

HomEq Servicing

HomEq Servicing CA3507
4837 Watt Avenue Suite 100
North Highlands, CA 95660

07/30/2010

[REDACTED]
[REDACTED]
MURRIETA, CA 92563

Re: Loan Number: [REDACTED]

Record Number: [REDACTED]

Property: [REDACTED]
MURRIETA, CA 92563

Dear Borrower(s):

In response to your request for assistance, the terms of your loan will be adjusted to assist you during this time of financial difficulty. The attached Agreement has been prepared for your signature(s). Please read the agreement carefully. You may want to review it with a financial advisor before signing. The Agreement includes the following changes being made to your loan:

- Unpaid principal balance
- Principal and interest monthly payment
- Escrow monthly payment amount
- Next Payment Due Date
- Interest rate
- Remaining term

In accordance with the Agreement, your new monthly payment will be due 09/01/2010, in the amount of \$2,223.42. This payment includes \$1,591.34 for the new principal and interest payment and \$632.08 for the estimated impound/escrow payment.

To make the Agreement effective, the following must be received within ten (10) days of the date of this letter:

- The Agreement, signed.
- Attachment A, signed.
- A copy of your most recent property tax bill(s).
- A copy of current homeowner's (and wind/flood if applicable) insurance policy (declaration's page only).

Please return the Agreement to:

HomEq Servicing CA3507
4837 Watt Avenue Suite 100
North Highlands, CA 95660

THE LAW OFFICES OF
MICHAEL GADDIS

If you have any questions regarding the Agreement, please contact us at (800) 795-5125.

Sincerely,

HomEq Servicing

HomEq is a debt collector attempting to collect a debt and any information obtained will be used for that purpose. If this account is subject to a pending bankruptcy proceeding or if you have received a bankruptcy discharge for this account, this communication is for informational purposes only and is not an attempt to collect a debt.

IMPORTANT: You are hereby notified that we may report information about your account to credit reporting agencies. Late payments, missed payments, or other defaults on your account may also be reflected on your credit report.

Account Number: [REDACTED]

Record Number: [REDACTED]

Prepared by and return to:
 HomEq Servicing
 Attn: Mod Imaging-CA3507
 [REDACTED]
 North Highlands, CA 95660

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

This Modification Agreement ("Agreement") is made and entered into as of this 30th day of July, 2010 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 08/14/2007, executed by Borrower or Borrower's predecessor-in-interest in the original principal amount of \$339,100.00.

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 08/14/2007. 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.

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 \$336,106.59 shall be adjusted to \$353,787.40 ("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; any shortage will be carried as a non-interest bearing advance until the Maturity Date.

Borrower agrees to pay the New Balance to HomEq 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 08/01/2010, Borrower's rate of interest will be 3.000% 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 09/01/2010, Borrower's monthly Loan payment will be \$1,591.34. 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



Account Number: [REDACTED]

Record Number: [REDACTED]

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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.

2. ESTABLISHMENT OF IMPOUND/ESCROW ACCOUNT:

Borrower acknowledges that HomeEq may 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. DOCUMENT CORRECTIONS:

Borrower agrees to execute such other documents as may be reasonably necessary to either (i) consummate the terms and conditions of this Agreement or (ii) correct the terms and conditions of this Agreement if an error is detected after execution of this Agreement. Borrower understands that a corrected Agreement will be provided to Borrower and that this Agreement will be void and of no legal effect upon notice of such error. If Borrower elects not to sign any such corrected Agreement, Borrower agrees that the terms of the original Loan documents shall continue in full force and effect; such terms will not be modified by this Agreement.

5. 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.

6. 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.