of this Agreement, any such unpaid costs, expenses or fees may be deducted by DFI Capital from any earned but unpaid compensation otherwise due Broker under this Agreement. All costs, fees and expenses incurred and payable to third parties in connection with the processing of Loan Application have been paid and DFI Capital shall have no liability for such costs, fees and expenses.

3.7. All fees charged to borrowers are appropriate and reasonably related to the value of the services rendered and comply with all federal and state statutes and regulations. Broker additionally warrants to DFI Capital that broker has obtained the written consent of each borrower to obtain a credit report for or on behalf of such borrower.

3.8. Broker shall provide DFI Capital upon its request any information reasonably requested by DFI Capital to confirm that Broker remains fully licensed, in good standing and solvent.

3.9. Broker shall conduct its affairs in connection with the Loans so as to avoid any perceived ethical improprieties or conflicts of interest. In keeping with this requirement, Broker shall disclose, in writing, at the time of Loan submission to DFI Capital, any and all personal and/or monetary involvement in the transactions(s) associated with, or surrounding, the Loan.

3.10. All information submitted by Broker to DFI Capital with regard to the Loan Applications and Loans, including all written materials and financial statements, are represented and warranted by Broker to be true, correct, then currently valid and genuine to the best of Broker's knowledge and belief.

3.11. Broker has no knowledge with respect to any Loan, the applicant(s) for any Loan, or the property that serves as security for any Loan that can reasonably be expected to cause an institutional secondary mortgage market investor to regard the purchase of the Loan as an unacceptable investment, cause any Loan to become delinquent, or adversely affect the value or marketability of any such Loan.

4. MISCELLANEOUS

4.1. If any legal action or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, the successful or prevailing party or parties shall be entitled to reasonable attorneys' fees and other costs incurred in that action or proceeding, in addition to any other relief to which it or they may be entitled.

4.2. All questions regarding the validity, interpretation, or performance of any of the terms of this Agreement or of any rights or obligations of the parties shall be governed by and construed in accordance with California law. Any action between the parties relating to or arising under this Agreement shall be tried in the federal or state courts located in Riverside County, California.

4.3. The rights and obligations of Broker under this Agreement may not be assigned, including by operation of law, without DFI Capital's prior written consent.

4.4. Failure or delay in exercising any right shall not act as a waiver of any right, nor shall any single or partial exercise of any right preclude any other or further exercise thereof. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver. Remedies herein are deemed as cumulative and nonexclusive of each other.

4.5. If any provision of this Agreement is held invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.

4.6. Nothing contained in this Agreement shall be deemed to create, nor shall this Agreement be construed so as to create, a joint venture, partnership, agency or employment relationship between DFI Capital and Broker. Broker shall conduct business under its own name and not in the name of DFI Capital. Broker shall not represent that its office is an office or branch of DFI Capital or in any other way connected with DFI Capital. Broker shall have no authority to execute documents on behalf of DFI Capital or to bind DFI Capital in any respect.

4.7. Broker agrees to pay, defend and hold harmless DFI Capital for any loss or damage incurred by DFI Capital as a result of any breach by Broker of any representation or warranty contained in this Agreement.

4.8. Broker's covenants, representations and warranties contained in this Agreement shall survive termination of this Agreement and DFI Capital's subsequent sale or assignment of any Loan. In the event DFI Capital assigns any of its rights in any Loans to a third party, that third party and all subsequent assignees shall have the same rights as DFI Capital under this Agreement.

4.9. All notices required herein shall be in writing and shall be deemed to have been given, made, and received only upon delivery, if personally delivered to party, one business day after the date of dispatch, if by facsimile transmission, one business day after deposit, if delivered by nationally recognized courier service offering guaranteed overnight delivery, or three business days after the deposit in the United States mail, if sent via certified mail, postage prepaid, return receipt requested.

4.10. This Agreement shall be construed as though drafted by both parties and shall not be construed against or in favor of any party.

4.11. Captions and paragraph headings herein are for convenience only, and shall not be used in construing this Agreement.

4.12. This Agreement, together with DFI Capital's Loan program guidelines as amended from time to time, constitute the entire Agreement between the parties pertaining to the subject matter contained herein and therein and supersede all prior and contemporaneous agreements, representations, and understandings. No supplement, modification, or amendment shall be binding unless executed in writing by both parties.

4.13. This Agreement shall not be effective until accepted by DFI Capital, as evidenced by the signature of DFI Capital's authorized officer in the space below.

4.14. DFI Capital conducts verification of brokers licensing and asset background information through State, and Federal regulatory and law enforcement agencies. Broker hereby releases all information contained in this application for such purposes.

BROKER:

Authorized Officer Name	Title
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Authorized Signature	Date
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DFI CAPITAL:

Authorized Officer Name	Title
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Authorized Signature	Date
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