

May 19, 2014

ALLEN

UNIONVILLE, TN 37180-2505

RE: Loan Number:

Property Address:

UNIONVILLE, TN 37180-2505

Dear Borrower(s),

Thank you for contacting Caliber Home Loans, Inc. ("Caliber") to obtain assistance for your above-referenced loan. Your request for a loan modification has been approved and will be finalized if Caliber receives the following from you on or before 06/03/2014:

- 1) A good faith payment in the form of certified funds in the amount of \$0.00 which will be applied to the total amount due on your loan once the modification is processed.
- Original copy of the enclosed Modification Agreement signed by each borrower who signed the original loan documents.

The good faith payment and the signed Modification Agreement must be received by the date indicated above.

Otherwise, the modification will not be completed, and Caliber may seek to pursue any and all rights under the Note and Security Instrument. The good faith payment will not be posted to the account unless and until we receive the executed Modification Agreement.

## Loan Modification Review

Based on our review of your financial circumstances, you are approved for the following modification: 5 year Interest Only

You were evaluated for mortgage payment assistance using the eligibility requirements of the investor / owner of your mortgage loan. These requirements for determining borrower eligibility for a loan modification include the use of a hierarchy evaluation approach under which a borrower who is eligible for a modification program higher in the hierarchy is ineligible for a modification program lower in the hierarchy, to the extent applicable.

Below is a summary of the loan modification options for which you were reviewed but deemed ineligible following the review set forth above:

Product

5 Year Short Term

\* Excessive obligations in relation to income. We are unable to offer you this loan modification option at this time because as of the date of your request, your current total monthly debts exceeded your gross monthly income.

Loan Modification (With Deferment)

\* Hierarchy Evaluation. Modification option is lower in the evaluation hierarchy

Please note that your loan modification request was not evaluated based on other factors or criteria other than those referenced above.

- D. Borrower has given Servicer information, all of which is true and accurate, regarding Borrower's income and/or liquid assets (with the exception of any information regarding Alimony and Child Support payments, unless the Borrower wants the Servicer to consider that to be income).
- E. All documents and information Borrower has provided to Servicer in connection with this Agreement are true and correct.
- F. Borrower will obtain credit counseling within 30 days of this agreement if the Servicer requires it. Borrower will provide proof of credit counseling if required by Servicer.
- 2. Conditions to Effectiveness of Agreement. This Agreement will only be effective after each of these events happen:

  - B. Servicer, when it receives this Agreement, will verify the accuracy of Borrower representations.
  - C. If the Servicer (in its sole discretion) determines that Borrower's representations are accurate, then Servicer will execute this Agreement and it will become effective as of (the "Modification Effective Date"). If the Servicer determines that the Borrower's representations are not accurate, then the Servicer will notify the Borrower and this Agreement will not become effective.
- Modification of the Loan Documents. If all the conditions outlined above are met, then your Loan is modified as follows:

<u>Summary of Modification</u>: We will reduce the balance on which interest is accruing and we will lower the interest rate for a period of time called the Reduction Period. During the Reduction Period you will make monthly "interest only" payments (plus escrow and Ancillary payments). Certain amounts are deferred, meaning that you still owe them, but they will be collected by the Servicer at a later date. On the Reduction Period End Date, your Loan and interest rate will revert to the terms of your original Note and your payment may increase. Deferred Amounts will remain deferred.

New Principal Balance: \$133,989.83
Modification Interest Rate: 4.000%
Modification Interest Only Payment: \$446.63
Monthly Escrow Payment: \$0.00
Ancillary Monthly Payment: \$0.00
Total New Monthly Payment: \$446.63

Reduction Period End Date: 6/1/2019 Deferred Amount: \$17,261.73

New Maturity Date (if applicable):

Modification Effective Date: 6/1/2014 First Modification Payment Date: 7/1/2014

These Definitions apply to the categories above:

**New Principal Balance**: This is the principal balance Servicer has agreed to use for this modification and is used to calculate your payment. If you successfully complete this modification, this is the principal balance upon which interest will continue to accrue.

Modification Interest Rate: This is the interest rate that will be in effect under this Agreement. This rate is "fixed" and will not change until the Reduction Period End Date.

**Modification Interest Only Payment**: This is the new monthly payment and represents interest due and payable monthly on the New Principal Balance. You are not required to make a payment toward the reduction of principal until the Reduction Period End Date. Because the interest rate is "fixed" and will not change until the Reduction Period End Date, this amount will not change unless you make payments to be applied toward Principal.

## MODIFICATION AGREEMENT - LIMITED TERM INTEREST ONLY

To the Borrower: This Agreement contains changes in terms which affect your Loan secured by the Property Identified below. This is a legal obligation and you should read and understand the terms of this Agreement before you sign it.

This Agreement (the "Agreement") is dated as of 5/17/2014 but effective as of the Modification Effective Date defined herein, by and between ALLEN (collectively, the "Borrower") and Caliber Home Loans, Inc., on behalf of the current investor (the "Servicer").

## RECITALS:

- A. Borrower has a mortgage loan, account number (the "Loan"). This loan is secured by property commonly referred to as (UNIONVILLE, TN 37180-2505 (the "Property"). The legal description to the Property may be attached to this Agreement by the Servicer if required.
- B. Borrower signed the following documents in connection with the Loan:
  - Note dated 8/26/2006 in the original amount of \$143,000.00 (the "Note").
  - Mortgage or Deed of Trust on the Property, recorded in real property records of BEDFORD County, TN (the "Mortgage").
  - The Note and the Mortgage, together with all documents signed at the same time as
    the Note and Mortgage are called the "Loan Documents".
- C. The following amounts are outstanding under the terms of the Note:

 Unpald Principal:
 \$133,989.83

 Unpaid Interest:
 \$15,335.39

 Other Unpaid Amounts:
 \$1,926.34

 Total:
 \$151,251.56

Included in the Other Unpaid Amounts is \$0.00, the amount that Servicer has advanced for real property taxes, insurance, water liens, or other amounts that may have become due with respect to the Property. This is known as the "Ancillary Amount".

- D. Borrower is in default for fallure to make payments or has demonstrated imminent default under the terms of the Note. Servicer either has accelerated or can accelerate the balance of the Note, which would require the Borrower to pay the Note and all Other Unpaid Amounts in full.
- E. Borrower has provided information to Servicer, and Borrower and Servicer want to modify the terms of the Note and Mortgage.

Borrower and Servicer (collectively, the "Parties"), agree as follows:

- Borrower's Representations. Borrower certifies that each of these statements is true;
  - A. Borrower is experiencing a financial hardship and is either in default for failure to make payments on the Note or will shortly be in default. Borrower does not have sufficient income or access to sufficient liquid assets to make regular payments on the Note.
  - The Property has not been condemned or is not subject to condemnation proceedings.
  - C. There has been no change in the ownership of the Property since the time the Loan Documents were signed.