

Bank of America



Home Loans

4500 Amon Carter Blvd
Fort Worth, TX 76155-2202
Mail Stop : TX2-979-01-16

Send Payments to:
P.O. Box 15222
Wilmington, DE 19886-5222

Notice Date: July 20, 2010

Account No.: [REDACTED]

Property Address: [REDACTED]

[REDACTED]
Clarksburg, MD 20871

[REDACTED]
Clarksburg, MD 20871

IMPORTANT MESSAGE ABOUT YOUR LOAN

Thank you for taking the time to discuss your loan with us. According to our recent conversation and review of your loan, you have been "**Pre-Approved**" for Assistance.

WHAT YOU NEED TO DO

The Deadline for Doing What You Need to Do: Return the signed agreement, requested supporting information and \$2,629.88 in certified form (cashier's check or money order; no personal or business checks or cash will be accepted). All requested documentation and funds must be received in our office no later than August 3, 2010.

1. **A letter, signed and dated** by all parties on the Loan, describing your financial situation and requesting payment assistance. This is a letter explaining the difficulties and circumstances that caused you to fall behind on your payments.
2. **Copies** of documentation supporting your financial difficulties (i.e., Medical Bills).
3. **Copy** of the most recent utility bill addressed to the property.
DO NOT SEND ORIGINALS.
4. **Copies** of your most recent two (2) months of checking and savings bank account statements. **DO NOT SEND ORIGINALS.**
5. **Copies** of your most recent two (2) months of income receipts (pay stubs).
DO NOT SEND ORIGINALS.

OR

If you are self-employed, please include the last two (2) quarters of P&L statements. If you have recently secured new employment, please include a letter from your employer verifying net and gross income. Please provide proof of any additional income (rental income, child support, food stamps, etc.).

6. **Copies** of your most recent two (2) years of Federal tax returns with all schedules and W-2 forms. **DO NOT SEND ORIGINALS.**
7. The signed and dated **ORIGINAL** of the Negotiation Agreement (Form N/A-3).

BAC Home Loans Servicing, LP is a subsidiary of Bank of America, N.A.

Please write your account number on all correspondence.

The materials should be sent via First Class Mail or overnight courier to:

BAC Home Loans Servicing, LP
Attention: Home Retention Division, Mail Stop : TX2-979-01-16
4500 Amon Carter Blvd
Fort Worth, TX 76155-2202

What Happens to the Pending Foreclosure if the Deadline is Missed? If your loan is in foreclosure, and you do not re-qualify for a valid Home Retention Division option, a scheduled foreclosure sale will be conducted. The scheduled foreclosure will not be delayed unless: (1.) BAC Home Loans Servicing, LP specifically agrees in writing to suspend or cancel the foreclosure sale; or, (2.) the Loan is fully reinstated or paid off in accordance with your loan documents and applicable law prior to the scheduled foreclosure sale.

Credit Reporting and Collection During the Time we Process the Home Retention Division Option:

If your loan is delinquent, BAC Home Loans Servicing, LP will continue to report all delinquencies to the credit reporting agencies until your loan is brought fully current. BAC Home Loans Servicing, LP will continue with normal servicing up to and including referral to foreclosure during the time it is reviewing your request for workout assistance or waiting for information from you.

If you are unable to provide any of the information, or if you are having any problems filling out the necessary paperwork, please call us at 1-888-742-0493.

THANK YOU FOR YOUR BUSINESS

BAC Home Loans Servicing, LP appreciates all your effort and cooperation in this matter. If you have any further questions, please contact Dawrence White, in the Home Retention Department, at 1-888-742-0493.

BAC Home Loans Servicing, LP is required by law to inform you that this communication is from a debt collector.

Please write your account number on all correspondence.



Account No.: [Redacted]
 Borrower Name: [Redacted]
 Co-Borrower Name: [Redacted]
 FHA/VA Case #: [Redacted]
 Property Address: [Redacted]
 Clarksburg, MD 20871

NEGOTIATION AGREEMENT

We have received your request for assistance concerning your Loan with BAC Home Loans Servicing, LP. When signed by you, this letter will constitute a binding agreement ("Agreement") between you and BAC Home Loans Servicing, LP concerning BAC Home Loans Servicing, LP's discussions with you. Unless specifically agreed to in writing all parties whose names appear in the Acknowledgment Section below must sign this Agreement or it will not be a binding agreement.

1. Written Agreement and Amendments. We each acknowledge and agree that neither of us shall be bound by any agreement concerning your Loan until such agreement has been put in writing, is signed by each of us and is returned to BAC Home Loans Servicing, LP. Furthermore, in order to avoid any confusion or misunderstanding, each of us also agrees that any such written agreement may only be amended in writing that is agreed to and signed by each of us. We each acknowledge and agree that BAC Home Loans Servicing, LP will not consider entering into any agreement concerning your Loan until it first receives all the information that it requires in its sole judgment to evaluate such an agreement. Each of us also acknowledges and agrees that BAC Home Loans Servicing, LP will be under no obligation to accept partial payments on your Loan unless a written agreement signed by each of us and returned to BAC Home Loans Servicing, LP provides for the payment and receipt of such amounts. During our discussions, any amounts received by BAC Home Loans Servicing, LP which are less than the full amount due and owing under your Loan shall be, at BAC Home Loans Servicing, LP's option, either (a) returned to you, or (b) credited towards the past due amount under your Loan and shall not be refunded to you.

2. Discussions. BAC Home Loans Servicing, LP is acting on behalf of the holder of your loan (the investor) and the mortgage and/or pool insurers. As such, any information that BAC Home Loans Servicing, LP provides to you is on their behalf.

3. Enforceability of Loan Documents. Notwithstanding any other provision of this Agreement to the contrary, or any claims by you to the contrary, any and all loan documents (the "Loan Documents") relating to your Loan, including without limitation the Note and Security Instrument, are presently in full force and effect, and shall remain in full force and effect unless and until a written document is signed by the appropriate parties specifically superseding and replacing all or some of the Loan Documents. **We each acknowledge and agree that if your Loan is delinquent, BAC Home Loans Servicing, LP will continue to report all delinquencies to the credit reporting agencies. In addition, BAC Home Loans Servicing, LP will continue with any and all collection and foreclosure action concerning your Loan, and such action will not be suspended or canceled under any circumstances unless and until BAC Home Loans Servicing, LP specifically agrees in writing to suspend or cancel such action, or unless your Loan is fully reinstated or paid off. Therefore, each of us acknowledges and agrees that if your Loan is in foreclosure, a scheduled foreclosure sale will be conducted by BAC Home Loans Servicing, LP unless BAC Home Loans Servicing, LP specifically agrees in writing to suspend or cancel the foreclosure sale, or unless your Loan is fully reinstated or paid off in accordance with the Loan Documents and applicable law prior to the scheduled foreclosure sale.**

BAC Home Loans Servicing, LP is a subsidiary of Bank of America, N.A.

Account No: [REDACTED]

4. Obligation to Report Material Change in Circumstances. During the course of our discussions, you may be asked to provide certain information to BAC Home Loans Servicing, LP concerning your personal finances, the property, your Loan, or otherwise. You hereby acknowledge and agree that you will advise BAC Home Loans Servicing, LP immediately of any material change in the information that you provide to BAC Home Loans Servicing, LP.

5. No Waivers. No negotiations or any other action undertaken by you and/or BAC Home Loans Servicing, LP pursuant to this Agreement shall constitute a waiver of any party's rights under the Loan Documents, except to the extent specifically stated in a written agreement complying with the provisions of paragraph 1. In addition, any forbearance by BAC Home Loans Servicing, LP in exercising any right or remedy under this Agreement or as otherwise afforded by applicable law shall not be a waiver or preclude the exercise of that or any other right or remedy.

6. Miscellaneous. This Agreement (i) constitutes our entire agreement relating to the ongoing or contemplated discussions identified herein and supersedes any prior or contemporaneous representations or agreements (whether oral or written) not contained herein concerning your Loan or the subject matter of this Agreement; (ii) shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns; (iii) shall be governed by California law, without giving affect to principles of conflicts of law; and (iv) may be executed in one or more counterparts, each of which shall constitute an original and all of which taken together shall constitute one and the same instrument. In the event of any dispute hereunder, the prevailing party shall be entitled to recover all of such party's costs and attorneys' fees from the non-prevailing party. The Headings used in this Agreement are used for convenience only and shall not be used to interpret any term hereof. Each party executing this Agreement represents that such party has the full authority and legal power to do so.

If the foregoing accurately sets forth your understanding concerning your discussions with BAC Home Loans Servicing, LP, please sign this Agreement in the space provided below and return one duplicate original to the undersigned. Under no circumstances will an arrangement be entered into with you until this Agreement is first signed and returned to BAC Home Loans Servicing, LP.

ACKNOWLEDGMENT SECTION

I ACKNOWLEDGE AND AGREE THAT I HAVE READ AND AM FAMILIAR WITH THE TERMS AND CONDITIONS CONTAINED IN THIS LETTER AGREEMENT. I AGREE TO ABIDE BY THEM.

_____	_____ , 20__
[REDACTED]	Date
_____	_____ , 20__
	Date
_____	_____ , 20__
	Date
_____	_____ , 20__
	Date

WWW.YourSite.com



Mail Stop : TX2-979-01-16
4500 Amon Carter Blvd
Fort Worth, TX 76155-2202



Clarksburg, MD 20871

Notice Date: July 20, 2010

Account No.: [REDACTED]

Property Address:
[REDACTED]

Clarksburg, MD 20871

ABOUT YOUR LOAN

COMMITMENT TO MODIFY MORTGAGE

Account Number: [REDACTED]
Property Address: [REDACTED]
Clarksburg, MD 20871
Original Note Amount: \$247,941.00
Date of original mortgage: July 28, 2008
(The foregoing is called the "Mortgage")

WHAT THIS MEANS

This letter constitutes a commitment to modify the Mortgage (identified above), subject to the terms and conditions stated below. This letter contains our offer, and it permits you to accept this offer. When signed by you, this letter will constitute your agreement to these terms and conditions.

Our records indicate the Mortgage is currently in default. Although we are willing to modify the loan as described in this letter, please be advised that we will continue to pursue collection action. This action may include foreclosure. Upon completion of the modification process, which means all of the terms of this Commitment will have been met, your loan will be deemed current and we will cease collection activity on your loan. However, if you fail to sign this commitment or if you fail to perform as required in this commitment, we will complete our collection action, including foreclosure if necessary.

WHAT YOU NEED TO DO

If you want to accept this commitment, you must sign this commitment and deliver it to BAC Home Loans Servicing, LP by August 3, 2010. Failure to do so will result in the automatic withdrawal by BAC Home Loans Servicing, LP of the offer to modify without further notice.

BAC Home Loans Servicing, LP is a subsidiary of Bank of America, N.A.

BAC Home Loans Servicing, LP is required by law to inform you that this communication is from a debt collector.

OFFER FOR MODIFIED MORTGAGE

Acct. No.: [REDACTED]

We hereby offer to modify the Mortgage as follows. It will be called the "Modified Mortgage" :

Section A, Terms of Modification.
following terms:

The Mortgage will be modified to reflect the

The current principal balance:	\$247,711.36
The capitalized delinquent interest:	\$31,231.13
The capitalized delinquent escrow:	\$8,757.78
The capitalized fees:	\$3,296.26
The new modified principal balance will be:	\$290,996.53
The NEW FIXED interest rate will be:	5.000%
Effective date of the new interest rate:	September 1, 2010
Monthly payment of Principal and interest only will be:	\$1,562.13
Modified maturity date:	December 1, 2038

The first regular monthly payment on the Modified Mortgage will begin on October 1, 2010 and the new payment amount will be \$1,882.44. All other terms and conditions of the Mortgage will remain the same for the Modified Mortgage, including but not limited to provisions for late fees and BAC Home Loans Servicing, LP's right to pursue collection action for the default amount (including foreclosure). Please note that your total monthly payment is still subject to vary if your total monthly escrow payment increases subject to the terms of the mortgage.

The executed documents must be in our office on or before August 3, 2010, or such other date as we may choose at our sole discretion. In order to modify the Mortgage on that date, you must send the executed documents to: 4500 Amon Carter Blvd, Fort Worth, TX 76155-2202, Mail Stop : TX2-979-01-16, Attn: Dawrence White. You may contact Dawrence White at 1-888-742-0493 for further information.

All borrowers, guarantors, endorsers or sureties on the original Mortgage must sign the Modified Mortgage and any other documents that we require. Any co-owner who was not a borrower on the original loan must sign the Modified Mortgage to consent to the modification, but will not become liable for repayment of the loan due to this consent.

Section B. Contingencies. This offer is contingent on the following:

BAC Home Loans Servicing, LP's offer to modify your mortgage is contingent upon BAC Home Loans Servicing, LP's verification that the title to the subject property is free from any defect, encumbrance, unauthorized conveyance or any other irregularity. A title search of the subject property will be initiated by BAC Home Loans Servicing, LP upon your return of the executed Commitment to Modify Mortgage and the Modification Agreement. In the event the title search, or any other information, indicates any title irregularity, including but not limited to any unauthorized conveyance, or any superior or subordinate lien(s), whether voluntary or involuntary, the Commitment to Modify Mortgage and the Modification Agreement and their terms shall not be effective, binding, or enforceable against BAC Home Loans Servicing, LP, and BAC Home Loans Servicing, LP's offer to modify your mortgage shall be immediately revoked without further notice. Upon notification of a filing for protection under a Bankruptcy Stay, this Agreement will be terminated. This includes the filing by any party that has or may have interest in the property.

Section C. Amounts to be paid. You will be required to pay the following on the date the documents are signed for the Modified Mortgage.

All fees and expenses incurred by BAC Home Loans Servicing, LP in response to the default of the Mortgage including fees and charges are listed below.

Attorney fees/ Foreclosure fees:	\$.00
Bankruptcy Fees:	\$.00
Miscellaneous fees:	\$ 5.00
Late charges due:	\$ 742.44
Optional Insurance:	\$.00
Total mortgage payment due:	\$ 1,882.44
Subtotal:	\$ 2,629.88
Partial Funds:	\$.00
Buydown Funds:	\$.00
 Total Due:	 \$ 2,629.88

If you want to accept the offer for a Modified Mortgage upon the terms and conditions above, you must agree by signing the enclosed Modification Agreement which follows this commitment. Please note that the Modification Agreement must be properly notarized. The acceptance must be signed by each borrower and must be returned to us by August 3, 2010, otherwise, the offer will expire.

THANK YOU FOR YOUR BUSINESS

BAC Home Loans Servicing, LP appreciates all your efforts and cooperation in this matter. If you have any further questions, please call Dawrence White, in the Home Retention Department, at 1-888-742-0493.



ACCEPTANCE OF OFFER FOR MODIFIED MORTGAGE

Acct. No.: [REDACTED]

We(I) are the borrower(s) on the Mortgage identified above. We agree to or acknowledge the following:

We accept all of the terms and conditions stated in the offer. We have failed to pay the Mortgage in accordance with its terms, and are now in default on the Mortgage. We have no defenses or offsets against the Mortgage or BAC Home Loans Servicing, LP's right to collect the Mortgage by foreclosure or otherwise. We acknowledge that this commitment for Modified Mortgage, even when signed by BAC Home Loans Servicing, LP and us, will not prevent or prohibit BAC Home Loans Servicing, LP from continuing collection action. Therefore, in the event we sign this commitment, but fail to fulfill any or all of its terms and conditions, then BAC Home Loans Servicing, LP may complete any collection action already commenced without further notice to us, including foreclosure. This commitment will not be considered a waiver of or defense to lender's right to commence or continue any collection action. The terms of the Modified Mortgage will be as stated in Section A above. We will sign any documents necessary to complete the Modified Mortgage. We acknowledge that this commitment is contingent as provided in Section B and Section C of BAC Home Loans Servicing, LP's offer. BAC Home Loans Servicing, LP shall determine whether the contingencies have been satisfied. If the new principal amount of the Modified Mortgage is more than the existing principal balance of the Mortgage, then we understand that amounts due such as unpaid interest, taxes, insurance or expenses have been added to the principal amount under the Modified Mortgage. The date for signing the documents and paying the amounts due will be August 3, 2010, or such other date that BAC Home Loans Servicing, LP may select. All representations made by us pursuant to our request for the Modified Mortgage are true and have been and will be relied upon to BAC Home Loans Servicing, LP, and any breach of the representations will give BAC Home Loans Servicing, LP the right to terminate this commitment and could result in the pursuit of other right and remedies by BAC Home Loans Servicing, LP.

I/We am/are now occupying the property as my/our primary place of residence. We have had the opportunity to consult with legal and/or tax counsel prior to agreeing to the foregoing, and have willingly agreed to these terms and conditions whether or not we elected to retain such counsel.

As evidenced by the signature below, the Borrower and the Lender agree to the foregoing:

Date

Date

Date

Date

WWW.YourMortgage.com



Recording Requested by
BAC Home Loans Servicing, LP
WHEN RECORDED MAIL TO:

BAC Home Loans Servicing, LP
Post Office Box 10266
Van Nuys, CA 91410-0266
Attention: Document Control

DocID#: 0658702825957105A

Space Above for Recorder's Use

LOAN MODIFICATION AGREEMENT

This Loan Modification Agreement (the "Agreement"), made on July 20, 2010 between [REDACTED] (the "Borrower(s)") and BAC Home Loans Servicing, LP ("Lender"), amends and supplements that certain (Mortgage/Deed of Trust) (the "Security Instrument") dated July 28, 2008 which covers the real and personal property described in the Security Instrument and defined therein as the 'Property', located at [REDACTED] Clarksburg, MD 20871.

The real property described being set forth as follows:

SAME AS IN SAID SECURITY INSTRUMENT

In consideration of the mutual promises and agreements exchanged, the parties hereto agree to modify the Security Instrument as follows:

The fifth [and sixth] sentence[s] of the first paragraph of the Security Instrument is[are] hereby amended to read in its[their] entirety as follows:

Borrower owes Lender the principal sum of Two Hundred Ninety Thousand, Nine Hundred Ninety Six Dollars And Fifty Three Cents, (U.S. Dollars) (\$290,996.53). This debt is evidenced by Borrower's note dated the same date as the Security Instrument, as amended and restated as of the date herewith ("Note"), which provides for monthly payments, with the full debt, if not paid earlier, due and payable on September 1, 2040.

The Borrower[s] shall comply with all other covenants, agreements and requirements of the Security Instrument. Nothing in this Agreement shall be understood or construed to be a satisfaction or release in whole or in part of the Security Instrument. Except as otherwise specifically provided in this Agreement, the Security Instrument shall remain unchanged, and the Borrower[s] and BAC Home Loans Servicing, LP shall be bound by, and comply with all of the terms and provisions thereof, as amended by this Agreement, and the Security Instrument shall remain in full force and effect and shall continue to be a first lien on the above-described property. All capitalized terms not defined herein shall have the same meanings as set forth in the Security Instrument.

BAC Home Loans Servicing, LP is a subsidiary of Bank of America, N.A.

SIGNED AND ACCEPTED THIS _____ DAY OF _____
BY

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

State of MARYLAND, County of _____ On this _____ day of _____,
_____ before me the undersigned, a Notary Public in and for said State, personally appeared

known to me, or proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged that _____ executed the same.

Witness my hand and official seal.

Signature _____

Name (typed or printed) _____

My commission expires: _____

.....

As evidenced by their signatures below, the Co-Owner(s) consent to this Modification of the Mortgage.

CO-OWNER(S)

Co-Owner(s) Signature

Dated: _____

Co-Owner(s) Name (typed or printed)

STATE OF _____

COUNTY OF _____

On _____ before me, _____

Notary Public, personally appeared _____

personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signatures(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature _____

INSTRUCTIONS FOR FILLING OUT THE NOTARY PAGE

IT IS THE HOMEOWNER'S RESPONSIBILITY TO ENSURE THAT THE NOTARY PAGE IS PROPERLY FILLED OUT. THUS, IT IS NECESSARY TO BRING THIS PAGE AND THE SAMPLE NOTARY PAGE WITH YOU WHEN YOU GO BEFORE A NOTARY TO HAVE THE BLANK NOTARY PAGE SIGNED.

DIRECTIONS:

It is important that the blank notary page be filled out correctly because it will be placed in the public record. Also, the blank notary page should not be filled out until you are before the notary. The blank notary page is 8 ½ x 11 inches and begins "Signed and accepted this ____ day of _____."

Use the information by each letter below to help fill out that section of the blank notary page. There is a sample notary page included that shows exactly how each section should be filled out.

****SECTIONS A, C, D, E & F WILL BE FILLED OUT BY THE NOTARY****

A. "SIGNED AND ACCEPTED THIS ____ DAY OF _____:"

This date must match the date that you visit the notary. For example, if you went before the notary on May 5, 2007, the line should read when it is completed, "SIGNED AND ACCEPTED THIS 5th DAY OF May, 2007."

B. Sign your name exactly as it is printed in this Section of the blank notary page. **(FILLED OUT BY HOMEOWNER(S))**

For example, if the printed name includes a middle initial, you should include the middle initial. However, if the printed name does not include a middle initial, you should not sign with your middle initial. If your name is printed incorrectly on the blank notary page or in our system, please contact our simple assumption department once your loan is current.

C. Fill in the name of the county, and the "On this ____ day of _____, 2007."

Name of the county is where the notary is bonded. The date must match the date in Section A.

D. On this line, print the name or names exactly as they are printed in Section B.

E. "known to me...acknowledged that _____ executed the same."

IMPORTANT: If there is **one Homeowner**, the notary should put "he" or "she" depending on the Homeowner's gender. However, if there are **two or more Homeowners**, the notary should put in the word "they."

F. The notary must (1) sign and print his/her name, (2) stamp the notary page with the notary stamp, and (3) write in the date when his/her commission expires.

*If you have any questions on any of the information given or on how to fill out the notary page, please contact a Home Retention Representative by calling 1-800-222-9944.

SAMPLE NOTARY PAGE

SIGNED AND ACCEPTED THIS **A** DAY OF **A**
BY

B
John E. Doe

(ALL SIGNATURES MUST BE ACKNOWLEDGED)

State of **C** County of **C** On
this **C** day of **C**, 2007,
Before me the undersigned, a Notary Public in and for said State, personally
appeared

D

known to me, or proved to me on the basis of satisfactory evidence to be the
person(s) whose name(s) is/are subscribed to the foregoing instrument and
acknowledged that **E** executed the same.

Witness my hand and official seal. Signature **F (1)**
F (2)
Name (typed or printed)

My commission expires:
F (3)

AMENDED AND RESTATED NOTE

FHA Case No.

2495235450734

Multistate

DocID#:

0658702825957105B

July 28, 2008

████████████████████
CLARKSBURG, MD 20871

1. PARTIES

"Borrower" means each person signing at the end of this Note, and the person's successors and assigns. "Lender" means BAC Home Loans Servicing, LP and its successors and assigns.

2. BORROWER'S PROMISE TO PAY; INTEREST

In return for a loan received from Lender, Borrower promises to pay the principal sum of Two Hundred Ninety Thousand Nine Hundred Ninety Six Dollars and Fifty Three Cents (Dollars U.S. \$290,996.53) plus interest, to the order of Lender. Interest will be charged on unpaid principal, from the date of disbursement of the loan proceeds by Lender, at the rate of Five percent (5%) per year until the full amount of principal has been paid.

3. PROMISE TO PAY SECURED

Borrower's promise to pay is secured by a mortgage, deed of trust or similar security instrument that is dated the same date as this Note and called the "Security Instrument." The Security Instrument protects the Lender from losses which might result if Borrower defaults under this Note.

4. MANNER OF PAYMENT

(A) Time

Borrower shall make a payment of principal and interest to Lender on the first day of each month beginning on October 01, 2010. Any principal and interest remaining on the first day of September 01, 2040, will be due on that date, which is called the "Maturity Date."

(B) Place

Payment shall be made at
155 North Lake Avenue Pasadena, California 91109
or at such place a Lender may designate in writing by notice to Borrower.

(C) Amount

Each monthly payment of principal and interest will be in the amount of U.S. \$1,562.13. This amount will be part of a larger monthly payment required by the Security Instrument, that shall be applied to principal, interest and other items in the order described in the Security Instrument.

(D) Allonge to this Note for payment adjustments

If an allonge providing for payment adjustments is executed by Borrower together with this Note, the covenants of the allonge shall be incorporated into and shall amend and supplement the covenants of this Note as if the allonge were a part of this Note. [Check applicable box]

Graduated Payment Allonge Growing Equity Allonge Other [specify]

5. BORROWER'S RIGHT TO PREPAY

Borrower has the right to pay the debt evidenced by this Note, in whole or in part, without charge or penalty, on the first day of any month. Lender shall accept prepayment on other days provided that Borrower pays interest on the amount prepaid for the remainder of the month to the extent required by Lender and permitted by regulations of the Secretary. If Borrower makes a partial prepayment, there will be no changes in the due date or in the amount of the monthly payments unless Lender agrees in writing to those changes.

6. BORROWER'S FAILURE TO PAY

(A) Late Charge for Overdue Payments

If Lender has not received the full monthly payment required by the Security Instrument, as described in Paragraph 4(C) of this Note, by the end of fifteen calendar days after the payment is due, Lender may collect a late charge in the amount of Four percent (4%) of the overdue amount of each payment.

(B) Default

If Borrower defaults by failing to pay in full any monthly payment, then Lender may, except as limited by regulations of the Secretary in the case of payment defaults, require immediate payment in full of the principal balance remaining due and all accrued interest. Lender may choose not to exercise this options without waiving its rights in the event of any subsequent default. In many circumstances regulations issued by the Secretary will limit Lender's rights to require immediate payment in full in the case of payment defaults. This Note does not authorize acceleration when not permitted by HUD regulations. As used in this Note, "Secretary" means the Secretary of Housing and Urban Development or his or her designee.

(C) Payment of Costs and Expenses

If Lender has required immediate payment in full, as described above, Lender may require Borrower to pay costs and expenses including reasonable and customary attorneys' fees for enforcing this Note to the extent not prohibited by applicable law. Such fees and costs shall bear interest from the date of disbursement at the same rate as the principal of this Note.

7. WAIVERS

Borrower and any other person who has obligations under this Note waive the right of presentment and notice of dishonor. "Presentment" means the right to require Lender to demand payment of amounts due. "Notice of dishonor" means the right to require Lender to give notice to other persons that amounts due have not been paid.

8. GIVING OF NOTICES

Unless applicable law requires a different method, any notice that must be given to Borrower under this Note will be given by delivering it or by mailing it by first class mail to Borrower at the property address above or at a different address if Borrower has given Lender a notice of Borrower's different address. Any notice that must be given to Lender under this Note will be given by first class mail to Lender at the address stated in Paragraph 4(B) or at a different address if Borrower is given a notice of that different address.

9. OBLIGATIONS OF PERSONS UNDER THIS NOTE

If more than one person signs this Note, each person is fully and personally obligated to keep all of the promises made in this Note, including the promise to pay the full amount owed. Any person who is a guarantor, surety or endorser of this Note is also obligated to do these things. Any person who takes over these obligations, including the obligations of a guarantor, surety or endorser of this Note, is also obligated to keep all of the promises made in this Note. Lender may enforce its rights under this Note against each person individually or against all signatories together. Any one person signing this Note may be required to pay all of the amounts owed under this Note.

BY SIGNING BELOW, borrower accepts and agrees to the terms and covenants contained in this Note.



