

Re: Loan # _____

Dear Borrower,

You have indicated that you may wish to commence discussions concerning the possible modification of the document (the "Loan Documents") evidencing your referenced Loan. The Lender is willing to join in such discussions, but only on the terms and conditions set forth in this letter agreement. The purpose of this agreement is to ensure that neither party gives up any rights or incurs any obligations as a result of our discussions unless and until a written agreement is reached, as provided in paragraph 3 below.

1. Negotiations. We have commenced or are about to commence negotiations concerning certain obligations (the "Obligations") you have to us. Without liability for failing to do so, we each plan to discuss various courses of actions which might be in our mutual interests. Either of us, in our sole and absolute discretion, may terminate these discussions at any time and for any reason; and, upon such termination of discussions, our respective obligations to one another shall be only as set forth in executed written agreements as described in paragraphs 3 and 4 below.

2. Obligations. You acknowledge that you are in default in payment or performance of the obligations or feel that Default is imminent.

3. Written Agreements and Amendments. Our contemplated discussions may be lengthy and complex. While we may reach agreement on one or more preliminary issues which are part of the problem we are trying to resolve, we have agreed that neither of us shall be bound by any agreement on individual issues until (a) agreement is reached on all issues, and (b) our agreement on all issues has been reduced to a written agreement and signed by each of us. Furthermore, in order to avoid any confusion or misunderstanding, each of us also agrees that this agreement may only be amended in writing.

4. Loan Documents Still in Force. Notwithstanding any other provisions of this agreement, or any claim of any party and effect unless and until a written document is signed which complies with the provisions of paragraph 3 above.

5. No Waivers. No negotiations or other action undertaken pursuant to this agreement shall constitute a waiver of any party's rights under the Loan Documents, except to the extent specifically stated in a written agreement complying with the provisions of paragraph 3 above.

6. Release. As part of the documentation referred to in paragraph 3 above, Lender may require Borrower to execute a general release of all claims against the Lender and their Agents or Assigns.

7. Inadmissible Evidence. All evidence of conduct and communications of any nature whatsoever (whether verbal or nonverbal, or express or implied) of either party in connection with the discussions contemplated by this agreement or in any recent meetings or correspondence relating to possible modification of the Loan shall be inadmissible for any purpose whatsoever in any judicial or a similar proceeding. The foregoing sentence is intended to be broader than the restrictions on admissibility contained in California Evidence Code § 1152 and Rule 408 of the Federal Rules of Evidence.

8. Miscellaneous. This agreement constitutes our entire agreement concerning its subject matter and supersedes any prior or contemporaneous representations or agreements not contained herein concerning the Obligations or the subject matter of this agreement. This agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors and assigns, and shall be governed by California law. In the event of any dispute hereunder, the prevailing party shall be entitled to recover all costs and attorneys' fees (including allocated costs for services of in-house attorneys) from the non-prevailing party. Paragraph headings used herein are for convenience only and shall not be used to interpret any term hereof. This agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which taken together shall constitute one agreement. Each party executing this agreement represents that such party has the full authority and legal power to do so.

If the foregoing accurately summarizes the terms of our binding agreement, please return this signed agreement and the following documentation so we may inform your lender(s) of your situation.

- **Hardship Letter – What happened? Include:**
 - **the loan terms that you are looking for**
 - **how you will be able to meet the new terms of your loan if approved**
- **Finacial Spreadsheet (on our website)**

If we do not receive ALL the items listed above your request will be filed as incomplete and we will NOT be able to further assist you until everything is received.

*Del Toro charges fees ranging from \$495.00 - \$1,245.00. These fees will only be billed to you if we are successful in negotiating forbearance / modification of your loan and you will be quoted a price **BEFORE** you incur any costs.

Sincerely yours,

Jessica Webb
Loan Servicing Representative

619-474-5400 ph
877-335-8676 fax
jessica@deltoroholdings.com

*****BORROWER PLEASE SIGN BELOW IF YOU UNDERSTAND AND AGREE**

Accepted and agreed to

on _____, 200_____