

November 18, 2008

Mr. [REDACTED]
[REDACTED] St.
Brooklyn NY 11236

Re: Loan No. [REDACTED]

****** URGENT MESSAGE – TIME SENSITIVE – REQUIRES
IMMEDIATE ATTENTION – THIS COULD SAVE YOUR HOME
FROM FORECLOSURE! ******

American Home Mortgage Servicing (AHMSI) knows that these are difficult times and we are here to help you. Our records show that your account is delinquent or perhaps already in foreclosure. We have developed a special program that will ease your payment burden over the next few years and will assist you in keeping your home through this difficult period. Please read the following information carefully and respond to us as quickly as possible. This is a limited time offer and requires your immediate attention.

Dear [REDACTED]

As you are aware, the above referenced loan is seriously delinquent and may be in foreclosure. Because we do not want you to lose your home, we are pleased to advise that you are eligible for a 60-month loan modification that will allow us to bring your loan current, suspend your loan from foreclosure, if applicable, and make your monthly payments more affordable.

Contingent on you executing the enclosed Loan Modification Agreement and returning it, along with the required down payment, by November 25th, 2008, to the address and in the amount as indicated in the agreement, we will modify the terms of your loan documents in accordance with the following:

- 1) The amount of your arrearage (which includes but is not limited to accrued and unpaid interest, accrued late charges, and advances made by us for your tax and insurance payments, attorneys' fees and costs, property inspections, etc.) will be added to your loan balance, bringing your loan current.
- 2) Your monthly payments will be interest only payments at a fixed rate of 5% for a period of 60 months, effective December 1, 2008. Your December 2008 and January 2009 payments (your down payment) will be due at signing, so your regular modified monthly payments will not begin until February 1, 2009.

- 3) After the expiration of the 60 month period, you will be required to make principal and interest payments at the interest rate specified in your loan documents so that in general, the unpaid loan balance is fully amortized over the remaining term of your loan.
- 4) There will be no fees assessed to complete this loan modification.

We must receive the following:

- 1) Your down payment, in the form of a cashier's check, certified funds, Western Union Quick Collect, Money Gram or money order.
- 2) The Loan Modification Agreement, signed by all borrowers (and any non-borrower mortgagors).
- 3) All four pages of the Loan Modification Agreement (with the initials of all signatory parties at the bottom of the all pages) along with Schedule A (with the initials of all signatory parties at the bottom) must be returned.

We have provided a self-addressed, prepaid express delivery envelope for your convenience. Also provided for your convenience are two originals of the Loan Modification Agreement so you can retain one for your records.

If you have any questions regarding this important opportunity, please contact us at your earliest convenience at (877) 304-3100. Our office hours are Monday through Friday, 7:00 a.m. to 9:00 p.m., and Saturday, 7:00 a.m. to 1:00 p.m., Central Time.

Sincerely,
American Home Mortgage Servicing, Inc.

THIS COMMUNICATION IS FROM A DEBT COLLECTOR, BUT IT DOES NOT IMPLY THAT AMERICAN HOME MORTGAGE SERVICING, INC. IS ATTEMPTING TO COLLECT MONEY FROM ANYONE WHOSE DEBT HAS BEEN DISCHARGED PURSUANT TO (OR IS UNDER THE PROTECTION OF) THE BANKRUPTCY LAWS OF THE UNITED STATES; IN SUCH INSTANCES, IT IS INTENDED SOLELY FOR INFORMATIONAL PURPOSES.



Loan # [REDACTED]
MIN # NA

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

This Loan Modification Agreement (this "Agreement"), made as of the November 1, 2008, (the "Effective Date") between [REDACTED] and [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 11/07/2005 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] St (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. \$442,132.03 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 the Effective Date, up to and including October 31, 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. \$1,842.22 (the "Interest Only Payment"); provided, that the two Interest Only Payments due for December 1, 2008, and January 1, 2009, are made in a lump sum upon execution of this Agreement (the "Mod Start Payment"). **AS MORE PARTICULARY 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 November 25, 2008.**

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 Note, and in either case continuing thereafter on the same day of each succeeding month until the New

Borrower initials here: [REDACTED]

- (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 collection and foreclosure activities relating to the Loan, unless and until Loan Servicer has received this

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 12/01/2035 (the "Maturity Date"), Borrower still owes amounts under the Note and the Security Instrument, as amended 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 obtain 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:

LOAN MODIFICATION AGREEMENT (100 Month Interest Only) - Single Family - ALLMSI Instrument

Form 3 (8/1/2008) (page 2)

Borrower (Initials) by _____

Loan Modification Agreement Schedule A

Name of Borrower(s): [REDACTED]

Loan Number: [REDACTED]

| DESCRIPTION OF TOTAL AMOUNT DUE | AMOUNT DUE |
|---------------------------------|---------------------|
| Current Principal Balance | \$391,999.00 |
| Total Amount Capitalized | \$50,133.03 |
| NEW PRINCIPAL BALANCE | \$442,132.03 |

BALLOON LOAN DISCLOSURES (If applicable)

| | |
|-------------------|--------|
| Amortizing Amount | \$0.00 |
| Balloon Amount | \$0.00 |

ITEMIZATION OF AMOUNT DUE

| ITEMIZATION OF AMOUNT DUE | AMOUNT DUE |
|--|--------------------|
| Principal Reduction | \$0.00 |
| Delinquent Interest | \$36,096.61 |
| From 6/1/2007 | |
| To 10/31/2008 | |
| Attorney Fee/Costs | \$4,560.00 |
| Delinquent Taxes / Unpaid Insurance | \$9,021.22 |
| Modification Fee / Document Preparation Fee | \$0.00 |
| Title Property Report / Policy | |
| Property Preservation | \$0.00 |
| Property Inspection | \$115.20 |
| Broker Price Opinion (BPO) (Estimated Value of Property) | \$275.00 |
| Borrower Interview | \$65.00 |
| Interest on Secured Advances (ARMS) paid funds on behalf of borrower | \$0.00 |
| Late Charges | \$84.94 |
| Non-Sufficient Funds (NSF) (Returned Check Fees) | \$0.00 |
| TOTALS | \$50,217.97 |
| Deferred Fees | \$84.94 |
| Borrower Contribution | \$0.00 |
| Mortgage Insurance Contribution | \$0.00 |
| Total Amount Capitalized | \$50,133.03 |

| | |
|---|-------------------|
| New Mod Payment Amount Effective From 12/01/2008 Through 12/01/2013 | \$1,842.22 |
| Monthly Escrow Payment (for Taxes and Insurance) | \$530.65 |
| Total Payment | \$2,372.88 |

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

Borrower Initials here: [REDACTED] [REDACTED]

Agreement, fully executed and initialed by Borrower and any Non-Obligor Mortgagors, along with the Mod Start Payment in the form of a cashier's check or certified funds, no later than December 10, 2008. Agreement is not considered "received" by Loan Servicer unless and until it has been delivered to Loan Servicer at 4650 Regent Blvd., Suite 100, Irving, TX 75063, and internally date stamped. Furthermore, this Agreement shall be of no force or effect if Borrower files a bankruptcy petition prior to Loan Servicer's receipt of this Agreement.

IN WITNESS WHEREOF, the undersigned have set their hands herunto as of the date written below

American Home Mortgage Servicing, Inc.

By: _____


Borrower

Borrower

Borrower

Borrower

NON-OBLIGOR MORTGAGORS


For purposes of this Agreement, the undersigned are not Borrowers; they are "Non-Obligor Mortgagors" (that is, this term is defined to mean (i) signatories on the Security Instrument but not obligated on the Note or (ii) persons not obligated on the Note but added to title on the Property after the origination of the above-referenced Loan). By his/her/their signature(s) below on this Agreement, the undersigned Non-Obligor Mortgagors acknowledge and agree (x) that his/her/their interest in the Property was subject to the Security Instrument and remains subject to the Security Instrument as modified by this Agreement, and (y) that he/she/they are bound by all of the terms and conditions of this Agreement, except to the extent that such terms and conditions pertain to any promise or obligation to pay Loan Servicer or Note Holder any amount.

Acknowledged and agreed to: _____


Non-Obligor Mortgagor

Date: 11-24-08

Acknowledged and agreed to: _____


Non-Obligor Mortgagor

Date: 11-24-08