

Investor Loan # [REDACTED]

**HOME AFFORDABLE MODIFICATION AGREEMENT
(Step Two of Two-Step Documentation Process)**

Borrower ("I"):¹ [REDACTED]
Lender or Servicer ("Lender"): [REDACTED]
Date of first lien mortgage, deed of trust, or security deed ("Mortgage") and Note ("Note"): **February 9, 2006**
Loan Number: [REDACTED]
Property Address [and Legal Description if recordation is necessary] ("Property"):
[REDACTED]

If my representations in Section 1 continue to be true in all material respects, then this Home Affordable 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 and Covenants.** I certify, represent to Lender, covenant and agree:
- A. I am experiencing a financial hardship, and as a result, (i) I am in default under the Loan Documents or default is imminent, 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. One of the borrowers signing this Agreement lives in the Property as a principal residence, and the Property has not been condemned;
 - C. There has been no impermissible change in the ownership of the Property since I signed the Loan Documents. A permissible change would be any transfer that the lender is required by law to allow, such as a transfer to add or remove a family member, spouse or domestic partner of the undersigned in the event of a death, divorce or marriage;
 - 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 Home Affordable Modification program ("Program"));
 - 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 Program, are true and correct;
 - F. If Lender requires me to obtain credit counseling in connection with the Program, I will do so; and
 - G. I have made or will make all payments required under a Trial Period Plan or Loan Workout Plan.
 - H. I was discharged in a Chapter 7 Bankruptcy proceeding subsequent to the execution of the loan documents. Based on this representation, Servicer agrees that I will not have personal liability on the debt pursuant to this Agreement.

¹ If more than one Borrower or Mortgagor 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.

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 or any covenant in Section 1 has not been performed, 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) the Lender accepts this Agreement by signing and returning a copy of it to me, 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 and covenants in Section 1 continue to be true in all material respects and all preconditions to the modification set forth in Section 2 have been met, the Loan Documents will automatically become modified on **May 1, 2014** (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 precondition to this modification under a workout plan or trial period plan, this modification will not take effect. The first modified payment will be due on **May 1, 2014**.
- A. The Maturity Date will be: **March 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 **\$1,021,268.10** (the "New Principal Balance"). The New Principal Balance will consist of two (2) parts: (i) an amount which will accrue interest at the Note rate shown below, and on my monthly statement as Interest Bearing Principal Balance and (ii) an amount which will not accrue interest, shown below, and on my monthly statement as Deferred Principal Balance.



C. **\$601,518.10** of the New Principal Balance shall be deferred (the Deferred Principal Balance) and will be treated as a non-interest bearing principal forbearance. I will not pay interest or make monthly payments on the Deferred Principal Balance. In addition, **\$601,518.10** of the Deferred Principal Balance is eligible for forgiveness (the Deferred Principal Reduction Amount). Provided I am not in default on my new payments such that the equivalent of three full monthly payments are due and unpaid on the last day of any month, on each of the first, second and third anniversaries of your first trial period payment date for three years, the Lender shall reduce the Deferred Principal Balance of my Note in installments equal to one-third of the Deferred Principal Reduction Amount. Application of the Deferred Principal Reduction Amount will not result in a new payment schedule. The New Principal Balance less the Deferred Principal Balance shall be referred to as the Interest Bearing Principal Balance and this amount is **\$419,750.00**. Interest at the rate of **2.000%** will begin to accrue on the Interest Bearing Principal Balance as of **April 1, 2014** and the first new monthly payment on the Interest Bearing Principal Balance will be due on **May 1, 2014**. 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	2.000%	05/01/2014	\$1,636.18	\$1,605.79, may adjust periodically	\$3,241.97, may adjust periodically	05/01/2014	60
6	3.000%	05/01/2019	\$1,815.35	May adjust periodically	May adjust periodically	05/01/2019	12
7	4.000%	05/01/2020	\$1,998.00	May adjust periodically	May adjust periodically	05/01/2020	12
8-22	4.375%	05/01/2021	\$2,066.30	May adjust periodically	May adjust periodically	05/01/2021	179

A final balloon payment on the Interest Bearing Principal Balance of \$130,641.47 is due on the Maturity Date.

The Deferred Principal Balance of **\$601,518.10** less any Deferred Principal Reduction Amount to which I am entitled will be due as a balloon payment on the earlier of, payoff of the Interest Bearing Principal Balance, transfer of the property or on the Modified Maturity Date. The above terms in this Section 3.C. shall supersede any provisions to the contrary in the Loan Documents, including but not limited to, provisions for an adjustable or step interest rate.

*The escrow payments may be adjusted periodically in accordance with applicable law and therefore my total monthly payment may change accordingly.

The above terms in this Section 3.C. shall supersede any provisions to the contrary in the Loan Documents, including but not limited to, provisions for an adjustable, step or simple interest rate.

I understand that, if I have a pay option adjustable rate mortgage loan, upon modification, the minimum monthly payment option, the interest-only or any other payment options will no longer be offered and that the monthly payments described in the above payment schedule for my modified Loan will be the minimum payment that will be due each month for the remaining term of the Loan. My modified Loan will not have a negative amortization feature that would allow me to pay less than the interest due resulting in any unpaid interest to be added to the outstanding principal balance.

MULTISTATE HOME AFFORDABLE MODIFICATION AGREEMENT? Single Family ?Fannie Mae/Freddie Mac UNIFORM INSTRUMENT Form 3157.

Deferred Principal Balance