

LOAN MODIFICATION AGREEMENT
(Providing for Step Rate)

Loan Number: 0153698329

This Loan Modification Agreement ("Agreement"), made as of 11/01/2010 between: [REDACTED] ("Borrower") and Wells Fargo Bank, N.A. ("Lender"), amends and supplements (1) the Mortgage, Deed of Trust, or Security Deed (the "Security Instrument") dated 08/07/2006 and (2) the adjustable rate/fixed rate note (the "Note"), bearing the same date as, and secured by, the Security Instrument, which covers the real and personal property described the Security Instrument and defined therein as the "Property", located at

[REDACTED] SAN DIEGO, CA - 92126

the real property described as that set forth on the Note and Security Instrument.

In consideration of the mutual promises and agreements exchanges, the parties hereto agree as follows (notwithstanding anything to the contrary contained in the Note or Security Instrument):

- As of 11/01/2010, the amount payable under the Note and the Security Instrument (the "New Principal Balance") is U.S. \$489,079.42 consisting of the unpaid amount(s) loaned to Borrower by Lender plus any interest and other amounts capitalized.
- Borrower promises to pay the Unpaid Principal Balance, plus interest, to the order of Lender. Interest will be charged on the Unpaid Principal Balance for the first 5 years of the modified term of the loan at the yearly rate of 3.250% from November 01, 2010, and Borrower promises to pay monthly payments of principal and interest in the amount of \$2,128.48 beginning on the 01 day of December, 2010. My payment schedule for the modified Loan is as follows:

Years	Interest Rate	Interest Rate Change Date	Monthly Principal and Interest Payment	Monthly Escrow Payment Amount	Total Monthly Payment	Payment Begins On	Number of Monthly Payments
1-5	3.250	11/01/2010	\$2,128.48	488.19 adjusts annually after 1 year	2,616.67 adjusts annually after 1 year	12/01/2010	60
6	04.2500	11/01/2015	\$2,366.18	Adjusts Annually	Adjusts Annually	12/01/2015	12
7-30	04.8750	11/01/2016	\$2,516.60	Adjusts Annually	Adjusts Annually	12/01/2016	288

- If all or any part of the Property or any interest in the Property is sold or transferred (or if Borrower is not a natural person and a beneficial interest in Borrower is sold or transferred) without Lender's prior written consent, Lender may require immediate payment in full of all sums secured by the Security Instrument.

If Lender exercises this option, Lender shall give Borrower 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 Borrower must pay all sums secured by the Security Instrument. If Borrower fails to pay these sums prior to the expiration of this period, Lender may invoke any remedies permitted by the Security Instrument without further notice or demand on Borrower.

- Borrower also will comply with all other 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; however, the following terms and provisions are forever canceled, null and void, as of the date specified in paragraph No. 1 above:

- a. all terms and provisions of the Note and Security Instrument (if any) providing for, implementing, or relating to, any change or adjustment in the rate of interest payable under the Note, including, where applicable, the Timely Payment Rewards rate reduction, as described in paragraph 1 of the Timely Payment Rewards Addendum to Note and paragraph A.1. of the Timely Payment Rewards Rider. By executing this Agreement, Borrower waives any Timely Payment Rewards rate reduction to which Borrower may have otherwise been entitled; and
- b. all terms and provisions of any adjustable rate rider, or Timely Payment Rewards Rider, where applicable, or other instrument or document that is affixed to, wholly or partially incorporated into, or is part of, the Note or Security Instrument and that contains any such terms and provisions as those referred to in (a) above.

5. Borrower understands 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 Security Instrument shall also apply to default in the making of the modified payments hereunder.
- b. All covenants, agreements, stipulations, and conditions in the Note and Security Instrument shall be and remain in full force and effect, except as herein modified, and none of the Borrower's obligations or liabilities under the Note and Security Instrument shall be diminished or released by any provisions hereof, nor shall this Agreement in any way impair, diminish, or affect any of Lender's rights under or remedies on the Note and Security Instrument, whether such rights or remedies arise there under or by operation of law. Also, all rights of recourse to which Lender is presently entitled against any property or any other persons in any way obligated for, or liable on, the Note and Security Instrument are expressly reserved by Lender.
- c. 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.
- d. All costs and expenses incurred by Lender in connection with this Agreement, including recording fees, title examination, and attorney's fees, shall be paid by the Borrower and shall be secured by the Security Instrument, unless stipulated otherwise by Lender.
- e. Borrower agrees to make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement which, if approved and accepted by Lender, shall bind and inure to the heirs, executors, administrators, and assigns of the Borrower.



THE LAW OFFICES OF
MICHAEL GADDIS

Wells Fargo Bank, N.A. _____

Lender

Date

By: _____

Date

Date

[Space Below This Line For Acknowledgement]