



Lender Business Process Services

14523 SW Millikan Way, Suite 200, Beaverton, OR 97005

Business Hours (Pacific Time)

Mon-Thu 5:00am to 9:00pm; Fri 5:00am to 6:00pm
Sat 6:00am to 12:00pm; Sun 11:00am to 5:00pm

Learn How Seattle Short Sales, Inc.

Can Help You Short Sale Your Property

<http://SeattleShortSales.com>

1-800-603-3525

Payments

P.O. Box 7162; Pasadena, CA 91109-7162

Correspondence

P.O. Box 4121; Beaverton, OR 97076-4121

Phone

866.570.5277

Fax

866.578.5277

Website

www.lbps.com

SETTLEMENT AGREEMENT

Date: November 12, 2010

Loan No: ^{L775B} [Redacted]
Borrower: [Redacted]
Mountlake Terrace, WA 98043

RE: Notice of Discounted Payoff

Dear [Redacted]
Fax: 8888601314

IBM Lender Business Process Services, Inc. (LBPS), the current servicer of the above referenced loan, is pleased to advise you that we have approved a discounted payoff for the above referenced loan ("Loan") in the amount of \$191,275.00, plus any amounts that we have advanced after this date. This discount expires on December 23, 2010 ("Expiration Date"). To accept this offer, you must complete the following steps prior to the expiration date.

1. All of the above named Borrower(s) or guarantor(s), if applicable must sign this letter below. Each signature must be notarized. You should be able to obtain a notary at your bank.
2. Your fully signed and notarized copy of this letter must be received by December 23, 2010. You may fax this letter to the fax number referenced above or mail to the mailing address referenced at the end of this letter.
3. We must receive the full discounted payoff amount by bank wire transfer, bank check, money order or certified funds on or before December 23, 2010. You must send the funds to the address referenced at the end of this letter.
4. A copy of the signed certified HUD-1 Settlement Statement for the sale of the property must be received by December 23, 2010. You may fax this to the fax number referenced above or mail to the mailing address referenced at the end of this letter. The HUD-1 Settlement Statement must be in accordance with the Estimated HUD-1 Settlement Statement, which indicates a purchase price of \$215,000.00. By signing below, you acknowledge that LBPS and the holder of your note relied upon this Estimated HUD-1 Settlement Statement to approve the discounted payoff settlement. Any surplus funds shown on the Final HUD-1 Settlement Statement in excess of the amount shown on Estimated HUD-1 Settlement Statement also must be paid directly to LBPS in accordance with the instruction in item #3 above.
5. The HUD-1 Settlement Statement must identify Borrower(s) as the seller(s) and [Redacted] as the buyer(s).

Please note that if you have an escrow account, unless otherwise required by applicable law, LBPS will make your tax and/or insurance payments only if your account is less than 30 days delinquent or your account has sufficient funds. If your account is more than 30 days delinquent or has insufficient funds for disbursement LBPS will not advance funds and you will be responsible for any tax or insurance payments, penalties or interest. Any remaining funds held by LBPS in your escrow or suspense account will be applied toward the deficiency.

Unless otherwise previously negotiated and explicitly stated on the HUD-1, any funds in excess of the discounted settlement amount on the HUD-1 Settlement Statement will be paid to IBM Lender Business Process Services, Inc. and applied toward the deficiency. Under no circumstances shall any funds be disbursed to the Borrower(s).

Upon completion of all requirements by Borrower(s), LBPS will execute a release and a discharge of the deed of trust/mortgage and, if necessary, will dismiss any pending legal action to collect this obligation. As required by law, LBPS may issue a 1099C, Forgiveness of Debt, as a result of this Settlement Agreement. Borrower(s) acknowledges that there may be tax implications resulting from debt forgiveness. Borrower(s) should consult with a tax advisor.

Acceptance of this offer will be reported to credit reporting agencies as paid in full for less than full balance.

Borrower(s) and guarantors agree to the following by signing this Settlement Agreement:

As consideration for the discounted payoff, each party signing below, for himself or herself and his or her heirs, personal representatives, successors and assigns, hereby jointly and severally, knowingly and voluntarily, releases, discharges, and covenants not to sue, LBPS, any owner of the loan, and any of their predecessors, successors and assigns, representatives, agents, affiliates, parents, subsidiaries, officers, employees, directors and shareholders (collectively, the "Released Parties") from any and all claims, demands, liabilities, defenses, setoffs, counterclaims, actions, and causes of actions of whatsoever kind or nature, whether known or unknown, whether legal or equitable, which he or she has, or may assert against any of the Released Parties directly or indirectly, or in any manner connected with any event, circumstance, action or failure to act, of any sort or type, which was related or connected in any manner, directly or indirectly, to the Loan, or any collateral securing the Loan.

If applicable, each party signing below voluntarily waives the provision of California Civil Code Section 1542, and any other provision or statute of like effect, 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.

Each signer warrants that he or she has read and understands the aforesaid Section 1542 and he or she has had the opportunity to consult with and be advised by counsel regarding its meaning and effect and he or she voluntarily waives its provisions and any other provision or statute of like effect.

Nothing in this letter shall be construed to prejudice, waive, modify or alter any of the rights or remedies for the owner of the loan to collect the entire amount due and to come due on the loan or to be construed to waive any defense of LBPS or the owner of the Loan.

Sincerely,

Lender Business Process Services
866.570.5277

ACKNOWLEDGED AND ACCEPTED:

By: _____
Name: [REDACTED]

Date: _____

By: _____
Name: [REDACTED]

Date: _____

By: _____
IBM Lender Business Process Services, Inc.

Date: _____

Payment remittance information:

| | | |
|------------------------|----|----------------------------------|
| VIA BANK WIRE TRANSFER | OR | VIA OVERNIGHT MAIL |
| JP Morgan Chase Bank | | LBPS |
| ABA #0210-0002-1 | | 14523 SW Millikan Way, Suite 200 |
| For Further Credit to: | | Beaverton, OR 97005 |
| IBM, LBPS, Inc. | | 866.570.5277 |
| Account # [REDACTED] | | 888.502.0048 FAX |
| Reference- [REDACTED] | | |

Notarization Acknowledgment



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Notice of Debt

November 11, 2010



Name of Your Original Creditor: FIRST HORIZON HOME LOANS, A DIVISION OF FIRST TENNESSEE BANK N.A.

The following is information regarding the current amount of your debt as of the date of this notice.

This is not a payoff statement.

A payoff statement might include a prepayment charge, costs incurred and not yet billed and future costs that may be necessary.

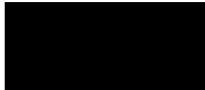
The total amount owing on your transfer date of May 1, 2010 to Lender Business Process Services was

Itemization of Current Amount Owing

| | | | |
|-----------------------------------|--------------------|----------------|---------------|
| Current Principal Balance: | | | \$314,680.57 |
| | Remaining Unpaid | LBPS Added | |
| | Amounts From Prior | | |
| | <u>Service</u> | <u>Charges</u> | <u>Totals</u> |
| Interest & Charges | | | |
| Interest | \$0.00 | \$7,080.32 | \$7,080.32 |
| Late Charges | 0.00 | 177.00 | 177.00 |
| Property Inspections | 0.00 | 15.00 | 15.00 |
| Valuations | 0.00 | 230.00 | 230.00 |

(Continued)

THIS COMMUNICATION IS FROM A DEBT COLLECTOR AS WE SOMETIMES ACT AS A DEBT COLLECTOR. WE ARE ATTEMPTING TO COLLECT A DEBT AND ANY INFORMATION OBTAINED WILL BE USED FOR THAT PURPOSE. HOWEVER, IF YOU ARE IN BANKRUPTCY OR RECEIVED A BANKRUPTCY DISCHARGE OF THIS DEBT, THIS LETTER IS NOT AN ATTEMPT TO COLLECT THE DEBT, BUT NOTICE OF POSSIBLE ENFORCEMENT OF OUR LIEN AGAINST THE COLLATERAL PROPERTY. **COLORADO:** FOR INFORMATION ABOUT THE COLORADO FAIR DEBT COLLECTION PRACTICES ACT, SEE WWW.COLORADOATTORNEYGENERAL.GOV/CA. LBPS maintains a local office at 600 Seventeenth Street, Suite 800 North Tower, Denver, CO 80202. The office's phone number is 866.436.4766. **NEW YORK CITY:** 1331537, 1340663, 1340148. **TENNESSEE:** This collection agency is licensed by the Collection Service Board of the Department of Commerce and Insurance. IBM Lender Business Process Services, Inc. is licensed to do business at 14523 SW Millikan Way, Beaverton, OR.



Page 2

November 11, 2010

Sub Total: 7,502.32

Escrow & Other Charges

| | |
|-----------------------------------|----------------------------|
| Interest Arrearage | \$0.00 |
| Escrow Arrearage | 0.00 |
| Optional Insurance | 0.00 |
| Escrow Overdraft (Balance) | 1,502.82 |
| Less Suspense (Balance) | 0.00 |
| Less Pending Expense Credit | 0.00 |
| Total Current Amount Owng: | <u><u>\$323,685.71</u></u> |

If you have questions, please contact Lender Business Process Services Customer Service toll-free at 866.570.5277, or in writing at PO Box 4121, Beaverton, OR 97076-4121.

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