

Loan # [REDACTED]
MIN # [REDACTED]

LOAN MODIFICATION AGREEMENT (Providing for Adjustable Interest Rate)

This Loan Modification Agreement ("Agreement"), made this **1ST** day of **MARCH, 2009** (the "Effective Date"), between [REDACTED]

(collectively "Borrower") and American Home Mortgage Servicing, Inc. as Servicer ("Loan Servicer"), modifies (1) the mortgage, deed of trust, or security deed (the "Security Instrument") dated **AUGUST 5, 2005** and (2) the promissory note (the "Note"), bearing the same date as, and secured by, the Security Instrument (the Borrower's obligation under the Note, Security Instrument and this Agreement hereinafter referred to as the "Loan"), which covers the real and personal property located at [REDACTED], **CORONA, CALIFORNIA 92882**
(Property Address)

more fully described in the Security Instrument and defined therein as the "Property." All capitalized terms in this Agreement shall have the same meanings as set forth in the Note and Security Instrument, unless defined in this Agreement; all schedules and exhibits attached to this Agreement are incorporated into and made part of this Agreement; and all references to this Agreement include the schedules and exhibits.

THE NOTE CONTAINS PROVISIONS ALLOWING FOR CHANGES IN THE INTEREST RATE AND THE MONTHLY PAYMENT. THE NOTE (AS MODIFIED BY THIS AGREEMENT) LIMITS THE AMOUNT THE BORROWER'S INTEREST RATE CAN CHANGE AT ANY ONE TIME AND THE MAXIMUM RATE THE BORROWER MUST PAY.

In consideration of the mutual promises and agreements exchanged, Loan Servicer and Borrower hereto agree that the Note and Security Instrument shall be modified hereby as follows:

1. As of **MARCH 1, 2009**, the amount payable under the Note and the Security Instrument (the "New Principal Balance") is U.S. \$ **349,889.00**, consisting of the unpaid amount(s) loaned to Borrower by Lender plus any accrued and unpaid interest and other amounts capitalized as set forth in Schedule "A," attached hereto and made a part hereof.
2. Borrower promises to pay the New Principal Balance, plus interest, to the order of Loan Servicer. Interest will be charged on the New Principal Balance at the yearly rate of **5.000 %**, from **MARCH 1, 2009**, until the fifth Change Date after the Effective Date, at which time the interest rate Borrower will pay may change in accordance with the terms of the Note as amended by this Agreement. The interest rate Borrower will pay may then change on each subsequent Change Date in accordance with the terms of the Note as amended by this Agreement. Borrower promises to make monthly payments of principal and interest of U.S. \$ **1,987.65** (plus any amounts due for taxes and insurance as set forth in Schedule "A"), beginning on the **1ST** day of **APRIL, 2009**, until the above-referenced Change Date, at which time the amount of Borrower's monthly payments may also change in accordance with the terms of the Note as amended by this Agreement. If Borrower receives an ARM adjustment notice prior to the payment beginning date indicated in the preceding sentence, Borrower should ignore such notice and make payments in accordance with this Agreement. The amount of Borrower's monthly payments may then change on each subsequent Change Date in accordance with the terms of the Note as amended by this Agreement, but in no event will Borrower's interest rate after any Change Date be greater than **11.000 %** or less than **5.000 %**.

← Interest Rate was: 7.75%
→ Payment was: \$ 4,337-

- ~~CONFIDENTIAL~~
- (h) In addition to and simultaneously with Borrower's monthly payments of principal and interest as set forth in paragraph 2 above, Borrower shall be required pay to Loan Servicer, until such time as the New Principal Balance and interest are paid in full, a sum to provide for payment of amounts due for (i) yearly taxes and assessments which may attain priority over the Security Instrument as a lien on the Property, and (ii) yearly hazard or property insurance premiums, all in accordance with the terms and conditions of the Security Instrument. A waiver of this requirement by Loan Servicer as of the Effective Date shall not constitute a waiver of such requirement at any future date, and Loan Servicer specifically reserves the right, in its sole and absolute discretion, to impose such requirement at any time upon written notice to Borrower.
 - (i) Borrower shall make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement.
5. Borrower and Loan Servicer understand, acknowledge and agree that:
- (a) Time is of the essence of this Agreement, in particular the receipt by Loan Servicer of this Agreement, fully executed by Borrower and any Non-Obligor Mortgagors (as such term is defined below), and the sums due under subparagraphs 4(e) and 4(f) above.
 - (b) Loan Servicer represents that it has the authority to enter into this Agreement on behalf of the Note Holder.
 - (c) The terms, clauses, conditions and provisions of this Agreement are binding upon and shall inure to the benefit of all assignees, successors-in-interest, personal representatives, estates, administrators, heirs, devisees, and legatees of each of the parties hereto.
 - (d) Except as is otherwise provided for herein, this Agreement constitutes the entire agreement between the parties with reference to the subject matter hereof, and supersedes any prior agreement, oral or written, with respect thereto; and, in entering into this Agreement, no party is relying upon any representation, warranty, agreement, or covenants not set forth herein.
 - (e) This Agreement may be signed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.
6. To the extent that any word, phrase, clause, or sentence of this Agreement shall be found to be illegal or unenforceable for any reason, such word, phrase, clause, or sentence shall be modified or deleted in such a manner so as to make the Agreement, as so modified, legal and enforceable under applicable law, provided that should such modification or deletion materially diminish the benefit of this Agreement to either Loan Servicer, Note Holder or Borrower, the Agreement shall be of no force or effect and the relationship of Loan Servicer, Note Holder and Borrower shall be entirely governed by the provisions of the Note and Security Instrument.
7. This Agreement shall be of no force or effect, and no action will be taken by Loan Servicer to cease collection activities relating to the Loan, unless and until Loan Servicer has received this Agreement, fully executed and initialed by the Borrower and any Non-Obligor Mortgagors, no later than **MARCH 4, 2009**. This Agreement is not considered "received" by Loan Servicer unless and until it has been delivered to Loan Servicer at **4875 Belfort Road, Suite #130, Jacksonville, FL 32256** and internally date stamped.

- [REDACTED]**
3. Borrower will continue to make monthly payments on the same day of each succeeding month until the New Principal Balance and interest are paid in full, except that, if not sooner paid, the final payment of principal and interest shall be due and payable on **SEPTEMBER 01, 2035**, the "Maturity Date." If on the Maturity Date Borrower still owes amounts under the Note and the Security Instrument, as amended by this Agreement, Borrower will pay these amounts in full on the Maturity Date.
 4. Borrower understands, acknowledges and agrees that:
 - (a) All the rights and remedies, stipulations, and conditions contained in the Security Instrument relating to default in the making of payments under the Note and Security Instrument shall also apply to default in the making of the modified payments under this Agreement.
 - (b) Except as herein modified, all covenants, agreements, stipulations, and conditions in the Note and Security Instrument shall be and remain in full force and effect and none of Borrower's obligations or liabilities under the Note and Security Instrument shall be diminished or released by any provisions hereof. Borrower will comply with all covenants, agreements, and requirements of the Security Instrument, including without limitation, Borrower's covenants and agreements to make all payments of taxes, insurance premiums, assessments, escrow items, impounds, and all other payments that Borrower is obligated to make under the Security Instrument. This Agreement shall not in any way impair, diminish, or affect any of Loan Servicer's or Note Holder's rights or remedies under the Note and Security Instrument, whether such rights or remedies arise thereunder or by operation of law and all rights of recourse to which Loan Servicer and Note Holder are presently entitled against the Property, Borrower, any other property or any other persons in any way obligated for, or liable on, the Note and Security Instrument, are expressly reserved by Loan Servicer and Note Holder.
 - (c) Borrower has no right of set-off or counterclaim against Note Holder or Loan Servicer, or any defense to the obligations of the Note or Security Instrument.
 - (d) Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Note and Security Instrument.
 - (e) All costs and expenses incurred by Loan Servicer in connection with this Agreement, including but not limited to property inspection fees and attorney's fees, shall be paid by the Borrower to Loan Servicer and, to the extent such fees are deferred or become part of the New Principal Balance, shall be secured by the Security Instrument. The type and amount of such fees, and the manner in which they are paid by Borrower, are set forth in Schedule "A."
 - (f) If not prohibited by the law of the state(s) where the Property and Borrower are located, a modification fee or, alternatively, a document preparation fee, over and above the costs and expenses set forth in (e) above, shall be paid by Borrower to Loan Servicer, and, to the extent such fee becomes part of the New Principal Balance, shall be secured by the Security Instrument. The type and amount of such fee, and the manner in which it is paid by Borrower, is set forth in Schedule "A".
 - (g) The fees, costs and expenses as set forth in subparagraphs 4(e) and 4(f) above shall be deferred until the Loan is paid in full, added to the New Principal Balance, and/or paid by Borrower prior to the Effective Date, all as set forth in Schedule "A."

Loan Modification Agreement Schedule A

Name of Borrower(s): XXXXXXXXXX

Loan Number: XXXXXXXXXX

DESCRIPTION OF TOTAL AMOUNT DUE	AMOUNT DUE
Current Principal Balance	\$335,831.74
Total Amount Capitalized	\$14,057.26
NEW PRINCIPAL BALANCE	\$349,889.00

BALLOON LOAN DISCLOSURES (if applicable)

Amortizing Amount	\$349,889.00
Deferment Amount	\$0.00
Total Balloon Payment *	\$0.00

* The Balloon Payment is subject to change if your loan contains a variable rate feature.

ITEMIZATION OF AMOUNT DUE	Deferred Amount	Capitalized Amount
Delinquent Interest From 9/1/2008 To 2/28/2009		\$13,013.46
Attorney Fee/Costs	\$0.00	\$0.00
Delinquent Taxes / Unpaid Insurance	\$0.00	\$0.00
Modification Fee / Document Preparation Fee	\$0.00	\$500.00
Title Property Report / Policy	\$0.00	\$0.00
Property Preservation	\$0.00	\$0.00
Property Inspection	\$0.00	\$0.00
Broker Price Opinion (BPO) (Estimated Value of Property)	\$0.00	\$105.00
Borrower Interview	\$0.00	\$0.00
Interest on Secured Advances (AHMS) paid funds on behalf of borrower)	\$0.00	\$0.00
Late Charges	\$0.00	\$433.80
Demand Fee	\$0.00	\$0.00
Fax Fee	\$0.00	\$5.00
Non-Sufficient Funds (NSF) (Returned Check Fees)	\$0.00	\$0.00
TOTALS	\$0.00	\$14,057.26
	Borrower Contribution	\$0.00
	Mortgage Insurance Contribution	\$0.00
	Total Amount Capitalized	\$14,057.26

New Principal and Interest Payment Effective : ** 4/1/2009	\$1,987.65
Monthly Tax Payment ***	\$0.00
Monthly Insurance Payment ***	\$0.00
Monthly Mortgage Insurance Payment	\$0.00
Total Payment	\$1,987.65

** If your loan contains an variable rate feature, your monthly principal and interest payment is subject to change based on the terms of the Note and Modification Agreement.

*** Includes estimated amount for the monthly escrow payment (which is subject to change).

Borrower Initials here: _____

Non-Obligor Initials here: _____



P.O. Box 631730
Irving, Tx 75063-1730

February 19, 2009

[REDACTED]
[REDACTED]

FELDMAN LAW CENTER
C/O STEVEN FELDMAN
27201 PUERTA RIAL STREET ST200
MISSION VIEJO CA 92691

Re: Loan Modification Agreement
Loan Number: [REDACTED]

Dear: [REDACTED]

I am pleased to advise you that your request for a loan modification has been approved. The terms of the modification will be as follows:

ADJUSTABLE Interest Rate	5.000%
Term:	318
Maturity Date:	09/01/2035
New Principal Balance	\$349,889.00
New P & I:	\$1,987.65
Estimated Monthly Escrow Deposit:	\$0.00
New Total Monthly Payment:	\$1,987.65
First Payment Due Date:	04/01/2009

Your loan modification approval was based on a contribution in the amount of **\$0.00** which was received on **00/00/0000**. This contribution will be applied to the outstanding fees and balances on your loan. Also, as a condition of your modification, American Home Mortgage Servicing, Inc. may establish a mandatory escrow account for the life of the loan.

One original of the Modification Agreement should be signed, notarized if needed and returned to our office in the enclosed pre-paid envelope. The executed and notarized (if needed) Modification Agreements are due in our office by **03/04/2009**.

If you have questions concerning this letter, please contact me at **(888) 275 -2648**.

Loan Management Consultant
Home Retention Team