

After Recording Return To:  
Brown & Associates  
2316 Southmore  
Pasadena, TX 77502

This document was prepared by Brown & Associates

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**Space Above This Line For Recording Data**  
**MODIFICATION AGREEMENT**  
**(Step Two of Two-Step Documentation Process)**

Borrower ("I"): [REDACTED]  
Lender or Servicer ("Lender"): Litton Loan Servicing LP  
Date of first lien mortgage, deed of trust, or security deed ("Mortgage") and Note ("Note"): 2/24/2006  
Page 3400 of the Document/Instrument Number 2006-0133437  
Loan Number: [REDACTED]  
Offer ID Number: [REDACTED]  
Property Address ("Property"): [REDACTED] Fallbrook, CA 92028-7867  
Legal Description: SEE ATTACHED EXHIBIT A  
Parcel: [REDACTED]

**MICHAEL GADDIS**

If my representations in Section 1 continue to be true in all material respects, then this 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;
  - B. 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 Modification);

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

- 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 Modification, are true and correct;
- F. If Lender requires me to obtain credit counseling in connection with the Modification, 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. If prior to the Modification Effective Date as set forth in Section 3, the Lender determines that any of my representations in Section 1 are no longer true and correct, the Loan Documents will not be modified and this Agreement will terminate. In that event, the Lender will have all of the rights and remedies provided by the Loan Documents; and
- B. 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 the conditions to the modification set forth in Section 2 have been met, the Loan Documents will automatically become modified on 1/1/2011 (the "Modification Effective Date") and all unpaid late charges that remain unpaid will be waived. I understand that if I have failed to make any payments as a condition to this modification under a workout plan or trial period plan, the modification will not take effect. The first modified payment will be due on 2/1/2011.

- A. The new Maturity Date will be: 3/1/2036
- B. The modified principal balance of my Note will include all amounts and arrearages that will be past due as of the Modification Effective Date (including unpaid and deferred interest, fees, escrow advances and other costs, but excluding unpaid late charges, collectively, "Unpaid Amounts") less any amounts paid to the Lender but not previously credited to my Loan. The new principal balance of my Note will be \$487,014.57 (the "New Principal Balance"). I understand that by agreeing to add the Unpaid Amounts to the outstanding principal balance, the added Unpaid Amounts accrue interest based on the interest rate in effect under this Agreement. I also understand that this means interest will now accrue on the unpaid interest that is added to the outstanding principal balance, which would not happen without this Agreement.
- C. Interest at the rate of 4.125% will begin to accrue on the New Principal Balance as of 1/1/2011 and the first new monthly payment on the New Principal Balance will be due on 2/1/2011. 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	4.125%	1/1/2011	\$2,594.51	\$383.05, may adjust periodically	\$2,977.56, may adjust periodically	2/1/2011	60
6-25	4.750%	1/1/2016	\$2,737.99	May adjust periodically	May adjust periodically	2/1/2016	242