



Nov 13, 2006

Janet [REDACTED]
Barrigada, [REDACTED] 5712

Re: Loan No.001 [REDACTED]

Dear Janet [REDACTED]

FORBEARANCE AGREEMENT

Re: Loan No.00 [REDACTED]
Property Address: [REDACTED] Grass Valley, CA 95945
Borrower(s): Janet [REDACTED]

This Forbearance Agreement (hereinafter "Agreement"), is made and entered into as of 11/13/2006, by and between Option One Mortgage Corporation (hereinafter "Lender") and Janet [REDACTED] (hereinafter collectively referred to as "Borrowers").

RECITALS:

Borrowers executed that certain promissory note (hereinafter the "Note") and mortgage, deed of trust or deed to secure debt (hereinafter "Security Instrument") on or about, in the original principal amount of USD \$ 288,000 (hereinafter collectively referred to as "Loan" or "Loan Documents"); and

Borrowers secured the Loan by virtue of the Security Instrument, covering the premises commonly known as [REDACTED] Grass Valley, CA 95945 (hereinafter referred to as "Property"); and

Borrowers have defaulted in making their payments under the Loan and desire to remedy that default by bringing the Loan current; and

Lender has stated that it will consider forgoing pursuit of the legal remedies available to it as a result of Borrowers' aforementioned default under the Loan, provided that the Borrowers execute and fulfill the terms of this Agreement.

AGREEMENT:

NOW THEREFORE, in consideration of the Lender forgoing pursuit of its legal remedies under the Loan Documents relating to foreclosure and sale of the Property, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Borrowers, intending to be legally bound, understand, acknowledge, covenant and agree as follows:

1. **Recitals:** The above recitals are true and correct and incorporated herein by reference.

[REDACTED] Drive*Irvine* CA* 92618* (888) 275-[REDACTED] Fax (866) 435-[REDACTED]



2. **Contractual Due Date:** Borrowers are in default in making their monthly payments under the Loan Documents and the contractual due date of the Loan as of the date of this Agreement is 05/01/2006
3. **Arrearage:** As of the date of this Agreement, the total sum necessary to bring the Loan current, including, but not limited to, principal, accrued interest, accrued late charges, Lender advances, escrow arrearages and foreclosure fees and costs, is \$ 17,012.78 (hereinafter referred to as the "Arrearage"). The Arrearage is itemized in Exhibit A, attached hereto and made a part hereof. Payment of the full amount of the Arrearage by Borrowers to Lender pursuant to the terms of this Agreement will fully satisfy the terms of this Agreement and bring the Loan current at which time regular monthly payments will resume pursuant to the terms of the original Loan Documents.
4. **Increased Monthly Payment:** As a prerequisite to the validity of this Agreement and during the term of this Agreement, Borrowers must make all Loan payments pursuant to the following terms and conditions:
 - a. A down payment in the amount of \$ 9,000, must be received by Lender no later than 5:00 P.M. Pacific Standard Time, 11/26/2006 either: (i) via overnight mail sent to the attention of Option One Mortgage Corporation, [REDACTED], Irvine, CA 92618, in the form of guaranteed funds (certified check, cashiers check or money order) made payable to Option One Mortgage Corporation, or (ii) via Western Union "Quick Collect" to Code City: EIU, Code State: CA.
 - b. Increased monthly payments in the amount of \$ 2,770.07, which includes the full regular monthly payment under the Loan Documents plus a pro rata portion of the Arrearage (both amounts together hereinafter referred to as the "Plan Payment"), must be received by Lender no later than 5:00 P.M. Pacific Standard Time, commencing on 12/30/2006 and continuing on the same date of each and every month through and including 11/30/2007. The Plan Payment is itemized in Exhibit B, attached hereto and made a part hereof. Borrowers must send the Plan Payment either (i) in the form of guaranteed funds (certified check, cashiers check or money order) made payable to Option One Mortgage Corporation, and mailed or delivered to Lender at Option One Mortgage Corporation, [REDACTED], Irvine, CA 92618, or (ii) via Western Union Quick Collect to Code City: EIU, Code State: CA.
 - c. All Loan payments shall be clearly marked with the above-referenced Loan number.
 - d. As to each and every payment made under this Agreement, *time shall be strictly of the essence and there shall be no grace period.*
5. **Collection Efforts to Continue:** *This Agreement shall be of absolutely no force or effect, and no action will be taken by Lender to cease collection activities and/or postpone the foreclosure or sale of the Property (if applicable), unless and until Lender has received both this Agreement, fully executed by the Borrowers, and any required down payment in the form and in the manner as outlined in subparagraph 4a above no later than 11/26/2006* This Agreement is not considered "received" by Lender unless and until it has been internally data stamped by Lender and delivered in hand to the Borrowers Assistance Team, Mailstop [REDACTED] Irvine, CA 92618 Fax: (866) 4[REDACTED]

65 [REDACTED] Irvine CA 92618 (888) 275 [REDACTED] Fax (866) 435 [REDACTED]



6. Late Charges and Additional Fees and Costs; Increase in Plan Payment:

- a. Unless prohibited by state law, late charges, as set forth in the Note, shall continue to accrue during the term of this Agreement until such time as the Loan is brought current.
- b. Additional fees, expenses and charges relating to the Loan that have not yet been billed to or incurred by Lender or debited to the Loan account, including but not limited to appraisal and broker price opinion fees, property inspection fees, Lender advances for payment of Borrowers' taxes and/or insurance, attorney fees and expenses, and collection fees (hereinafter, together with late charges, collectively referred to as "Additional Costs"), are not included in the Plan Payment and must be paid by Borrowers in order to fully satisfy the terms and conditions of this Agreement and bring the Loan current.
- c. In order to ensure payment by Borrowers of such Additional Costs, and in Lender's sole and absolute discretion, the Plan Payment amount may be subject to increase, upon written notice by Lender to Borrowers, to an amount necessary to bring the Loan current by the final Plan Payment due date under this Agreement.

7. Adjustable Rate Note; Increase in Plan Payment: If the Note is an adjustable rate instrument, the Plan Payment is subject to increase pursuant to interest rate adjustments as dictated by the terms of the Note. If the interest rate is adjusted downward under the terms of the Note, the Plan Payment will not decrease, but any surplus will be applied to the Arrearage.

8. Taxes and Hazard Insurance; Increase in Plan Payment: Should Lender require Borrowers, pursuant to the terms of the Loan Documents, to establish an impound account with Lender for payment of taxes and insurance, or should the monthly contribution to any existing impound account increase pursuant to a periodic escrow analysis, the Plan Payment may increase accordingly. Should the monthly contribution to any existing impound account decrease pursuant to a periodic escrow analysis, the Plan Payment will not decrease, but any surplus will be applied to the Arrearage.

9. Credit Reporting: Until such time as the Loan is brought current (either by successful completion of the terms of this Agreement or a lump sum payment of the Arrearage), the Loan remains delinquent and the Lender must continue to report the Loan as delinquent to the credit reporting agencies to which Lender reports.

10. Pending Foreclosure Action: In the event that a foreclosure action is pending relating to the Loan at the time this Agreement becomes effective (as contemplated in paragraph 5 above), the foreclosure action will not be dismissed, but Lender shall use its best efforts to ensure that the foreclosure is placed on hold pending satisfaction by Borrowers of the terms of this Agreement. Lender shall retain the right to continually postpone the foreclosure, file notices with the court, publish the pending foreclosure, complete service or otherwise take any action reasonably necessary to maintain the "pending" status of the foreclosure action during the term of this Agreement. Furthermore, if Lender or its designated agent has, prior to the execution of this Agreement, submitted any motion or order to the court, Lender shall not be required to withdraw such motion or order by virtue of this Agreement, and the court shall be permitted to consider such motion and/or enter any appropriate order in response to such motion.

92618" (888) 275- Fax (866) 435-

11/14/2006



11. **Inability to Postpone:** If a foreclosure sale or "law day" has been scheduled to occur shortly after Lender has received both the signed Agreement and any required down payment from the Borrowers, it may not be possible for Lender to stop the sale of the Property or vesting of title to the Property in a third party purchaser. In such event, the down payment will be returned to the Borrowers and this Agreement shall have no force or effect. Furthermore, Lender assumes no liability, and Borrowers hereby absolve Lender from liability, for failure to stop the sale or otherwise unwind, rescind or reverse the sale or vesting should such sale or vesting occur. If Lender is unable to stop the sale of the Property and Borrowers and Lender subsequently undertake any effort to unwind, rescind or reverse the sale or vesting, then any fees and costs associated with such activity shall be added to the Loan balance.
12. **Material Breach and Termination of Agreement:** The Borrowers shall be considered to be in material breach of this Agreement and this Agreement shall automatically terminate, upon ten (10) days prior written notice to Borrowers at Borrowers' last known address, under any of the following circumstances:
- Borrowers fail to strictly comply with any of the terms of this Agreement or the Loan Documents.
 - The Property is abandoned or left vacant for more than sixty (60) days.
 - Borrowers transfer any interest in the Property without Lender's prior written consent.
 - The facts or circumstances relating to Borrowers' financial condition, which influenced Lender to enter into this Agreement, are substantially changed for the worse.
 - Incorrect or fraudulent information was submitted by Borrowers to induce Lender to enter into this Agreement.
13. **Effect of Termination:** If this Agreement is terminated due to material breach as set forth above, the Lender shall be entitled to pursue its remedies pursuant to the terms and conditions of the Loan Documents as if this Agreement had never existed. If, upon termination of this Agreement, the Borrowers remain in default under the Loan Documents, Lender shall be entitled to commence or resume foreclosure without the necessity of re-providing the Borrowers with any legally required notices that were duly provided by Lender to Borrowers prior to execution or during the term of this Agreement.
14. **No Defenses; Release:** By their execution and delivery to Lender of this Agreement, the Borrowers acknowledge that the Arrearage is the Borrowers' full responsibility and was produced solely by the actions or inactions of the Borrowers. Furthermore, Borrowers agree that they have no defense, setoff or counterclaim related to the Loan or the Property, or to Lender's activities relating to the Loan or the Property, and Borrowers hereby voluntarily release, discharge and agree not to sue Lender for any and all claims, demands, controversies, damages, actions, causes of action, liabilities, rights, costs (including attorney fees and court and litigation costs and expenses), indemnities, obligations or losses of any kind or nature whatsoever, whether at this time known or unknown, for or by reason of any act, omission, event, transaction, matter or cause, arising from or relating to the Loan, the origination of the Loan or the servicing of the Loan, or any dispute arising from or relating to the Loan, the origination of the Loan or the servicing of the Loan, or any of the facts upon which any such dispute is based.

(888) 275- [REDACTED] Fax (866) 41- [REDACTED]



15. **Advice of Attorney:** The Borrowers warrant and represent that in executing this Settlement Agreement they have relied upon legal advice from the attorney of their choice; that this Agreement has been read by the Borrowers and such attorney, and its consequences (including risks, complications, and costs) have been completely explained to Borrowers by that attorney; and Borrowers fully understand the terms of this Agreement.
16. **Loan Documents:** All of Borrowers' rights and responsibilities under, and all of the terms and conditions of the Note and Security Instrument, shall remain in full force and effect except as expressly modified by this Agreement. Nothing contained in this Agreement shall be construed to impair the Security Instrument or effect or impair Lender's rights or powers under the Loan Documents to recover any sum due under the terms of the Note, including any Arrearage and Additional Costs.
17. **Severability:** 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 either Lender, in its sole discretion and election, or Borrowers, in their sole discretion and election, the Agreement shall, only after written notice given by the electing party to the other party, be of no force or effect and the relationship of Lender and Borrowers shall be entirely governed by the provisions of the Loan Documents.

6501 Irvine Center Drive* Irvine* CA* 92618* (888) 271-1111 Fax (866) 431-1111



IN WITNESS WHEREOF, the undersigned has/have caused this Agreement to be executed as of the date first above written.

Borrower:

Borrower:

Dated: _____

Dated: _____

PLEASE SIGN AND RETURN ALL PAGES

Irvine* CA* 92618* (888) 27* *ax (866) 4*



EXHIBIT A

Borrower Name: Janet [REDACTED]

Reinstatement Quote for Loan: 00 [REDACTED]

GOOD THROUGH DATE : 11/26/2008

3	Payments @	\$ 1,980.72	:	\$ 5,942.16
1	Payments @	\$ 2,114.92	:	\$ 2,114.92
3	Payments @	\$ 1,969.09	:	\$ 5,967.27
1	Late Charges @	\$ 414.6	:	\$ 414.60
				Spa: \$ 65.
				FC Fees & Cost: \$ 2,402.43
				BI: \$ 48.
				Property Inspections: \$ 38.4
				Total Servicer Reinstatement Amount: \$ 37,012.78

IN WITNESS WHEREOF, the undersigned has/have caused this Agreement to be executed as of the date first above written.

Borrower:

Borrower:

Dated: _____

Dated: _____

PLEASE SIGN AND RETURN ALL PAGES

11/14/2006



EXHIBIT B

REPAYMENT PLAN DETAILS for Loan : 0018789222

DUE DATE	PAYMENT AMOUNT
12/30/2006	\$ 2,770.07
01/30/2007	\$ 2,770.07
02/28/2007	\$ 2,770.07
03/30/2007	\$ 2,770.07
04/30/2007	\$ 2,770.07
05/30/2007	\$ 2,770.07
06/30/2007	\$ 2,770.07
07/30/2007	\$ 2,770.07
08/30/2007	\$ 2,770.07
09/30/2007	\$ 2,770.07
10/30/2007	\$ 2,770.07
11/30/2007	\$ 2,770.07

IN WITNESS WHEREOF, the undersigned has/have caused this Agreement to be executed as of the date first above written.

Borrower:

Borrower:

Dated: _____

Dated: _____

PLEASE SIGN AND RETURN ALL PAGES