

Prepared by and return to:
HomEq Servicing
Attn: Mod Imaging-CA3507
4837 Watt Avenue
North Highlands, CA 95660

Account Number: [REDACTED]
Record Number: 55244
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Modification Agreement

This Modification Agreement ("Agreement") is made and entered into as of this 29th day of June, 2009 by and between HomEq Servicing ("HomEq") and [REDACTED] ("Borrower")

WHEREAS, HomEq is the holder or servicing agent of the holder of that certain Promissory Note ("Note") dated as of 01/25/2008, executed by Borrower or Borrower's predecessor-in-interest in the original principal amount of \$488,500.00.

WHEREAS, the Note evidences a loan ("Loan") to Borrower or Borrower's predecessor-in-interest and is secured by either a deed of trust or mortgage ("Security Instrument") dated as of 01/25/2008. The Security Instrument encumbers certain real property ("Property") owned by Borrower (and is more specifically described in the Security Instrument).

WHEREAS, due to adverse economic circumstances, Borrower has requested that HomEq adjust the terms of the Note to permit Borrower to meet Borrower's Loan obligations in a full and in a timely manner.

WHEREAS, the requested adjustment will benefit all parties to the Loan and any junior lien holder by providing the Borrower an opportunity to meet the Loan obligations in a manner intended to help the Borrower avoid default on the Loan and the necessity of foreclosure on the Property.



THE LAW OFFICES OF
MICHAEL GADDIS



Account Number: [REDACTED]

Record Number: [REDACTED]

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NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **NOTE MODIFICATIONS:**

(a) **Outstanding Debt:** Borrower agrees that the unpaid principal balance due on the Note of \$487,943.85 shall be adjusted to \$520,204.60 ("New Balance"), to reflect the amount of unpaid interest, late charges, fees and costs, estimated deposits and/or advances for unpaid property taxes and/or insurance premiums (if applicable), less any amounts forgiven or deferred, as reflected on Attachment 'A'. Should estimated deposits for unpaid property taxes or insurance premiums exceed the actual amounts required, the overage will be applied to reduce the New Balance.

Borrower agrees to pay the New Balance to HomeEq and has no defenses, claims or offsets with respect thereto. Interest will accrue on the New Balance at the interest rates, whether adjustable, variable or fixed, provided in the Note, unless modified by this Agreement.

(b) **New Interest Rate:** Effective on 07/01/2009, Borrower's rate of interest will be 4.500% for five (5) years (the "New Interest Rate"). Beginning on the fifth anniversary of the effective date of the New Interest Rate, rate changes will resume in accordance with the Loan documents.

(c) **New Monthly Payments; Payment Adjustments:** Effective with Borrower's monthly payment due 08/01/2009, Borrower's monthly Loan payment will be \$2,369.60. This payment amount does not include additional amounts which may also be due for the payment of taxes and insurance premiums. The taxes and insurance payment amount will be due monthly, together with Borrower's scheduled Loan payment. Borrower agrees that a full payment hereunder and with respect to the Loan shall only be deemed to have been made when funds remitted include the required scheduled Loan payment and monthly portion of taxes and insurance premiums. The monthly payment will adjust in the month following any interest rate change, if applicable.

(d) **Interest Rate and Payment Changes:** Borrower's monthly payment and interest rate remains subject to change during the modification term, as long as the change results in an interest rate that is lesser or equal to the New Interest Rate. Should this condition occur, interest rate and payment changes will take place based on the time frames contained in the original loan documents. A notice of payment change will be sent before the change takes place.

(e) **Payment Amortization Term:** The New Monthly Payment will not fully amortize the New Balance by the Maturity Date and a "balloon" payment will be due at the Maturity Date. This Loan is payable in full at the Maturity Date. You must repay the entire principal balance of the loan and unpaid interest then due.

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2. ESTABLISHMENT OF IMPOUND/ESCROW ACCOUNT:

Borrower acknowledges that HomeEq will establish an impound/escrow account for the collection of property taxes and insurance premiums if such account is not currently in existence. Borrower has been notified of the estimated initial monthly amount that will be due for taxes and insurance and will be notified promptly after execution hereof of the final monthly amount that will be due for these items, if different. The Borrower will be notified of any subsequent changes as they occur.

3. NO OTHER CHANGES:

Except as expressly adjusted by this Agreement, all of the covenants, agreements, stipulations and conditions in the Note and the Security Instrument remain unmodified and in full force and effect without any defense, counterclaim, right or claim of set-off. None of Borrower's obligations or liabilities under the Security Instrument shall be diminished or released by any provisions herein, nor shall this Agreement in any way impair, diminish, or affect any of the Borrower's rights or remedies in the Security Instrument, whether such rights or remedies arise herein or by operation of law.

4. ENTIRE AGREEMENT:

This Agreement constitutes the entire Agreement between the parties regarding the subject matter hereof. Except as otherwise provided herein, this Agreement supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, whether written or oral, of the parties hereto, relating to the Note and Security Instrument.

5. VOLUNTARY EXECUTION:

Borrower is encouraged to review this Agreement with his/her legal advisor prior to signing it, but by signing below Borrower acknowledges and agrees that Borrower has voluntarily signed this Agreement.

IN WITNESS WHEREOF, the undersigned have executed this Modification Agreement as of the date first above written.

BORROWER

Signature: _____

Date: _____

Name: [REDACTED]

BORROWER

Signature: _____

Date: _____

Name: [REDACTED]

HOMEQ SERVICING

Signature: _____

Date: _____

Name: _____

Title: _____