

C. **\$119,505.29** 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, **\$119,254.29** 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 **\$200,999.00**. Interest at the rate of **2.000%** will begin to accrue on the Interest Bearing Principal Balance as of **July 1, 2014** and the first new monthly payment on the Interest Bearing Principal Balance will be due on **August 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%	07/01/2014	\$608.68	\$147.11, may adjust periodically	\$755.79, may adjust periodically	08/01/2014	60
6	3.000%	07/01/2019	\$707.14	May adjust periodically	May adjust periodically	08/01/2019	12
7	4.000%	07/01/2020	\$811.07	May adjust periodically	May adjust periodically	08/01/2020	12
8-22	4.125%	07/01/2021	\$824.28	May adjust periodically	May adjust periodically	08/01/2021	171
<p>A final balloon payment on the Interest Bearing Principal Balance of \$128,999.42 is due on the Maturity Date.</p>							

The Deferred Principal Balance of **\$119,505.29** 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.

