

Investor Loan # [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

This document was prepared by Matthew Berger

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**HOME AFFORDABLE MODIFICATION AGREEMENT
(Step Two of Two-Step Documentation Process)**

Borrower ("I"): [REDACTED]

Lender ("L"): [REDACTED] Mortgage, Inc.

Date of first [REDACTED] Instrument ("Mortgage") and Note ("Note"): 05/10/07

Loan Number: [REDACTED]

Property Address (and Legal Description if recordation is necessary) ("Property"):

[REDACTED]
FALLBROOK, CA 92028-4214

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PARCEL A:

Parcel 2 of Parcel Map No. [REDACTED] in the County of San Diego, State of California, in the Office of the County Recorder of San Diego County, on April 30, 1981, being a portion of Parcel 4 as shown on a Parcel Map filed in Book of Parcel Maps at Page 7584 in the Office of the County Recorder on July 13, 1978.

PARCEL B:

An easement and right of way for road, sewer, water, gas, power, telephone and cable television lines and appurtenances thereto over, under, along and across the Easterly 20.00 feet of [REDACTED], in the County of San Diego, State of California, as shown at Page [REDACTED] of Parcel Maps, filed in the Office of the County Recorder of San Diego County, May 12, 1977.

PARCEL C:

An easement and right of way for road, sewer, water, gas, power, telephone and cable television lines and appurtenances thereto over, under, along and across the Southerly 26.00 feet of Parcel 1 and the Southerly 26.00 feet and the Easterly 20.00 feet of [REDACTED] and the Westerly 20.00 feet of Parcel 3, all being in the County of San Diego, State of California, as shown at Page [REDACTED] Parcel Maps, filed in the Office of the County Recorder of San Diego County, March 10, 1977.

PARCEL D:

An easement and right of way for road, sewer, water, gas, power, telephone and cable television lines and appurtenances thereto over, under, along and across the Westerly 40.00 feet and the Northerly 26.00 feet of Parcel 2, and the Northerly 26.00 feet of [REDACTED], all being in the County of San Diego, State of California, as shown at [REDACTED] of Parcel Maps, filed in the Office of County Recorder of San Diego County, October 17, 1975.

"MERS" is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for lender and lender successors and assigns. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P. O. Box 2026, Flint, Michigan 48501-2026, (888) 679-MERS.

If my representations in Section 1 continue to be true in all material respects, then this Home Affordable Modification Agreement ("Agreement") will, as set forth in Section 3, amend and supplement (1) the Mortgage on the Property, and (2) the Note secured by the Mortgage. The Mortgage and Note together, as they may previously have been amended, are referred to as the "Loan Documents." Capitalized terms used in this Agreement and not defined have the meaning given to them in Loan Documents.

I understand that after I sign and return two copies of this Agreement to the Lender, the Lender will send me a signed copy of this Agreement. This Agreement will not take effect unless the preconditions set forth in Section 2 have been satisfied.

1. My Representations. I certify, represent to Lender and agree:

A. I am experiencing a financial hardship, and as a result, (i) I am in default under the Loan Documents, and (ii) I do not have sufficient income or access to sufficient liquid assets to make the monthly mortgage payments now or in the near future;

1. If there is more than one Borrower or Mortgagee executing this document, each is referred to as "I". For purposes of this document words signifying the singular (such as "I") include the plural (such as "we") and vice versa where appropriate.



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- B. I live in the Property as my principal residence, and the Property has not been condemned;
- C. There has been no change in the ownership of the Property since I signed the Loan Documents;
- D. I have provided documentation for all income that I receive (and I understand that I am not required to disclose child support or alimony unless I chose to rely on such income when requesting to qualify for the Home Affordable Modification program ("Program"));
- E. Under penalty of perjury, all documents and information I have provided to Lender in connection with this Agreement, including the documents and information regarding my eligibility for the Program, are true and correct;
- F. If Lender requires me to obtain credit counseling in connection with the Program, I will do so; and
- G. I have made or will make all payments required under a Trial Period Plan or Loan Workout Plan.

2. **Acknowledgements and Preconditions to Modification.** I understand and acknowledge that:

- A. TIME IS OF THE ESSENCE under this Agreement;
- B. If prior to the Modification Effective Date as set forth in Section 3 the Lender determines that my representations in Section 1 are no longer true and correct, the Loan Documents will not be modified and this Agreement will terminate. In this event, the Lender will have all of the rights and remedies provided by the Loan Documents; and
- C. I understand that the Loan Documents will not be modified unless and until (i) I receive from the Lender a copy of this Agreement signed by the Lender, and (ii) the Modification Effective Date (as defined in Section 3) has occurred. I further understand and agree that the Lender will not be obligated or bound to make any modification of the Loan Documents if I fail to meet any one of the requirements under this Agreement.

3. **The Modification.** If my representations in Section 1 continue to be true in all material respects and all preconditions to the modification set forth in Section 2 have been met, the Loan Documents will automatically become modified on 05/01/11 (the "Modification Effective Date") and all unpaid late charges that remain unpaid will be waived. The Loan Documents will be modified and the first modified payment will be due on 06/01/11.

A. The new Maturity Date will be: 10/01/37.

B. The modified Principal balance of my Note will include all amounts and arrearages that will be past due (excluding unpaid late charges) less any amounts paid to the Lender but not previously credited to my Loan. The new Principal balance of my Note will be \$ 618,051.26 (the "New Principal Balance").

C. Interest at the rate of 2.00000% will begin to accrue on the New Principal Balance as of 05/01/11 and the first new monthly payment on the New Principal Balance will be due on 06/01/11.

My payment schedule for the modified Loan is as follows:

Years	Interest Rate	Interest Rate Change Date	Monthly Principal and Interest Payment Amount	Estimated Monthly Escrow Payment Amount*	Total Monthly Payment*	Payment Begins On	Number of Monthly Payments
1-5	2.00%	05/01/11	\$2,511.46	\$293.73	\$2,805.19	06/01/11	60

				may adjust periodically	may adjust periodically		
6	3.00%	05/01/16	\$2,769.49	May adjust periodically	May adjust periodically	06/01/16	12
7	4.00%	05/01/17	\$3,030.91	May adjust periodically	May adjust periodically	06/01/17	12
8-26.4	4.75%	05/01/18	\$3,227.13	May adjust periodically	May adjust periodically	06/01/18	233

The above terms in this Section 3.C. shall supersede any provisions to the contrary in the Loan Documents, including but not limited to, provisions for an adjustable or step interest rate.

D. I will be in default if I do not comply with the terms of the Loan Documents, as modified by this Agreement.

E. If a default rate of interest is permitted under the Loan Documents, then in the event of default under the Loan Documents, as amended, the interest that will be due will be the rate set forth in Section 3.C.

4. **Additional Agreements.** I agree to the following:

A. That the persons who signed the Loan Documents or their authorized representative(s) have signed this Agreement, unless a borrower or co-borrower is deceased or the Lender has waived this requirement in writing.

B. That this Agreement shall supersede the terms of any modification, forbearance, Trial Period Plan or Workout Plan that I previously entered into with Lender.

C. To comply, except to the extent that they are modified by this Agreement, with all covenants, agreements, and requirements of Loan Documents including my agreement to make all payments of taxes, insurance premiums, assessments, Escrow Items, impounds, and all other payments, the amount of which may change periodically over the term of my Loan.

D. That this Agreement constitutes notice that the Lender's waiver as to payment of Escrow Items, if any, has been revoked, and I have been advised of the amount needed to fully fund my Escrow Account.

E. That the Loan Documents are composed of duly valid, binding agreements, enforceable in accordance with their terms and are hereby reaffirmed.

F. That all terms and provisions of the Loan Documents, except as expressly modified by this Agreement, remain in full force and effect; nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the obligations contained in the Loan Documents; and that except as otherwise specifically provided in, and as expressly modified by, this Agreement, the Lender and I will be bound by, and will comply with, all of the terms and conditions of the Loan Documents.

G. That, as of the Modification Effective Date, notwithstanding any other provision of the Loan Documents, I agree as follows: If all or any part of the Property or any interest in it is sold or transferred without Lender's prior written consent, Lender may, at its option, require immediate payment in full of all sums secured by the Mortgage. However, Lender shall not exercise this option if federal law prohibits the exercise of such option as of the date of such sale or transfer. If Lender exercises this option, Lender shall give me notice of acceleration. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which I must pay all sums secured by the Mortgage. If I fail to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Mortgage without further notice or demand on me.