

Loan # [REDACTED]

LOAN MODIFICATION AGREEMENT (Providing for 60 Month Interest Only Payment)

This Loan Modification Agreement (this "Agreement"), made as of the 1st day of December 2008, (the "Effective Date") between [REDACTED] (collectively, "Borrower") and American Home Mortgage Servicing, Inc., as servicer, ("Loan Servicer"), modifies (1) the mortgage, deed of trust, or security deed (the "Security Instrument") dated April 13, 2006 and (2) the promissory note (the "Note"), bearing the same date as, and secured by, the Security Instrument (Borrower's obligation under the Note, Security Instrument and this Agreement hereinafter referred to as the "Loan"), which Security Instrument covers the real and personal property located at [REDACTED] Menifee, CA, 92584.

(Property Address)

more fully described in the Security Instrument and defined therein as the "Property." All capitalized terms in this Agreement shall have the same meanings as set forth in the Note and Security Instrument, unless defined in this Agreement; all schedules and exhibits attached to this Agreement are incorporated into and made part of this Agreement; and all references to this Agreement include the schedules and exhibits.

In consideration of the mutual promises and agreements exchanged, Loan Servicer and Borrower agree that the Note and Security Instrument shall be modified hereby as follows:

1. As of the Effective Date, the amount payable under the Note and the Security Instrument (the "New Principal Balance") is U.S. \$458,256.97, consisting of the unpaid amount(s) loaned to Borrower by Lender plus any accrued and unpaid interest and other amounts capitalized as set forth in Schedule "A," attached hereto and made a part hereof.
2. Borrower promises to pay the New Principal Balance, plus interest, to the order of Loan Servicer. Interest will be charged on the New Principal Balance at the yearly rate of 5.00% (the "Mod Rate") for the sixty (60) month period from December 1, 2008, up to and including November 30, 2013 (the "Interest Only Period"), at which time the interest rate shall revert to the rate as set forth in the Note (the "Note Rate"), as further provided below. If the Note is a fixed rate note, the Note Rate shall be the rate set forth in the Note from the expiration of the Interest Only Period until all sums evidenced by the Note are paid in full. If the Note is an adjustable rate note, the Note Rate shall be the rate that is scheduled to go into effect on the Change Date next following the end of the Interest Only Period, calculated as if this Agreement had never existed and as thereafter adjusted (all in accordance with the provisions of the Note); however, notwithstanding the foregoing, the Mod Rate shall continue in effect from the expiration of the Interest Only Period until said Change Date (such period, the "Transition Period"). Borrower will make a payment every month. The monthly payment during the Interest Only Period and the Transition Period, as applicable, will consist of interest only at the Mod Rate and will be in the amount of U.S. \$1,909.40 (the "Interest Only Payment") plus any amounts for taxes and insurance as set forth in Schedule "A"; provided, that the one Interest Only Payment due for January 1, 2009 is made in a lump sum upon execution of this Agreement (the "Mod Start Payment"). **AS MORE PARTICULARLY SET FORTH IN PARAGRAPH 7, THIS AGREEMENT SHALL BE VOID AND NOT TAKE EFFECT UNLESS THE MOD START PAYMENT IN THE FORM OF A CASHIER'S CHECK OR CERTIFIED FUNDS, AND THIS AGREEMENT, ARE RECEIVED ON OR BEFORE JANUARY 14, 2009.**

← Interest Rate was: 8.25%

← Payment was: \$3,400-

After the Mod Start Payment is made, the next due Interest Only Payment will be due February, 1, 2009. Beginning on (a) December 1, 2013, with respect to a Note that is a fixed rate note, and (b) the first day of the month following the expiration of the Transition Period, with respect to a Note that is an adjustable rate

Borrower Initials here: _____

Note, and in either case continuing thereafter on the same day of each succeeding month until the New Principal Balance and interest are paid in full (the "Amortizing Period"), the monthly payment will consist of principal and interest at the Note Rate in an amount necessary to amortize the New Principal Balance, as then in effect, over the remaining term of the Loan. Loan Servicer will notify Borrower of the amount of the new monthly payment prior to the beginning of the Amortizing Period. If on May 01, 2036 (the "Maturity Date"), Borrower still owes amounts under the Note and the Security Instrument, as attested by this Agreement, Borrower will pay these amounts in full on the Maturity Date.

3. Borrower will comply with all covenants, agreements, and requirements of Note and 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 canceled, null and void, during the Interest Only Period and the Transition Period, as applicable:
 - (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; and
 - (b) all terms and provisions of any adjustable rate rider, or other instrument or document (if any) 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.
4. Borrower understands, acknowledges 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 Note and Security Instrument shall also apply to default in the making of the modified payments under this Agreement.
 - (b) Except as herein modified, all covenants, agreements, stipulations, and conditions in the Note and Security Instrument shall be and remain in full force and effect and none of 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 Loan Servicer's or Note Holder's rights or remedies under the Note and Security Instrument, whether such rights or remedies arise thereunder or by operation of law. Also, all rights of recourse to which Loan Servicer and Note Holder are presently entitled against the Property, Borrower, any other property or any other persons in any way obligated for, or liable on, the Note and Security Instrument, are expressly reserved by Loan Servicer and Note Holder.
 - (c) Borrower has no right of set-off or counterclaim against Note Holder or Loan Servicer, or any defense to the obligations of the Note or Security Instrument.
 - (d) 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.
 - (e) In addition to and simultaneously with Borrower's monthly payments as set forth in paragraph 2 above, Borrower shall be required pay to Loan Servicer, until such time as the New Principal Balance and interest are paid in full, a sum to provide for payment of amounts due for (i) yearly taxes and assessments which may attain priority over the Security Instrument as a lien on the Property, and (ii) yearly hazard or property insurance premiums, all in accordance with the terms and conditions of the Security Instrument. A waiver of this requirement by Loan Servicer shall not constitute a waiver of such requirement at any future date, and Loan Servicer specifically reserves the right, in its sole and absolute discretion, to impose such requirement at any time upon written notice to Borrower.
 - (f) Borrower shall make and execute such other documents or papers as may be necessary or required to effectuate the terms and conditions of this Agreement.

5. Borrower and Loan Servicer understand, acknowledge and agree that:
- (a) If foreclosure proceedings have been commenced with respect to the Loan, upon payment of the Mod Start Payment and Loan Servicer's receipt of this Agreement, fully executed, Loan Servicer shall forbear from taking any further action in connection with any such foreclosure proceeding. **In consideration of Loan Servicer's forbearance, Borrower hereby expressly waives the right to challenge or contest the foreclosure process initiated by Loan Servicer, Loan Servicer's attorney and/or the foreclosure trustee, including all acts or omissions prior to or subsequent to this Agreement.** Borrower admits and recognizes that any and all postponements of a foreclosure sale, made during the term of this Agreement or in anticipation of this Agreement, are done by mutual consent of Borrower and Loan Servicer and that to the extent allowed by applicable law the foreclosure sale may be postponed from time to time until the loan is fully reinstated or the foreclosure sale is consummated.
 - (b) Time is of the essence of this Agreement, in particular the receipt by Loan Servicer of this Agreement (fully executed by Borrower and any Non-Obligor Mortgagors) and the Mod Start Payment. **There are no grace periods with respect to the Interest Only Payment due under this Agreement, and failure to make timely payments as specified in paragraph 2 constitutes a breach of the terms of this Agreement. Notwithstanding the above, late charges as specified in the Loan Documents will continue to accrue as allowed by applicable law.**
 - (c) If Borrower fails to make any of the payments specified in paragraph 2 on the due dates and in the amount stated, or otherwise fails to comply with each and all of the terms and conditions herein, Loan Servicer, at its sole option, may terminate this Agreement without further notice to Borrower. In such case, all amounts that are owing under the Note and Security Instrument, as amended by this Agreement, shall become immediately due and payable, and Loan Servicer shall be permitted to exercise any and all rights and remedies provided for in the Loan Documents, including, but not limited to, immediate commencement of a foreclosure action without further notice to Borrower, and/or resumption of a pending foreclosure action without further notice to Borrower, and/or conducting a pending foreclosure sale without further notice to Borrower.
 - (d) Loan Servicer represents that it has the authority to enter into this Agreement on behalf of the Note Holder.
 - (e) The terms, clauses, conditions and provisions of this Agreement are binding upon and shall inure to the benefit of all assignees, successors-in-interest, personal representatives, estates, administrators, heirs, devisees, and legatees of each of the parties hereto.
 - (f) Except as is otherwise provided for herein, this Agreement along with the Note and Security Instrument constitutes the entire agreement between the parties with reference to the subject matter hereof, and supersedes any prior agreement, oral or written, with respect thereto; and, in entering into this Agreement, no party is relying upon any representation, warranty, agreement, or covenants not set forth herein.
 - (g) This Agreement may be signed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same Agreement.
6. To the extent that any word, phrase, clause, or sentence of this Agreement shall be found to be illegal or unenforceable for any reason, such word, phrase, clause, or sentence shall be modified or deleted in such a manner so as to make the Agreement, as so modified, legal and enforceable under applicable law, provided that should such modification or deletion materially diminish the benefit of this Agreement to any of Loan Servicer, Note Holder or Borrower, the Agreement shall be of no force or effect and the relationship of Loan Servicer, Note Holder and Borrower shall be entirely governed by the provisions of the Note and Security Instrument.
7. This Agreement shall be of no force or effect, and no action will be taken by Loan Servicer to cease

Loan Modification Agreement Schedule A

Name of Borrower(s):

[REDACTED]

Loan Number:

[REDACTED]

DESCRIPTION OF TOTAL AMOUNT DUE	TOTAL DUE
Current Principal Balance	447381.81
Plus Delinquent Interest Through 11/30/2008:	\$9,783.71
Plus Advances Made for Attorneys' Fees/Costs/Inspections	\$0.00
Plus Escrow (tax and insurance) Shortage (including escrow advances if applicable)	\$0.00
Plus Unpaid Late Charges	\$1,016.45
Plus Other Accrued and Unpaid Fees	\$75.00
Less Suspense Balance (funds held that will reduce amount owed)	\$0.00
New Principal Balance	\$458,256.97

New Mod Payment Amount Effective for the Payments Due 01/01/2009 Through 12/01/2013*:	
Interest Only	\$1,909.40
Monthly Escrow Payment (for Taxes and Insurance)**	\$0.00
Total Payment Applicable During Mod or Interest Only Period**	\$1,909.40

* If your loan is an ARM, this mod payment amount will be in effect through the payment due on the first Change Date that occurs after 11/30/2013.

** Includes estimated amount for the monthly escrow payment (which is subject to change).

Borrowers' Initials _____