

Loan No.: 002[REDACTED]
Property Address: [REDACTED]
LADERA RANCH, CA 92694

**MODIFICATION AGREEMENT
(Temporary Fixed Interest Rate Payment Option;
Prepayment Charge Imposed)**

THIS MODIFICATION AGREEMENT (the "Agreement") is dated
as of 06/14/2007 by and between

James [REDACTED]

("Borrower")

And

World Savings Bank, FSB, a Federal Savings Bank

its successors and assignees ("Lender").

Recitals

A. Lender previously made an adjustable rate loan ("Loan") to Borrower evidenced by that certain Promissory Note dated as of 11/10/2004 in the original principal amount of \$460,000.00 and any riders or modifications thereto (the "Note"). Borrower's obligations under the Note are secured by a deed of trust, mortgage or security deed, dated the same date as the Note, and any riders or modifications thereto (the "Security Instrument"), encumbering the property referenced above (the "Property").

B. Borrower desires to modify the Loan as provided below by (1) temporarily converting the loan's adjustable interest rate to a fixed interest rate of 6.500% per year (the "Conversion Rate"), (2) imposing or extending, as applicable, a prepayment charge provision for a 12 month period, and (3) further modifying the Note and Security Instrument as described below.

Agreement

In consideration of the mutual promises and covenants set forth in this Agreement, Borrower and Lender agree as follows:

1. Inclusion of Recitals

The above Recitals are true and correct and are hereby incorporated into this Agreement.

0026954958

James D. Broome

2. Fees

Borrower has paid, and Lender has received, a non-refundable processing fee in the amount of \$495.00 in connection with this modification.

3. Effectiveness of Agreement

This Agreement will only become effective if:

- a) Lender has received this fully signed Agreement at the address indicated below, no later than 07/05/2007 ;
- b) Lender has received the fee set forth in Paragraph 2, at the address indicated below, no later than 07/05/2007 ;
- c) Borrower has made all monthly payments due prior to the Conversion Date defined below, on time and in full.

The documents required in subparagraphs a, and b above will only be deemed received by Lender when actually received by Lender at the following address:

World Savings Loan Modifications, TX1351 P. O. Box 659558 San Antonio, Texas 78265-9558	OR	World Savings Loan Modifications, TX1351 4101 Wiseman Boulevard San Antonio, Texas 78251-4201
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After all the above conditions have been met ("Effective Date"), the Loan will temporarily convert to a fixed rate of interest with payments as described below. **Until such time as all the above conditions have been met, this Agreement will be of no force or effect and the Loan will remain an adjustable rate loan subject to all the terms and conditions provided in the Note and Security Instrument.** Borrower bears all risk of non-delivery, mis-delivery, loss, or destruction.

4. Temporary Conversion to Fixed Interest Rate**A. When Fixed Interest Rate Begins and Ends**

Subject to paragraph 3 above, the outstanding principal balance of the Loan will accrue interest at the Conversion Rate beginning on 06/15/2007 ("Fixed Conversion Date"). The period of time during which the Conversion Rate is in effect is called the "Temporary Fixed Rate Period".

Beginning on 06/15/2008 ("Conversion End Date"), the interest on the Loan will no longer be calculated at the Fixed Conversion Rate. The interest rate will, from the Conversion End Date until all obligations are paid in full, be periodically adjusted in accordance with the terms of the Note without regard to this Agreement.

002 [REDACTED]
James [REDACTED]

Borrower may pay Deferred Interest on this Note at any time without charge and such payment will not be considered a "Prepayment" of principal. During the Prepayment Charge Extension Period if Borrower makes one or more Prepayments that, in the aggregate, exceed \$5,000 in any calendar month, Borrower must pay a prepayment charge equal to 2% of the amount such Prepayments exceed \$5,000 in that calendar month. After the Prepayment Charge Extension Period, Borrower may make a full or partial Prepayment without paying any prepayment charge.

6. Due on Sale or Transfer

Notwithstanding any provision to the contrary contained in the Note or the Security Instrument, Borrower's loan may not be assumed by any other person or entity during the Temporary Fixed Rate Period. If Borrower sells or transfers all or part of the Property during the Temporary Fixed Rate Period, then Lender may, at any time, require Borrower to pay immediately and in full all amounts owing under the Note and the Security Instrument.

7. No Other Changes to Loan

This Agreement modifies the Note and the Security Instrument only as expressly provided herein. Borrower understands and agrees that this Agreement does not change or extend any due date for payment under the Note or the Security Instrument, the maturity date of the Loan, or any other provision of the Note or Security Instrument not expressly modified by this Agreement.

8. Interpretation of this Agreement

The terms of this Agreement supersede and replace any prior terms, negotiations, agreements or understandings, whether written, oral or implied, between Borrower and Lender concerning the subject matter hereof. This Agreement can only be changed, amended or modified in a writing signed by Lender. This Agreement modifies the Note only as expressly provided herein, and shall not be deemed, interpreted or construed as a novation, replacement, or substitution of the Note or the Security Instrument. Except as specifically modified by this Agreement, the Note and the Security Instrument remain unchanged and in full force and effect, except to the extent discharged by a bankruptcy proceeding, in which case execution by a discharged debtor is solely as an owner of the Property that secures the loan and does not establish any personal liability for such debtor. To the extent of any inconsistency between this Agreement and the Note and/or the Security Instrument, the provisions of this Agreement shall prevail. Any capitalized term used but not defined in this Agreement shall have the meaning given such term in the Note or Security Instrument.

Loan No.: 002/ [REDACTED]
Property Address: [REDACTED]
LADERA RANCH, CA 92694

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the date first written above.

All States except NC

BORROWER:

LENDER:
World Savings Bank, FSB, a Federal Savings Bank

James [REDACTED]

By: _____
Georgeann McKendrick
Assistant Secretary