

## FORBEARANCE AGREEMENT

This Forbearance Agreement is made and entered into effective as of September 18, 2007 between PAIGE MCDANIEL (hereinafter referred to as "Borrower," whether one or more) and U.S Bancorp Consumer Finance located at [REDACTED] CN-OH-X5-FI, Cincinnati, Ohio 45202 (hereinafter referred to as "Lender").

### RECITALS:

WHEREAS, Borrower is obligated to Lender under a residential mortgage loan designated as US Bank Loan No. [REDACTED] (hereinafter referred to as "Loan");

WHEREAS, the Loan is evidenced by a promissory note and secured by a deed of trust or a mortgage, including any addenda or riders thereto (hereinafter collectively referred to as "Loan Documents");

WHEREAS, the deed of trust or mortgage in favor of Lender encumbers the residential real estate and improvements located at: [REDACTED], LITHONIA GA 30038 (hereinafter collectively referred to as "Property");

WHEREAS, the Loan presently is in default by virtue of Borrower's failure to make the following payments as agreed:

Payment (5)	\$ 5,723.70
Late Charges	\$429.85
Nsf Fees	\$ 55.00
Attorney fees	\$110.00
Negative escrow	\$2,053.04
ARREARAGE through 09/18/2007	\$8,371.59

WHEREAS, Borrower has requested that Lender forbear from taking legal action to enforce the terms of the Loan Documents;

WHEREAS, Lender is amenable to Borrower's proposal, subject to the conditions set forth hereinafter;

NOW THEREFORE, in consideration of the Recitals above, the mutual promises contained herein and the benefits accruing to the parties hereunder, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The parties stipulate and agree that the foregoing Recitals are true and correct, and the Recitals are hereby incorporated by reference into the terms of this Agreement.

Borrower acknowledges that the Loan is in default and that the amounts set forth above and included in the "ARREARAGE" are now due and owing to Lender.

2. **Lender's Forbearance.** During the term of this Agreement, Lender agrees to forbear from legal action to enforce the terms of the Loan Documents, provided that: (a) Borrower complies with all the terms and conditions of this Agreement; (b) there is no further default under the Loan Documents; (c) no third party, including, without limitation, any other creditor of Borrower or any other person holding an interest in the Property, takes any action that may adversely affect Lender's interests or necessitate legal action by or on behalf of Lender; and (d) no bankruptcy, receivership, or other insolvency proceeding is instituted as to Borrower or Borrower's assets, including the Property. Notwithstanding the foregoing, Borrower understands, acknowledges, and agrees that Lender's forbearance does not constitute a waiver of the default and that Lender is under no obligation to dismiss or withdraw from any pending foreclosure proceedings; however, Lender shall postpone any previously scheduled foreclosure sale that otherwise would occur during the term of this Agreement.

3. **Initial Payment.** Contemporaneously with the execution of this Agreement, Borrower shall pay Lender the sum of \$2,565.00 as evidence of Borrower's good faith. Good faith funds to be received no later than September 27 2007.

4. **Additional Monthly Payments to Cure Arrearage.** Borrower shall continue to make all regular monthly payments coming due after the effective date of this Agreement. In order to cure the arrearage, Borrower also shall make additional monthly payments, over and above the regular monthly payments, for 18 consecutive months, in accordance with the following provisions:

(a) **Mailing Address for Payments.** During the term of this Agreement, Borrower shall forward all regular monthly payments and all additional monthly payments to the following address:

US Bancorp Consumer Finance  
ATTN: Andrew Pittman  
205 W 4<sup>th</sup> St. Ste.500  
CN-OH-X5F1  
Cincinnati, OH 45202

(b) **Amount of Each Arrearage Payment.** Each additional monthly payment shall be equal to 1/18 payment of the balance of the arrearage that remains outstanding after the initial payment required under the preceding Paragraph 3. The amount of each monthly payment shall be \$322.59

(c) **Due Dates of Arrearage Payments.** The additional monthly payments shall be paid concurrently with the regular monthly payments, beginning with the next installment that

becomes due after the effective date of this Agreement and continuing with each installment that becomes due during the 18 successive months thereafter.

(d) Summary of Payments Due Under This Agreement. Pursuant to the foregoing, Borrower shall pay the following amounts on the following dates, in addition to the initial payment required under Paragraph 3 above:

\$1,467.33	10/01/07-03/01/09		
<ul style="list-style-type: none"> <li>• <b>NOTICE REGARDING ARM LOANS:</b> If Borrower has an adjustable rate mortgage loan, these amounts may be increased or decreased in the event that the interest rate is adjusted during the term of this Agreement. Lender shall inform Borrower in advance of any such interest rate adjustment pursuant to the requirements of the Loan Documents.</li> </ul>			

(e) Method of Making Arrearage Payments. All payments to be made to Lender during the term of this Agreement, including regular monthly payments and additional monthly payments to cure the arrearage, shall be made by cashier's or certified check, money order, or Western Union "Quick Collect" made payable to "U S Bancorp Consumer Finance" Borrower acknowledges, understands, and agrees that no personal checks will be accepted or applied until Borrower has complied fully with all the terms and conditions of this Agreement.

5. Application of Payments. Notwithstanding anything to the contrary contained in the Loan Documents, Lender shall apply all payments received under this Agreement in accordance with the terms of this Paragraph 5, unless a different application is required by state law. The initial payment required under Paragraph 3 above and all subsequent payments coming due under Paragraph 4 above (*i.e.*, regular monthly payments and arrearage payments) shall be applied as follows: first, to attorneys' fees, court costs, property inspection/appraisal fees, and other collection costs; second, to any escrow account shortfall, if applicable; and lastly, to outstanding late charges. Any funds remaining after such application shall be held in a suspense account pending Borrower's payment of the additional amounts required to comprise a full monthly payment of principal, interest, and escrow charges (if applicable). Upon Lender's receipt of the additional amounts required to comprise a regular monthly payment, Lender shall apply the funds in the suspense account to past due payments in the order of accrual. So long as Borrower complies with all the terms and conditions of this Agreement, Lender shall not be entitled to impose any additional late charges with respect to regular monthly payments coming due during the term of this Agreement, regardless of the date of application of such payments. Upon completion of this plan, the borrower's account will be current for the March 1, 2009.

6. Taxes, Insurance, and Homeowners' Association Dues. Borrower understands, acknowledges, and agrees that Lender's forbearance hereunder is expressly conditioned upon

Borrower's compliance with all the covenants contained in the Loan Documents, including Borrower's covenants to maintain adequate insurance coverage to protect the Property and to pay all real estate taxes and assessments and homeowners' association dues (if applicable) as the same become due. Accordingly, Borrower shall promptly pay any required premiums for insurance coverage and any outstanding tax bills or homeowners' association dues. Borrower shall furnish receipts or other proofs of payment, if requested to do so by Lender. Lender reserves the right to require Borrower to establish an escrow account for the payment of taxes, insurance, and homeowners' association dues if such an account is not already in existence, and to increase the monthly payments required hereunder accordingly.

7. Termination. This Agreement shall terminate upon the earliest of the following events:

(a) the performance by Borrower of all of Borrower's undertakings hereunder, including the payment, in full, of all amounts due under this Agreement, consisting of: (i) the initial payment required under Paragraph 3 above; (ii) the regular monthly installments coming due after the effective date of this Agreement under the Loan Documents; (iii) the additional monthly payments required to cure the arrearage; (iv) premiums now due or becoming due during the term of this Agreement for insurance coverage of the Property; and (v) real estate taxes and assessments and homeowners' association dues (if applicable) now due or becoming due during the term of this Agreement; or

(b) the occurrence of a default under the terms of this Agreement or a further default under the terms of the Loan Documents, whether due to Borrower's failure to make required payments or Borrower's breach of the covenants and conditions contained in this Agreement or the Loan Documents, including the covenants relating to upkeep and maintenance of the Property;

(c) the commencement of foreclosure or other legal proceedings against Borrower or the Property by any third party, including, without limitation, any other creditor of Borrower or any other person holding an interest in the Property; or

(d) The filing of a bankruptcy, receivership, or other insolvency proceeding relating to Borrower or Borrower's assets, including the Property.

Lender is under no obligation to notify Borrower of the termination of this Agreement or of any default hereunder.

8. Resumption of Regular Monthly Payments. Upon the termination of this Agreement pursuant to Subparagraph (a) of Paragraph 7 above, Borrower shall resume regular monthly payments as though no default had occurred. Payments made after the termination of this Agreement shall be sent to Lender at the regular mailing address (*i.e.*, post office box) for monthly payments, along with the detachable portion of Borrower's monthly statement.

9. Default. Upon the termination of this Agreement for any of the reasons enumerated in subparagraphs (b) through (d) of Paragraph 7 above, Lender's forbearance shall cease and Lender shall be entitled to: (a) retain any amounts previously paid hereunder after giving credit to the

Borrower for payments received; (b) declare the entire principal balance and all accrued interest and other charges outstanding under the Loan Documents immediately due and payable; (c) institute or resume foreclosure proceedings; and (d) exercise any and all rights accorded to it under this Agreement, the Loan Documents, or applicable law, all of which rights are hereby expressly reserved.

10. Borrower's Reaffirmation. Borrower acknowledges, reaffirms, and unconditionally promises to pay Borrower's entire indebtedness to Lender in accordance with the terms of the Loan Documents and this Agreement. Borrower reaffirms all the covenants, conditions, representations, and warranties set forth in the Loan Documents as if such covenants, conditions, representations, and warranties were made as of the date hereof.

11. Acknowledgment of Continuing Security Interest. The parties acknowledge and agree that the Loan shall continue to be secured as provided in the Loan Documents and that this Agreement is made in express reliance upon such security. Borrower shall not take or permit any action that may in any way jeopardize the priority of Lender's mortgage lien or weaken or impair any other collateral securing Borrower's indebtedness to Lender.

12. Joint and Several Liability. If more than one person signs this Agreement as "Borrower," each such person shall be fully and personally obligated to keep all the promises made in this Agreement. Lender may enforce its rights under this Agreement against any Borrower individually or against all persons signing as "Borrower" together. Whenever the singular is used herein, it shall include the plural, and vice-versa, as the case may require.

13. No Oral Agreements. This Agreement represents the entire agreement between the parties with respect to the terms under which Lender will forbear from legal action. This Agreement supersedes any oral agreements or understandings to the contrary. This Agreement shall be valid only when countersigned by a duly authorized representative of Lender.

14. Incorporation. Except as expressly modified herein, all the terms and conditions of the Loan Documents shall remain unchanged, unimpaired, and in full force and effect. This Agreement is hereby made a part of the Loan Documents as completely as if incorporated verbatim therein.

IN WITNESS WHEREOF, the parties have executed this Agreement to be effective as of the date first written above.

**NOTICE TO BORROWER: THIS IS AN IMPORTANT LEGAL DOCUMENT. DO NOT SIGN THIS AGREEMENT WITHOUT READING IT FIRST.**

SIGNED IN THE PRESENCE OF:

BORROWER:

Printed Name: \_\_\_\_\_

Printed Name: PAIGE \_\_\_\_\_

Printed Name: \_\_\_\_\_

Printed Name: \_\_\_\_\_

SIGNED IN THE PRESENCE OF:

LENDER:

US Bancorp Consumer Finance

Printed Name: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: Loss Mitigation

Printed Name: \_\_\_\_\_

**OPTIONAL NOTARY BLOCKS TO BE COMPLETED IF AGREEMENT IS TO BE RECORDED IN COUNTY REAL ESTATE RECORDS:**

STATE OF «State» )

) SS:

COUNTY OF )

On this \_\_\_\_ day of \_\_\_\_\_ 2007, before me, a Notary Public in and for said State, personally appeared \_\_\_\_\_ the individual(s) who executed the foregoing instrument and acknowledged to me that he/she/they did examine and read the same and did sign the foregoing instrument, and that the same is his/her/their free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

\_\_\_\_\_  
Notary Public

My Commission Expires:

STATE OF OHIO            )  
                                  ) SS:  
COUNTY OF HAMILTON    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 200 [REDACTED] Loss Mitigation of U S Bancorp Consumer Finance, as Lender.

\_\_\_\_\_  
Notary Public

My Commission Expires:

This instrument was prepared by:  
U S Bancorp Consumer Finance  
205 W. 4<sup>th</sup> St., Ste. 500  
ML CN TX 05FI  
Cincinnati, Ohio 45202