

## Modification Agreement

Date: 02/08/2011

Borrower(s): [REDACTED]

Account #: [REDACTED]

Creditor: Wells Fargo Bank, N.A.

We want you to clearly understand the terms of this Forbearance Agreement. If you have any questions, please ask for explanation. We use the words **you** and **your** to mean the Borrowers and the words **we**, **us** and **our** to refer to the creditor noted above. On 04/25/2007 we made a loan to you in the amount of \$590,000.00 on which there is an outstanding balance of \$588,159.10 on the date noted above. Currently you have a past due amount of \$19,654.07 on your account (if applicable this amount may include, interest, late charges, property preservation fees, attorney fees and costs). We agree to accept the following arrangements to bring your account current.

The **previous terms** of your existing loan are as follows:

|                         |                       |                             |
|-------------------------|-----------------------|-----------------------------|
| Balance                 | \$588,159.10          |                             |
| Monthly P&I             | \$3,426.03            |                             |
| Escrow                  | \$248.43              |                             |
| Total Estimated Payment | \$3,674.46            |                             |
| Interest Rate           | 6.9900%               | this rate is FIXED VARIABLE |
| Monthly Due Date        | the 1st of each month |                             |
| Maturity Date           | 05/01/2037            |                             |

It is agreed that the **new terms** of your existing loan are as follows:

|                          |                       |                                  |
|--------------------------|-----------------------|----------------------------------|
| Balance                  | \$588,19.10           |                                  |
| Monthly P&I              | \$2,153.14            |                                  |
| Escrow                   | \$248.43              |                                  |
| Total Estimated Payment: | \$2,401.57            |                                  |
| Interest Rate            | 3.00%                 | this will be a <u>FIXED RATE</u> |
| Monthly Due Date         | the 1st of each month |                                  |
| Maturity Date            | 6/1/2049              |                                  |

**Your first payment of this agreement will be due on 3/1/2011.**

**By signing this agreement your maturity date could be extended. Please be advised that the interest rate charged will be fixed at 3.00%. This means that if you had a variable rate loan your interest rate will not change according to the terms of your original contract. You are acknowledging that you understand and accept this change by signing this agreement.**

By signing this agreement you also consent to allow us to move the past due interest (which change on a daily basis but are estimated at \$20,556.18 as of the date of this agreement) and any fees that are not waived to permit you to pay this amount at the end of the original maturity date in substantially equal monthly installments. This will increase the time required to pay off your loan.

You agree from now on to pay by the due date every month. All other provisions of your loan shall continue to remain in full force and effect.

If your account is currently in foreclosure we agree to suspend or cancel the foreclosure action upon receipt of your first payment according to this agreement and if you make all payments required according to this agreement to pay the past due amount in full we will instruct our foreclosure counsel to

This is an attempt to collect a debt and any information obtained will be used for that purpose.

Wells Fargo Bank, N.A.  
4119 121<sup>st</sup> ST  
Urbank, IA 50323  
Ph: 866-421-6043  
877-455-9956

dismiss foreclosure proceedings. We also agree to suspend further collection efforts as long as you are making the required payments under this agreement and the loan.

If your account should become delinquent during the forbearance period we reserve the right to return your rate and payment to the amounts in existence immediately prior to the forbearance. This amount will be due as of the date the account became delinquent during the forbearance period. If you do not pay according to the terms of this agreement we may resume collection efforts and/or foreclosure proceedings.

By signing this Agreement I hereby consent to being contacted concerning this loan at any cellular or mobile telephone number I may have. This includes text messages and telephone calls including the use of automated dialing systems to contact my cellular or mobile telephone. You will not be billed by your cellular or mobile carrier for any text messages you may receive from Wells Fargo, however, any calls we place to your cellular or mobile phone will incur normal airtime charges assessed by your mobile carrier.

If your balance has been reduced as a result of this new agreement, it is understood that any credit life, accident and health, and involuntary unemployment insurance written in connection with this loan has been cancelled, and that any refund of unearned premiums or charges made because of the cancellation of such credit insurance is reflected in the amount due under this agreement. **Exception:** In the state of California, Life, A&H, and UII insurance must be cancelled with refunds applied to the account prior to entry of the settlement transaction, even though there is no reduction in balance as part of the settlement.

If this loan has "Monthly Add-On Premium" Credit Life or Credit Accident & Health Insurance coverage, it is understood and agreed that your acceptance of this Workout agreement will result in the cancellation of the above-mentioned insurances.

If your home owners insurance should lapse, Wells Fargo Bank, N.A. reserves the right to place Lender Placed Insurance (LPI) on the account. If LPI is placed on the account the monthly payment could increase. All other terms of the modification agreement will not be affected by the LPI and will remain in effect with accordance to this agreement.

In the event you have a non-escrow account, you are not required to set up an escrow account with Wells Fargo Bank to enter this agreement; however you are agreeing that if taxes or insurance should lapse that Wells Fargo Bank has the right to require you establish an escrow account in the future. If you currently have an escrow account with Wells Fargo Bank please disregard.

In the event that a portion of your debt is cancelled as a result of the full performance of the terms of this Agreement and the cancelled portion is in an amount of \$600 or more, you are required to report the amount of the debt cancellation as income on your tax return. You will be mailed a 1099-C Cancellation of Debt statement on or before January 31<sup>st</sup> of the year following the year in which the cancellation occurred. The debt cancellation is deemed to have occurred in the year in which this Agreement is paid in full according to its terms.

You further agree to waive any claim or cause of action you may have against us as a result of this account.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

Wells Fargo Bank, N.A.  
4119 121<sup>st</sup> ST  
Urbana, IL 61802  
Ph: 866-21-6043  
Fax: 847-455-9956

\_\_\_\_\_  
Borrower Sign here

\_\_\_\_\_  
Borrower Sign here

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