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Borrower(s): Robert K. [REDACTED]

Loan No.: [REDACTED]

Attorney File No.:

Property Address: [REDACTED] Bristol, VT 05443

Mailing Address: [REDACTED] Bristol, VT 05443

**FORBEARANCE AGREEMENT**

This Forbearance Agreement (the "Agreement") is made and entered into by and between Robert [REDACTED] [REDACTED] (hereinafter "Borrower(s)") and New Century Mortgage Corporation (hereinafter "New Century") (collectively referred to herein as "the Parties") as of 08/28/06.

**RECITALS**

New Century is the current holder or servicer, on behalf of the current holder, of a Promissory Note dated December 13, 2004 in the original principal amount of \$131,250.00 (the "Note"), secured by a Deed of Trust/Mortgage of the same date, upon real property commonly described as [REDACTED] Bristol, VT 05443 more particularly described in the Deed of Trust/Mortgage (the "Property").

The Borrower(s) is/are in default under the terms of the Note and Deed of Trust/Mortgage. The amount to cure the default as of 08/28/06 is \$15363.45. This amount consists of the following:

Payments:	
3 @ \$958.50	\$2875.50
9 @ \$1078.68	\$9708.12
Accumulated Late Charges:	\$527.12
Property Inspections:	\$200.00
BPO:	\$125.00
Advances for Other Escrow Items:	\$1442.31
Foreclosure and Attorney's Fees and Costs Through:	\$1824.20
Unapplied Funds:	\$2553.00
<b>Total Default:</b>	<b>\$15363.45</b>

The Borrower(s) has/have requested and New Century is willing to forbear from commencing/continuing foreclosure and will permit a partial reinstatement only on the following conditions:

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing Recitals, which Borrower(s) hereby acknowledge to be true and correct and which are made a part of this Agreement, and the mutual covenants set forth herein, the Parties agree as follows:

1. Except as provided herein, the terms and conditions of the Loan Documents remain in full force and effect and the Deed of Trust/Mortgage shall continue to secure the Note.

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2. The Borrower(s) shall pay to New Century on or before **08/30/06** before **5:00 pm** (pacific standard time) the sum of **\$5000.00** as a non-refundable, initial payment toward satisfaction of the current total delinquency owed by Borrower(s), as set-forth above. This payment (and all payments) shall be made to New Century in **CERTIFIED FUNDS**, or sent via Western Union. The Western Union Code is "NC COMMERCE" and the Code State is CALIFORNIA. The payments should be made payable to **New Century Mortgage Corporation**, and delivered to

New Century Mortgage Corporation  
1610 East St. Andrew Place, Suite B-150  
Santa Ana, CA 92705  
Attn: Cali Clemens, Loss Mitigation, 1<sup>st</sup> Floor  
(888) 477-0193 X-75295

3. The Borrower(s) shall pay the remaining balance of **\$10363.45** over a period of **10 months** by paying **\$500.00** each **25th** of the month starting **September 25, 2006** and ending on **June 25, 2007**. This payment shall be in addition to the regular monthly payments, which are currently **\$1078.68** per month. The total monthly payment under this Agreement during the Agreement period shall be **\$1578.68**. Failure to make any payment required by this Agreement on the date due, as set forth herein, shall be a default and breach of this Agreement.

4. If the loan has a variable interest rate, there may be an adjustment in your regular monthly payment during the period of this Agreement. The Borrower(s) agrees to pay and shall be responsible for the difference due, if any, before the forbearance plan can be completed.

5. The Borrower(s) consents and agrees that in making this Agreement the pending foreclosure action shall not be waived or terminated. The foreclosure action shall, however, be suspended so long as there is no default under this Agreement. Should the Borrower(s) default under this Agreement, or breach any other provision or term of the Note and Deed of Trust/Mortgage, the foreclosure action may proceed unabated without further notice to the Borrower(s). Any amount paid to New Century under this Agreement may be retained by New Century, and in such event, New Century shall have no obligation to refund any such funds to the Borrower(s). Any payments received by New Century from the Borrower(s) shall be accepted without prejudice to the foreclosure action, and shall be applied to attorney's fees, trustee's fees, foreclosure costs, other expenses, late charges and delinquent payments at the sole discretion of New Century.

6. By entering into this Agreement, New Century does not waive its right to receive all future payments on a timely basis in accordance with the Note and Deed of Trust/Mortgage.

7. The Borrower's failure to strictly perform pursuant to the terms set-forth herein shall be considered a breach of the Agreement. In the event of a breach of the Agreement, Borrower(s) waives all defenses to resumption of the foreclosure action without further notice by New Century.

8. If any mathematical error or other mistake is made in computing the amount needed to cure the default, Borrower(s) agrees that New Century is entitled to receive all amounts due under the terms of the Note and Deed of Trust/Mortgage.

9. No payment statements, coupons, envelope, or other payment notices or reminders will be sent during the forbearance period or pertaining to this Agreement.

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10. If this Deed of Trust/Mortgage is in a second lien position on the Property, Borrower(s) represents and agrees to keep the first lien deed of trust/mortgage current and will provide proof that the first deed of trust/mortgage is current at New Century's request.

11. If property taxes, insurance, and other escrow items are paid by the Borrower(s) and not included in an escrow account as part of the regular monthly payment to New Century, the Borrower(s) shall keep the property taxes, insurance, and other escrow items current and shall provide New Century with proof of such payment upon request. Any failure to make these payments will be a breach of this Agreement.

12. The Borrower(s) expressly agrees and understands that this Agreement is not a new loan, but rather, a conditional forbearance of New Century's right to exercise its rights under the Note and Deed of Trust/Mortgage. Neither the Borrower(s) nor New Century intends to extinguish or discharge the indebtedness or the lien evidenced by the Note and Deed of Trust/Mortgage.

13. In consideration of the mutual promises contained herein, the receipt and adequacy of which are hereby acknowledged, the Borrower(s) releases New Century, its assignees, and each of their officers, directors, employees, representatives, attorneys and agents, from any and all liability whatsoever, including all claims, demands and causes of action of every nature arising out of or relating to the loan, the Note and Deed of Trust/Mortgage. This release covers all injuries and damages, whether known or not, and which may hereafter appear or develop arising from or relating to the loan, any loan documents, loan disclosures, notices, servicing of the loan, this Agreement, and any foreclosure proceeding. [California: The Borrowers acknowledge that this release includes a waiver of the right to make claims based upon the discovery of new facts and circumstances, and in light of such waiver, waives the application of California Civil Code Section 1542, which provides: "A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."]

14. There are no other agreements, written or oral, between the Parties respecting forbearance or postponement of the foreclosure, and all prior negotiations of the Parties on such subject are merged herein. This Agreement shall bind and inure to the benefit of the Parties' respective successors and assigns.

15. This is an attempt to collect a debt and any information obtained will be used for that purpose. This notice is required by the Fair Debt Collection Practices Act and does not imply that New Century is attempting to collect money from anyone who has discharged the debt under the Bankruptcy Laws of the United States.

[Redacted signature]  
Robert [Redacted]

Dated: 8/30/06

[Redacted signature]

Dated: 8/31/06

New Century Mortgage Corporation

Dated: 8/29/06

By: [Redacted signature]  
Collection Resolution Coordinator II