

EN079-c101807/JP5

November 14, 2008

Re: EMC Loan Number: [REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
San Ramon, CA 94582

Re: Property Address: [REDACTED]
San Ramon CA 94582

Dear [REDACTED] and [REDACTED]:

This letter confirms that EMC Mortgage Corporation (EMC) agrees to accept a discounted payoff on the above-referenced loan. The conditions for EMC's acceptance of this discounted payoff are:

1. The sales price/loan amount will be \$720,000 with net proceeds to EMC Mortgage Corporation to be no less than \$657,581.05. The mortgagor/seller will execute an unsecured note in the amount of \$0.00, payable to EMC Mortgage Corporation, in addition to the net sale proceeds.
2. Mortgagor(s) will receive \$0.00 proceeds from this transaction. Any refunds or overages must be remitted to EMC.
3. EMC will receive and approve the HUD1 Settlement Statement PRIOR to closing. (EMC reserves the right to refuse the sale proceeds if the HUD1 Settlement Statement is not received and/or approved.)
4. Positive escrow balance, insurance, or tax refunds, if any, will not be refunded. These funds will be applied toward any remaining debt balance(s).

If the aforementioned funds are not received in this office on or before 12/11/08, this agreement is null and void. Upon receipt of \$657,581.05 in certified funds, EMC will execute a full Satisfaction and Release of Mortgage and, if applicable, foreclosure activity will cease.