

# Aurora - Loan Services

You may be able to make your payments more affordable.  
Act Now to get the help you need!

September 01, 2009

RE: Loan No. \_\_\_\_\_  
Property Address: \_\_\_\_\_

Dear Customer(s):

You may qualify for a Home Affordable Modification Trial Period Plan - a way to make your payment more affordable.

We have enclosed a customized Home Affordable Modification Trial Period Plan ("Trial Period Plan"). If you qualify under the federal government's Home Affordable Modification program and comply with the terms of the Trial Period Plan, we will modify your mortgage loan and you can avoid foreclosure.

### STEP 1: PROVIDE THE INFO WE NEED TO HELP YOU

Detailed instructions on what you need to do to take advantage of this offer are set forth on the enclosed document entitled "Complete Your Checklist." Generally, you will need to:

- Explain the financial hardship that makes it difficult for you to pay your mortgage loan using the Hardship Affidavit (enclosed).
- Submit the required documentation of your income.
- Make timely monthly trial period payments.

The monthly trial period payments are based on the income information that you previously provided to us. They are also our estimate of what your payment will be IF we are able to modify your loan under the terms of the program. If your income documentation does not support the income amount that you previously provided in our discussions, two scenarios can occur:

- 1) Your monthly payment under the Trial Period Plan may change
- 2) You may not qualify for this loan modification program

If you do not qualify for a loan modification, we will work with you to explore other loan workout options available to help you keep your home or ease your transition to a new home.

### STEP 2: LET US KNOW THAT YOU ACCEPT THIS OFFER

Please let us know no later than 10-01-09 that you accept the Trial Period Plan. Now is the time to act. We are ready to help you. Please take the steps outlined on the enclosed document "Complete Your Checklist."

If you have any questions, please contact one of our Customer Service Representatives at the address above or by calling 800-550-0508.

Sincerely,


Aurora Loan Services

- Attachments:
- Complete Your Checklist
  - Important Program Info
  - Frequently Asked Questions
  - Two copies of the Trial Period Plan
  - Hardship Affidavit
  - IRS Form 4506-T

*AMS*

*old pmt \$ 1,891.00  
New pmt \$ 1,081.51  
Savings \$ 809.49*

Aurora Loan Services is a debt collector. Aurora Loan Services is 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 communication is not an attempt to collect the debt against you personally, but is notice of a possible enforcement of the lien against the collateral property.


**Aurora - Loan Services**

**COMPLETE YOUR CHECKLIST** - This is the information we need to help you modify your mortgage payments.

**ACT NOW!**

To accept this offer, and see if you qualify for a Home Affordable Modification, send the 7 items listed below to Aurora Loan Services, no later than 10-01-09. Use the return envelope provided for your convenience or to expedite the processing of your Home Affordable Modification agreement, please fax all documentation to Aurora Loan Services at 866-517-7975. Please note, faxing will expedite the process of your modification, however, we must have the original signed documents returned in order to complete the modification process.

1. Two copies of the enclosed Trial Period Plan signed by all borrowers,
2. Your first month's trial period payment in the amount of \$1,081.51,
3. The enclosed Hardship Affidavit completed and signed by all borrowers (no notary required),
4. The enclosed Borrower Financial Information form completed and signed by all borrowers,
5. A signed and dated copy of the IRS Form 4506-T (Request for Transcript of Tax Return) for each borrower (borrowers who filed their tax returns jointly may send in one IRS Form 4506-T signed and dated by both of the joint filers),
6. A utility bill from the most recent month to evidence the subject property is your primary residence, and
7. Documentation to verify all of the income of each borrower (including any alimony or child support that you choose to rely upon to qualify). This documentation should include:

For each borrower who is a salaried employee:

- Copy of the most recently filed federal tax return with all schedules; and
- Copy of the two most recent pay stubs.

For each borrower who is self-employed:

- Copy of the most recently filed federal tax return with all schedules, and
- Copy of the most recent quarterly or year-to-date profit/loss statement.

For each borrower who has income such as social security, disability or death benefits, pension, public assistance, or unemployment:

- Copy of the most recently filed federal tax return with all schedules and W-2 or copies of the two most recent bank statements.
- Copy of benefits statement or letter from the provider that states the amount, frequency and duration of the benefit. Social security, disability, death or pension benefits must continue for at least 3 years to be considered qualifying income under this program. Public assistance or unemployment benefits must continue for at least 9 months to be considered qualifying income under this program.

For each borrower who is relying on alimony or child support as qualifying income:

- Copy of divorce decree, separation agreement or other written agreement or decree that states the amount of the alimony or child support and period of time over which it will be received. Payments must continue for at least 3 years to be considered qualifying income under this program.
- Proof of full, regular and timely payments; for example deposit slips, bank statements, court verification or filed federal tax return with all schedules.


For each borrower who has rental income:

- Copies of the most recent two years filed federal tax returns with all schedules, including Schedule E-Supplement Income and Loss. Rental income for qualifying purposes will be 75% of the gross rent.

If you have other types of income, cannot locate required documents, or have questions about the documentation required, please contact us at 800-550-0508.

You must send in both signed copies of the Trial Period Plan, all required income documentation, and your first trial period payment by this date 10-01-09. If you cannot provide the documentation within the time frame provided, please contact us to request an extension of time to gather your documents.

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**Aurora - Loan Services**

**IMPORTANT PROGRAM INFO** - Here's what you need to know about the Home Affordable Modification Program.

**NO FEES.** There are no fees under the Home Affordable Modification Program.

**TRIAL PERIOD PLAN/MODIFICATION AGREEMENT.** The Trial Period Plan is the first step. Once we are able to confirm your income and eligibility for the program, we will finalize your modified loan terms and send you a loan modification agreement ("Modification Agreement"), which will reflect the terms of your modified loan. In addition to successfully completing the trial period, you will need to sign and promptly return to us both copies of the Modification Agreement or your loan can not be modified.

**NEW PRINCIPAL BALANCE.** Past due amounts as of the end of the trial period, including unpaid interest, real estate taxes, insurance premiums and certain assessments paid on your behalf to a third party, will be added to your mortgage loan balance (the "Past Due Arrearage Amount"). If you fulfill the terms of the trial period including, but not limited to, making the trial period payments, we will waive ALL unpaid late charges at the end of the trial period.

**ESTIMATED MONTHLY PAYMENT.** At this time, we are not able to calculate precisely the Past Due Arrearage Amount or the amount of the modified loan payment that will be due after successful completion of the trial period. However, based on information we currently have, your trial period payment should be close to your modified loan payment. As we near the end of the trial period, we will calculate any Past Due Arrearage Amount to determine your new permanent monthly payment and other modified loan terms.

**ESCROW ACCOUNT.** Except as limited by applicable law, the terms of your Trial Period Plan and your Modification Agreement will require the servicer to set aside a portion of your new monthly payment in an escrow account for payment of your property taxes, insurance premiums and other required escrowed items. Your current loan may also require escrows. If it does not, the previous waiver of escrows is cancelled under your Trial Period Plan. Aurora Loan Services will draw on this account to pay your real estate taxes and insurance premiums as they come due. Please note that your escrow payment amount will adjust if your taxes, insurance premiums and/or assessment amounts change, so the amount of your monthly payment that Aurora Loan Services must place in escrow will also adjust as permitted by law. This means that your monthly payment may change. Your initial monthly escrow payment will be \$360.00.


**ESCROW SHORTAGE.** We will be completing a detailed analysis of your escrow account based on anticipated disbursements for Escrowed Items. We will determine the monthly escrow payment required to have an amount sufficient to pay the Escrowed Items as they come due. During your Trial Payment Period, you will be paying an amount less than that required in order to have sufficient funds in your escrow account to pay those items as they come due. Depending upon the timing and amount of your tax and insurance payments, we may be required to advance funds on your behalf, creating a possible shortage in your escrow account balance. If we anticipate that we will advance funds on your behalf after your Trial Payment Period, resulting in an escrow shortage, you may repay this shortage over a 5-year (60 months) period as part of your modified monthly payment or pay the total shortage in a lump sum.

If we advance funds for Escrowed Items resulting in an escrow shortage either prior to the Trial Payment Period or during the Trial Payment Period, you may repay the total shortage in a lump sum or the total shortage will be capitalized at the time of the modification of your loan.

Your escrow analysis will be provided to you under separate cover. If an escrow account is not established, we will not be performing this analysis. You will be responsible for timely payment of all taxes and insurance premiums.

**BORROWER INCENTIVE.** If your monthly mortgage payment (principal, interest, property taxes, hazard insurance, flood insurance, condominium association fees and homeowner's association fees, as applicable, but excluding mortgage insurance) is reduced through the Home Affordable Modification Program by six percent or more and if you make your monthly mortgage payments on time, you will accrue a monthly benefit equal to the lesser of: (i) \$83.33 or (ii) one-half of the reduction in your monthly mortgage payment. As long as your mortgage loan does not become 90 days delinquent, we will apply your accrued monthly benefit to your mortgage loan and reduce your principal balance after each of the first through fifth anniversaries of the month in which the Trial Period Plan is executed. If your modified mortgage loan ever becomes 90 days delinquent, you will lose all accrued but unapplied principal reduction benefits and will no longer be eligible to accrue additional principal reduction benefits even if the mortgage loan is later brought current.

**CREDIT COUNSELING.** If you have very high levels of debt you will be required to obtain credit counseling under the Home Affordable Modification program.

 **Aurora - Loan Services****FREQUENTLY ASKED QUESTIONS - You've got questions. We've got answers.**

**Q. How long will it take to process my modification request and determine if I qualify for the program?**

Upon receipt of all of the information we require, it may take up to 60 days for us to review your documents. We will process your modification request as quickly as possible. Please note, however, that your modification will not be effective unless you meet all of the applicable conditions, including making all trial period payments.

**Q. What if my trial period payment is less than the payment I currently owe on my loan?**

We will add the difference between the monthly payment that you currently owe on your loan and the trial period payment to your loan balance and allow you to pay it over the remainder of the modified loan term.

**Q. What do you do with my first trial period payment if I do not qualify for the program?**

Your first trial payment will be applied to your existing loan in accordance with the terms of your loan documents. If you don't qualify for the program, we will help you evaluate other loan workout options to help you keep your home or ease your transition to a new home.

**Q. Will a foreclosure occur if I participate in the Home Affordable Modification Program?**

As long as you comply with the terms of the Trial Period Plan, we will not start foreclosure proceedings or conduct a foreclosure sale if foreclosure proceedings have started. If you fail to comply with the terms of the Trial Period Plan and do not make other arrangements, your loan will be enforced according to its original terms, which could include foreclosure.

**Q. What happens to my trial period payments if I do not comply with the terms of the Trial Period Plan?**

Your trial period payments will be applied to your existing loan according to the terms of your loan documents.

**Q. If I get a Home Affordable Modification, can my modified loan terms ever revert to the original loan terms?**

No. This is one of the advantages of the Home Affordable Modification Program. Once your loan is modified, the new terms stay in place for the remainder of your loan.

**Q. Do all borrowers have to sign the Trial Period Plan and other documents?**

Unless a borrower or co-borrower is deceased, all borrowers who signed the original loan documents or their duly authorized representative(s) must sign the Trial Period Plan, the Modification Agreement and all other required modification documents. Contact your servicer if it would be difficult or impossible for you to comply with this requirement.

**Q. Could my trial period payment be more than my current payment?**

Yes. For example, if your current payment does not include an escrow payment and you are now required to make monthly escrow payments, your trial period payment could be higher than your current payment. Note, however, that the increase in your payment under these circumstances would be offset by other tax and insurance bills you would no longer have to pay directly as we will pay those for you out of your escrow account.

Investor Loan No.

**HOME AFFORDABLE MODIFICATION TRIAL PERIOD PLAN**  
(Step One of Two-Step Documentation Process)

Trial Period Plan Effective Date: September 01, 2009

Borrower("I"):

Lender ("Lender"): Aurora Loan Services

Date of first lien Security Instrument ("Mortgage") and Note ("Note"): 09-27-06

Loan Number:

Property Address ("Property"): L...

If I am in compliance with this Trial Period Plan (the "Plan") and my representations in Section 1 continue to be true in all material respects then the Lender will provide me with a Home Affordable Modification Agreement ("Modification Agreement"), as set forth in Section 3, that would amend and supplement (1) the Mortgage on the Property, and (2) the Note secured by the Mortgage. The Mortgage and Note together, as they may previously have been amended, are referred to as the "Loan Documents." Capitalized terms used in this Plan and not defined have the meaning given to them in the Loan Documents.

If I have not already done so, I am providing confirmation of the reasons I cannot afford my mortgage payment and documents to permit verification of all of my income (except that I understand that I am not required to disclose any child support or alimony unless I wish to have such income considered) to determine whether I qualify for the offer described in this Plan (the "Offer"). I understand that after I sign and return two copies of this Plan to the Lender, the Lender will send me a signed copy of this Plan if I qualify for the Offer or will send me written notice that I do not qualify for the Offer. This Plan will not take effect unless and until both I and the Lender sign it and Lender provides me with a copy of this Plan with the Lender's signature.

1. My Representations. I certify, represent to Lender and agree:
  - A. I am unable to afford my mortgage payments for the reasons indicated in my Hardship Affidavit and as a result, (i) I am either in default or believe I will be in default under the Loan Documents in the near future, and (ii) I do not have sufficient income or access to sufficient liquid assets to make the monthly mortgage payments now or in the near future;
  - B. I live in the Property as my principal residence, and the Property has not been condemned;
  - C. There has been no change in the ownership of the Property since I signed the Loan Documents;
  - D. I am providing or already have provided documentation for all income that I receive (and I understand that I am not required to disclose any child support or alimony that I receive, unless I wish to have such income considered to qualify for the Offer);
  - E. Under penalty of perjury, all documents and information I have provided to Lender pursuant to this Plan, including the documents and information regarding my eligibility for the program, are true and correct; and
  - F. If Lender requires me to obtain credit counseling, I will do so.

2. The Trial Period Plan. On or before each of the following due date I will pay the Lender the amount set forth below ("Trial Period Payment"), which includes payment for Escrow Items, including real estate taxes, insurance premiums and other fees, if any, of U.S. \$1,081.51.

Payment	Due Date	Amount
1	10/01/09	1,081.51
2	11/01/09	1,081.51
3	12/01/09	1,081.51

The Trial Period Payment is an estimate of the payment that will be required under the modified loan terms, which will be finalized in accordance with Section 3 below. During the period (the "Trial Period") commencing on the Trial Period Effective Date and ending on the earlier of: (i) the first day of the month following the month in which the last Trial Period Payment is due (the "Modification Effective Date") or (ii) termination of this Plan, I understand and acknowledge that:

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# Aurora - Loan Services

4. Additional Agreements. I agree to the following:
- A. That all persons who signed the Loan Documents or their authorized representative(s) have signed this Plan, unless a borrower or co-borrower is deceased or the Lender has waived this requirement in writing.
  - B. To comply, except to the extent that they are modified by this Plan, with all covenants, agreements, and requirements of Loan Documents, including my agreement to make all payments of taxes, insurance premiums, assessments, Escrow Items, impounds, and all other payments, the amount of which may change periodically over the term of my loan.
  - C. That this Plan constitutes notice that the Lender's waiver as to payment of Escrow Items, if any, has been revoked, and I have been advised of the amount needed to fully fund my Escrow Account. If the Loan Documents do not currently have Escrow Account provisions, such Escrow Account provisions, including such provisions as determined necessary to conform the Loan Documents to industry standards, shall be added in the Modification Agreement.
  - D. That all terms and provisions of the Loan Documents remain in full force and effect; nothing in this Plan shall be understood or construed to be a satisfaction or release in whole or in part of the obligations contained in the Loan Documents. The Lender and I will be bound by, and will comply with, all of the terms and provisions of the Loan Documents.
  - E. If any provision in the Note, as amended, allowed for the assessment of a penalty for full or partial prepayment of the Note, such provision is null and void.

In Witness Whereof, the Lender and I have executed this Plan.

Date	Borrower	Co-Borrower
	Co-Borrower	Co-Borrower
	Co-Borrower	Co-Borrower

Lender \_\_\_\_\_  
 By: \_\_\_\_\_ Date: \_\_\_\_\_