

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 **February 1, 2015** (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 trial period plan, this modification will not take effect. The first modified payment will be due on **February 1, 2015**.

A. The Maturity Date will be: **January 1, 2055**.

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 **\$797,224.93** (the "New Principal Balance"). I understand that by agreeing to add the Unpaid Amounts to the outstanding principal balance, the added Unpaid Amounts accrue interest based on the interest rate in effect under this Agreement. I also understand that this means interest will now accrue on the unpaid Interest that is added to the outstanding principal balance, which would not happen without this Agreement.

C. **\$209,622.77** of the New Principal Balance shall be deferred (the "Deferred Principal Balance") and will be treated as non-interest bearing principal forbearance. I will not pay interest or make monthly payments on the Deferred Principal Balance. In addition, **\$195,008.00** 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 **November 3, 2014**, 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 **\$587,602.16**. Interest at the rate of **2.000%** will begin to accrue on the Interest Bearing Principal Balance as of **January 1, 2015** and the first new monthly payment on the Interest Bearing Principal balance will be due on **February 1, 2015**. My payment schedule for the modified Loan is as follows:

| Years | Interest Rate | Interest Rate Change Date | Monthly Prin & Int Payment Amount | Monthly Escrow Payment Amount | Total Monthly Payment | Payment Begins On | Number of Monthly Payments |
|-------|---------------|---------------------------|-----------------------------------|---------------------------------------|---------------------------------------|-------------------|----------------------------|
| 1-5 | 2.000% | January 01, 2015 | \$1,779.41 | \$1,119.48 May adjust periodically | \$2,898.89 May adjust periodically | February 01, 2015 | 60 |
| 6 | 3.000% | January 01, 2020 | \$2,067.26 | May adjust periodically | May adjust periodically | February 01, 2020 | 12 |
| 7-40 | 4.000% | January 01, 2021 | \$2,371.10 | May adjust periodically | May adjust periodically | February 01, 2021 | 408 |

*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



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HOME AFFORDABLE MODIFICATION AGREEMENT with PRA
8306 01/14



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