

FIRST AMENDED NOTICE OF RESCISSION OF CONTRACT

THIS NOTICE IS GIVEN PURSUANT TO CALIFORNIA CIVIL CODE, §§ 1691(a) & 1691(b) AND PERTAINS TO THAT CERTAIN REAL PROPERTY LEGALLY DESCRIBED AS:

Lot 19, Tract 19795, in the City of Bellflower, County of Los Angeles, State of California, as per map recorded in Book 518, Pages 1 and 2 of maps, in the office of the County Recorder of said County.

COMMONLY KNOWN AS 10418 Ives Street Bellflower, California 90706 - A.P.N. 6275-014-004

I, the undersigned, as Administrator for the Estate of Verna Gladys Kroemer Krage, owner of the above described property, and as "BORROWER" in the "NOTE" (hereinafter, "Contract"), and "TRUST DEED" referenced in document number 20071147614 recorded in the official records of Los Angeles county, wherein "Val-Chris Investments, Inc." was the "LENDER":

HEREBY GIVE NOTICE that said Promissory Note, and subsequently the Trust Deed and all other documents, executed on May 3, 2007, are hereby rescinded for multiple reasons including misrepresentation, fraud, Truth-in-Lending Act (hereafter "TILA") violations, and errors in the notice of the 3 day right to cancel. In a letter from the Lender's Lawyer, concerns were expressed: this amended notice addresses those concerns.

Specifically, after the Borrower signed loan documents on May 3, 2007, the lender requested 3 additional Disclosures from the Borrower, which Borrower supplied on May 7 and May 8, 2007. Consequently, consummation by the Lender did not occur until about May 9, 2007, and a Notice of Right to Cancel with a cutoff date of about May 14, 2007 should have been supplied, but was not. As a result the Right to Cancel under TILA was extended for 3 years. (Exhibits were supplied in Borrower's QWR letter of 2/27/08).

Additionally, charges were included in the Prepaid Finance Charge that were specifically excluded by 12 C.F.R 226.4(c)(7) and 15 USC § 1605(e)(2)..(e.g. Escrow, Sub-Escrow, Doc Prep, Loan Tie In, Notary). This caused the "Amount Financed" to be understated in the TILA Disclosure by at least \$1,375, giving a second right to rescission under TILA, especially after Lender's filing of a Notice of Default on 1/23/08.

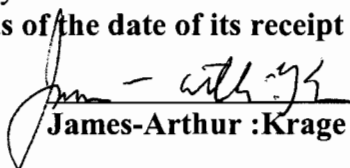
Other Padded Fees (Secret Profits), etc are Misrepresentation, grounds for Rescission under California Law.

Also, Lender Val-Chris appears to have breached contract, violated the Real Estate Settlement Practices Act, mishandled trust funds, breached fiduciary duties, committed fraud as a cover-up, received unjust enrichment, interfered in the performance of a contract, and violated the Fair Debt Collection Practices Act. Val-Chris failed to cure these defects and mitigate damages after many offers of Opportunities to Cure, including a final Notice and Demand sent 2/1/08, which Val-Chris has now defaulted in answering.

Therefore, under the provisions of California Civil Code sections 1689(b)(1), 1689(b)(5), 1689(b)(7), and 12 C.F.R. 226.23 the Note, and subsequently the Trust Deed and other loan documents, is hereby rescinded.

This notice shall be deemed effective as of the date of its receipt by Val-Chris or its successor in interest.

DATED: March 4, 2008


James-Arthur :Krage

STATE OF CALIFORNIA

LOS ANGELES COUNTY } SS.

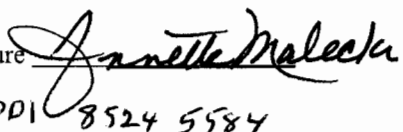
On March 4, 2008 before me ANNETTE MALECKI Notary Public,

personally appeared James-Arthur : Krage who 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 by 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct..

WITNESS my hand and official seal.

Signature



sent Certified Mail # 7007 1490 0001 8524 5584

