



Wilshire™

Wilshire Credit Corporation

Payments
P.O. Box 7195; Pasadena, CA 91109-7195

Correspondence
P.O. Box 8517; Portland, OR 97207-8517

Phone
[REDACTED]

Fax
[REDACTED]

Web Site
www.wcc.ml.com

SETTLEMENT AGREEMENT

Date: JANUARY 11, 2008

Loan No: [REDACTED]

Borrower: CORNEJO, [REDACTED]

RE: Notice of Discounted Payoff

Dear Caroline

Wilshire Credit Corporation ("Wilshire"), 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 \$356,998.45. This discount expires on 2/1/08 ("Expiration Date"). To accept the lien release with partial payment, 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.
2. You must fax or mail the fully signed copy of this letter to my attention at the fax number or mailing address listed above by 2/1/08.
3. We must receive the full discounted payoff in the amount of \$356,998.45 by 2/1/08. You must send the funds by bank wire transfer, bank check, money order or certified funds to the address referenced at the end of this letter.
4. You must fax or mail a copy of the signed certified HUD-1 Settlement Statement for the sale of the property to my attention at the fax number or address listed above by 2/1/08. The HUD-1 Settlement Statement must be in accordance with the Estimated HUD-1 Settlement Statement, which indicates a purchase price of \$400,000.00. A copy of the Estimated HUD-1 Settlement Statement is attached. By signing below, you acknowledge that Wilshire 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 Wilshire in accordance with the instruction in item #3 above. Under no circumstances shall any funds be disbursed to Borrower(s), or the sellers identified on the Final HUD-1 Settlement Statement.
5. The HUD-1 Settlement Statement must identify Borrower(s) as the seller(s) and [REDACTED] as the buyer(s).

6. All funds held, if any, in Wilshire's impound account or suspense account will be applied toward the deficiency. Under no circumstances shall any funds in accounts maintained by Wilshire be returned to Borrower(s).
7. Borrower(s) must execute this Settlement Agreement and return said Agreement to Wilshire Credit Corporation, Attn: Jill [REDACTED]. The agreement must be returned to Wilshire before Wilshire will accept any funds.

(Continued)

8. Upon completion of all requirements by Borrower(s), Wilshire 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, Wilshire may issue a 1099C, Forgiveness of Debt, as a result of this Settlement Agreement. Wilshire will also release Borrower(s) from any obligations under the loan including the promissory note.
9. Borrower(s) acknowledges that there may be tax implications resulting from debt forgiveness. Borrower(s) should consult with a tax advisor.

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

As consideration for the discounted payoff, each Borrower, 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, Wilshire, 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 Wilshire or the owner of the Loan.

Sincerely,

Jill Rutter

Jill
Loan Workout Closing Specialist
1-888-~~888-8888~~
~~XXXXXXXXXX~~

By: _____
Name: ~~XXXXXXXXXX~~ DATE

By: _____
Wilshire Credit Corporation DATE

By: _____
Name: _____

Payment remittance information:

VIA BANK WIRE TRANSFER OR

VIA OVERNIGHT MAIL

~~XXXXXXXXXX~~
~~XXXXXXXXXX~~
~~XXXXXXXXXX~~
Wilshire Credit Corporation
~~XXXXXXXXXX~~
~~XXXXXXXXXX~~

Wilshire Credit corporation
~~XXXXXXXXXX~~
~~XXXXXXXXXX~~
1-888-~~888-8888~~
~~XXXXXXXXXX~~ FAX

WILSHIRE

004/007



Wilshire Credit Corporation

Payments
P.O. Box 7195; Pasadena, CA 91109-7195

Correspondence
P.O. Box 8517; Portland, OR 97207-8517

Phone
~~(800) 368-9100~~

Fax
~~(800) 368-9100~~

Web Site
www.wcc.ml.com

SETTLEMENT AGREEMENT

Date: JANUARY 11, 2008

Loan No: [REDACTED]
Borrower: CORNEJO, [REDACTED]
[REDACTED]

RE: Notice of Discounted Payoff

Dear Caroline

Wilshire Credit Corporation ("Wilshire"), 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 \$0.00. This discount expires on 2/1/08 ("Expiration Date"). To accept the lien release with partial payment, 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.
2. You must fax or mail the fully signed copy of this letter to my attention at the fax number or mailing address listed above by 2/1/08.
3. We must receive the full discounted payoff in the amount of \$0.00 by 2/1/08. You must send the funds by bank wire transfer, bank check, money order or certified funds to the address referenced at the end of this letter.
4. You must fax or mail a copy of the signed certified HUD-1 Settlement Statement for the sale of the property to my attention at the fax number or address listed above by 2/1/08. The HUD-1 Settlement Statement must be in accordance with the Estimated HUD-1 Settlement Statement, which indicates a purchase price of \$400,000.00. A copy of the Estimated HUD-1 Settlement Statement is attached. By signing below, you acknowledge that Wilshire 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 Wilshire in accordance with the instruction in item #3 above. Under no circumstances shall any funds be disbursed to Borrower(s), or the sellers identified on the Final HUD-1 Settlement Statement.
5. The HUD-1 Settlement Statement must identify Borrower(s) as the seller(s) and [REDACTED] as the buyer(s).

6. All funds held, if any, in Wilshire's impound account or suspense account will be applied toward the deficiency. Under no circumstances shall any funds in accounts maintained by Wilshire be returned to Borrower(s).
7. Borrower(s) must execute this Settlement Agreement and return said Agreement to Wilshire Credit Corporation, Attn: Jill [REDACTED]. The agreement must be returned to Wilshire before Wilshire will accept any funds.

(Continued)

8. Upon completion of all requirements by Borrower(s), Wilshire 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, Wilshire may issue a 1099C, Forgiveness of Debt, as a result of this Settlement Agreement. Wilshire will also release Borrower(s) from any obligations under the loan including the promissory note.
9. Borrower(s) acknowledges that there may be tax implications resulting from debt forgiveness. Borrower(s) should consult with a tax advisor.

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

As consideration for the discounted payoff, each Borrower, 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, Wilshire, 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 Wilshire or the owner of the Loan.

Sincerely,

WILSHIRE

006/007

Joe Rutter
JHR
Loan Workout Closing Specialist
1-888-
[REDACTED]

By: _____
Name: CORNEJO, JOSE MANUEL DATE

By: _____
Wilshire Credit Corporation DATE

By: _____
Name: _____

Payment remittance information:

VIA BANK WIRE TRANSFER OR
[REDACTED]
[REDACTED]
[REDACTED]
Wilshire Credit Corporation
[REDACTED]
[REDACTED]

VIA OVERNIGHT MAIL
Wilshire Credit corporation
[REDACTED]
[REDACTED]
1-888-
[REDACTED] FAX