

Law Offices of
BRUCE D. STUART
10474 Santa Monica Blvd
SUITE 302
Los Angeles, CALIFORNIA 90025
TEL (310) 470-9358; FAX (310) 470-9127

Re: Loan Modification/Stop Foreclosure Sale

Dear Client,

This is the written fee agreement ("Agreement") that California law requires attorneys to have with their clients. The Law Offices of Bruce D. Stuart, (hereafter "Attorney" and/or the "Firm" and/or "Stuart"), will provide legal services to _____ ("Client") on the terms set forth below.

This Agreement will not take effect, and Attorney will have no obligations to provide legal services, until Client returns a signed copy of this Agreement.

RECITALS:

WHEREAS Stuart is a Real Estate Law Firm in the business of Real Estate Litigation, Counseling and Negotiation;

WHEREAS Client wishes to employ Stuart to negotiate with their current lenders on real estate to restructure the current debt in a way that will allow Client to achieve and maintain financial stability;

WHEREAS Client understands and hereby acknowledges that legal services provided by Stuart are not guaranteed, no particular result has been promised or guaranteed, no prediction of result has been made;

NOW THEREFORE in consideration of the foregoing and every term, covenant and condition hereafter set forth, Stuart, Client do hereby understand, covenant and agree as follows:

Provide Complete and Truthful Information. Client shall provide Stuart, in a timely fashion, all information requested by Stuart reasonably necessary for Stuart to perform the Services. Failure by Client to provide Stuart all information so requested within 30 day's execution hereof shall constitute a waiver by Stuart of any obligation for performance hereunder. Client expressly represents and warrants to Stuart that he/she/they will at all material times, provide Stuart with information that is accurate and true to the best of their knowledge and belief. Client hereby agrees to defend and hold harmless Stuart from and

against any liability of any nature whatsoever arising out of or in connection with Client's breach, in whole or in part, of the representations and warranties herein contained.

Performance of Services. Upon completion of Stuart's analysis and research efforts, Stuart shall present to Client the options which are, as a result of such research, available, including but not limited to practical ways to improve Clients present debt structure.

Entire Agreement. This Agreement constitutes the entire agreement between the parties. Stuart makes no warranty, express or implied, as to the fitness of any recommendation it may make to Client arising out of this Agreement. Except for cause, Client unconditionally waives any right of action against Stuart, its officers, directors, employees, agents, brokers and assigns, at law, equity or any other cause of action for any reason, directly, indirectly or proximately believed to arise out of this Agreement, for any damages of any nature whatsoever that Client may incur by reason of Client following any recommendation of Stuart or Client's failure to follow any recommendation of Stuart, whether any singular, concurrent or series of recommendations are acted upon or not acted upon in whole or in part by Client.

Gender. Whenever used in this Agreement, the singular shall include the plural, the plural shall include the singular, and the neuter gender shall include the male and female as well as a trust, company, corporation, or other legal domestic or foreign entity, all as the context and meaning of this Agreement may require.

Headings. The paragraph titles and headings contained in this Agreement are inserted as a matter of convenience and for ease of reference only, and shall be disregarded for all other purposes including the construction or enforcement of this Agreement or any of its provisions.

Cross-references. All cross-references in this Agreement, unless specifically directed to another agreement or document, refer to provisions in this Agreement and shall not be deemed to be references to the overall agreement or to any other agreements or documents.

Time Essence. Time is of the essence of every provision of this Agreement that specifies a time for performance.

Facsimile Signatures. The parties mutually understand and agree that signature of a facsimile copy of this Agreement shall be deemed an original for all lawfully enforceable purposes.

Agreement Received. By virtue of their signatures below, Client acknowledges that he/she has read, understands and agrees to every term, covenant and condition of this Agreement and that he/she has received a true and complete copy hereof, effective the date first above written.

Counterpart Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Client retains Attorney to represent Client in connection with facilitating loan modification of residential property.

Attorney will represent Client in a Counseling and negotiation capacity only. No litigation or litigation related activities are contemplated at this time, and this Agreement does not encompass such matters.

Attorney will provide those legal services reasonably required to represent Client in the matters described above and will take reasonable steps to keep Client informed of significant developments, and to respond promptly to Client's inquiries and communications. Client agrees to be truthful with Attorney, to keep Attorney informed of any information and developments which come to Client's attention, to abide by this Agreement, to pay Attorney's costs on time and to keep Attorney advised of Client's address, telephone number(s) and whereabouts. Client agrees to appear at all meetings Attorney deems necessary and to cooperate fully with Attorney on all matters related to the investigation, preparation and presentation of Client's claims.

Attorney will be compensated for legal services rendered, as follows:

1. Initial Consultation and analysis of situation. \$500
2. Gathering of Documents. \$ 250
3. Financial Analysis - Review of Hardship Letter and review of Financial Declaration to make sure it conforms to Lender's Financial Guidelines. - \$350.
4. Submitting letter of Authorization. - \$100
5. Submission of Documents to Lender. - \$500
6. Confirmation of Receipt of Documents to Lender. - \$100
7. Request for Further Conditions from Lender - \$100
8. Satisfy investor conditions which includes clarifications and validations or other odd conditions. \$300.00
9. Negotiate with Lender. \$500
10. Assist with acceptance paperwork. \$200.00
11. Foreclosure Sale Dates - If there is a foreclosure sale date, \$1000 to attempt to stop said date. Any subsequent postponements after the initial one shall be for \$750 for each postponement.
12. If the client comes into the office with a foreclosure sale date in ten days or less, then Attorney shall be paid \$2000 for attempting to stop such sale date.

Attorney shall collect no advance fee, but shall only be paid per the above schedule as soon as the work is done. Attorney may ask for a postdated check from the client, but shall not deposit said check until the work to be performed is finished. Prior to the deposit of any postdated check, Attorney shall send the client in writing an accounting of all work done.

Other than the fee structure discussed in the preceding paragraph, no out-of-pocket monies will be due from Client to Attorney for legal services.

The fees set forth above are not set by law, but are negotiated between attorney and client.

Client acknowledges that The Law Offices of Bruce D. Stuart, PLC does not carry errors and omissions or malpractice insurance.

Attorney will incur various costs and expenses in performing legal services under this Agreement. Attorney agrees to pay for all costs and expenses. Costs and expenses commonly include photocopying and reproduction costs, notary fees, long distance telephone charges,

Counseling Agreement

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messenger and other delivery fees, postage, travel costs including parking, travel and lodging expenses, investigation expenses, and other similar items.

This Agreement does not cover other related claims that may arise and may require legal services. (For example: lender lawsuits, disputes with Client's insurance company regarding coverage or amount of loss or reimbursement for benefits paid, disputes with Health Care Providers regarding amounts owed or reimbursement of any deficiency.)

If additional services are necessary in connection with Client's claims and Client requests Attorney to perform such services, an additional fee arrangement must be made between Attorney and Client in writing. Such additional services may be required, for example, in defense

of a lawsuit, cross-complaint or other cross demand filed against Client in connection with the above-referenced matter.

If you have gotten a loan modification and you fail to pay any agreed upon loss mitigation workout with any or all of your lending institutions, all financial responsibility for not paying rests with you.

Attorney will not make any settlement or compromise of Client's claims without Client's prior approval. Client retains the right to accept or reject any adverse party settlement offer, if applicable. Client agrees not to make any settlement or compromise of Client's claims without prior notice to Attorney.

Client may discharge Attorney at any time, upon written notice to Attorney. Attorney may withdraw from representation of Client (a) with Client's consent, (b) upon court approval, or (c) for good cause upon reasonable notice to Client, (c) for Client's failure to cooperate with Attorney and provide documents and information. Good cause includes Client's breach of this Agreement, Client's refusal to cooperate with Attorney or to follow Attorney's advice on a material matter, or any other fact or circumstance that would render Attorney's continuing representation unlawful or unethical.

Client hereby grants Attorney a lien on any and all claims or causes of action that are the subject of Attorney's representation under this Agreement. Attorney's lien will be for any sums owing to Attorney for any unpaid costs or fees at the conclusion of Attorney's services. The lien will attach to any recovery Client may obtain, whether by arbitration award, judgment, settlement or otherwise.

Nothing in the Agreement and nothing in agreement and nothing in Attorney's statements to Client maybe construed as a promise or guarantee about the outcome of this matter. Attorney makes no such promises or guarantees. There can be no assurance that Client will recover any sum or sums in this matter or have his loan modified or deficiency waived, and in fact, Client may be liable for deficiency judgment resulting from foreclosure sales, or required to sign a promissory note by mortgage lenders. Attorney's comments about the outcome of this matter are expressions of opinion only. Client acknowledges that Attorney has made no promise or guarantee about the outcome of this matter. Specifically, Client acknowledges Attorney has not promised or guaranteed to stop any foreclosure sale of Client's property, but rather has agreed to use his best efforts to stop such a sale from going forward.

This Agreement contains the entire agreement of the parties. No other agreement, statement or promise made on or before the effective date of this Agreement will be binding on the parties. This Agreement may be modified by subsequent agreement of the parties only by an instrument in writing signed by both of them. This Agreement will govern all legal services performed by Attorney on behalf of Client commencing with the date Attorney first performed services.

It is not necessary to pay a third party to arrange for a loan modification or other form of forbearance from your mortgage lender or servicer. You may call your lender directly to ask for a change in your loan terms. Nonprofit housing counseling agencies also offer these and other forms of borrower assistance free of charge. A list of nonprofit housing counseling agencies approved by the United States Department of Housing and Urban Development (HUD) is available from your local HUD office or by visiting www.hud.gov.

THE PARTIES HAVE READ AND UNDERSTAND THE FOREGOING TERMS AND AGREE TO THEM AS OF THE DATE ATTORNEY FIRST PROVIDED SERVICES. THE CLIENT(S) SHALL RECEIVE A FULLY EXECUTED DUPLICATE OF THIS AGREEMENT.

BRUCE D. STUART

CLIENT

CLIENT
