

GLS LOAN MODIFICATION PROCESS

Step 1 – TILA Letter / Resolution Letter - GLS

- Borrower Contacts GLS / GLS Contacts Borrower
 1. Complete Borrower phone questionnaire
 2. Establish intent – stay in property or let go
 3. Establish motivation – Balance or Payment
 4. Complete Budget Worksheet with Borrower
 5. Discuss General Modification Parameters (GLS Sales is not to discuss Rate and Term Specifics with Borrower)
 6. VP Approval obtained
 7. Send Budget Analysis WS to Licensed Servicer to define Rate and Term Agreement with Borrower

Step 2 – Operations - GLS

- Modification Packet Sent Out to Borrower
 1. Instruction Cover letter Requesting
 - Proof of income
 - Proof of insurance
 - If delinquent on property taxes – advise borrower that a payment plan needs to be established with County Tax Collector
 2. Modification agreement
 3. Current Information Worksheet to be Completed

Step 3 – Operations - GLS

- Modification packet received back from borrower
 1. Review financial documents, calculate income, compare income to phone questionnaire
 - If income is out of alignment give back to salesperson for communication with borrower
 - If income is acceptable, proceed
 2. Verbal VOE (Verification of Employment)
 3. Update tax status
 - If delinquent – Set follow up for proof of payment plan in 30 days
 4. Review insurance information – Loss payee, etc.
 - If no insurance - Set follow up in 30 days

Step 4 – Management - GLS

- Manager approval
- Execute Modification agreement
- Send borrower a copy of executed agreement
- Scan and Board Loan with Servicer

Granite Loan Solutions LLC

2 Park Plaza, Suite 800 | Irvine, California 92614
Toll Free: 877-267-6161 / Direct Line: 949-477-5804 / Fax: 949-477-1002

June 23, 2011

RE: Property Address:

FCI Loan Number:

Dear Mr. _____,

Granite Loan Solutions LLC recently purchased your above-referenced mortgage loan. You should have recently received an ownership transfer notification from our servicer, **FCI Lender Services, Inc.**

We are highly interested in getting you back on track with your loan. We will make every effort to see that you will not be subjected to the same delays and difficulties you may have experienced in the past with larger banks or loan servicers which previously owned your mortgage. **Some of the options available to you are:**

Options if you are interested in KEEPING YOUR PROPERTY:

- Loan Modification - We will discuss your motivation and forward the information to our Servicer to finalize a decision with you within 24 to 48 hours, based on qualification parameters. These include:
 - Interest rate reduction / Payment Reduction
 - Forbearance of delinquent payments
 - A chance for a fresh start with an affordable payment that works for you and your family

Options if you are interested in LETTING GO OF YOUR PROPERTY:

- Short sale assistance
 - Quick approvals – Typically within 1 week based on verifiable information concerning the buyer, title, etc.
- Deed in Lieu of Foreclosure
 - Avoid having a foreclosure on your credit history, if your property is not subject to significant liens other than your mortgage and is otherwise in acceptable condition
- Reduced Payoffs, relocation assistance and more.

We can only help you if you communicate with us, so please call us today, toll free at (877)267-6161. We are available Monday through Friday from 9AM to 6PM PST or you can email us at cnewcomer@graniteinvestment.com. When you do contact us, please have your income and household expenses available so that we will be able to make a realistic assessment of your available options, and we will put it in the hands of our decision makers who will look forward to assisting you.

Sincerely,

Claudia Newcomer
Production Manager
Granite Loan Solutions LLC

This communication is an attempt to collect a debt by the owner thereof, and any information obtained will be used for that purpose. As the owner and record holder of the loan, GLS is not a third-party debt collector within the meaning of federal law.

GRANITE ACCOUNT NUMBER: _____ BORROWER/CO-BORROWER's NAME: _____

BEST NUMBER: _____ BEST TIME: _____ AM/PM (ADDITIONAL PHONE #'S) _____

CURRENT MAILING ADDRESS: _____ EMAIL ADDRESS: _____

THIS IS **NOT** AN ATTEMPT TO COLLECT A DEBT BUT AN OPPORTUNITY TO DISCUSS OPTIONS AVAILABLE.

Are you interested in keeping your home or letting it go? **YES NO** How long have you been in the home? _____ yrs

Do you have any children? _____ Ages? _____ What caused you to fall behind in payment? _____

Are you interested in a modification? **YES NO** Are you interested in avoiding FC with a DIL? **YES NO**

Are you currently employed? **YES NO** With whom? _____ How Long? _____

How much do you bring home? \$ _____ (net) What is the condition of your home? **Excellent Fair Good Poor**

What do you think its worth? \$ _____ Is it insured? **YES NO** With whom? _____

Are the property taxes current? **YES NO** How much? \$ _____ Twice a Year ☐ Once a Year ☐ Other ☐

Are you currently paying your HOA (if Applicable) **YES NO** How much? Month Quarterly Yearly \$ _____

Do you remember your payment amount? **YES NO** How much? \$ _____ Was that including taxes and insurance? **YES NO**

Have you saved any of the funds that were for house payments? **YES NO** How much have you saved? \$ _____

KEEP HOME/NO JOB/ SHORT PAYOFF

Since you're not currently employed, how are you meeting your expenses? _____

How much in retirement (401K, IRA, pension) do you receive a month? \$ _____ A year? \$ _____

Would you be interested in purchasing your loan out right at a significant discount? **YES NO**

Is there a relative or family member that could buy your home? **YES NO**

Since you have no funds available and you are currently unemployed and would like to stay in the home, what would you recommend we do?

VACATE HOME/DIL

Since you're not interested in the home, would you like to explore the option of a Deed-in-lieu instead of a FC? **YES NO**

Even though you may have vacated the home, are you aware that you're still liable? **YES NO** (Explain why?)

When did you last occupy the home? _____ For how long? _____ Did you ever shut off utilities? **YES NO**

SHORT SALE

Is the property currently listed? **YES NO** For how much? \$ _____ Who's the Agent? _____

Do you have any other liens on the property? **YES NO** Judgments? **YES NO** How much? \$ _____ (Review the O&E)

Have you checked local costs to rent? _____ How much are rents running? _____

NOTES: _____

| COMPLETE YELLOW FIELDS | | | | |
|---|--------------|-------------|---------------------|------------|
| FCI Loan Number | | | | |
| GLS Loan Number | | | | |
| Client Name | | | | |
| Property Address | | | | |
| | | | | |
| | His | Hers | Other & Rental | Total |
| Monthly Income (everyone who lives in home) | 1000 | 0 | 0 | 1000 |
| | 1st | 2nd | | |
| Loan Amounts | 50000 | | | |
| Expenses | | | | |
| | Monthly Amnt | Yearly Amnt | | |
| Taxes | \$125 | \$1,500 | cable | \$0 |
| Insurance | \$46 | \$550 | house phone | \$500 |
| 2nd Property - Other mtg w/ taxes & Ins. | \$0 | | cell phone | \$0 |
| Alimony/c.s. | \$0 | | food/general items | \$0 |
| med/life | \$0 | | day care/dependent | \$0 |
| Autoln1 | \$0 | | medical expenses | \$0 |
| Autoln2 | \$0 | | gas/pkg/maintenance | \$0 |
| car ins | \$0 | | gas co. | \$0 |
| student loan | \$0 | | water | \$0 |
| tuition | \$0 | | trash | \$0 |
| Total CC's | \$0 | | electricity | \$0 |
| Other | \$0 | | pool maintenance | \$0 |
| Other | \$0 | | gardener | \$0 |
| Other | \$0 | | Misc Transportation | \$0 |
| Sub Total | \$171 | | Misc Utilities | \$0 |
| Total expenses without mortgage | \$671 | | Misc. Other | \$0 |
| Net Income | \$1,000 | | Misc. Misc | \$0 |
| 1st TD Modification Target Rate | 7.50% | | Sub Total | \$500 |
| 1st TD Modified Loan Amount | \$50,000 | | Est Property Value | \$40,000 |
| 1st TD Target payment | \$312.50 | | Est LTV after MOD | 125% |
| 2nd TD Payment | \$0 | | Old Payments | \$600.00 |
| Modified expenses with MOD pmnt | \$983.33 | | New Total Payments | \$312.50 |
| Modified back end DTI | 98% | | Monthly Difference | \$287.50 |
| If DTI is 100% or less proceed with MOD | | | Annual Savings | \$3,450.00 |
| Terms of new MOD | | | | |
| Interest Rate | 7.50% | | | |
| I/O - 60 Month | | | | |
| P&I - Fixed | | | | |
| Payment | \$312.50 | | | |
| Start Date | | | | |
| NOTES: | | | | |
| | | | | |

Granite Loan Acquisition Venture I LLC

2 Park Plaza, Suite 800, Irvine, CA 92614
Toll Free: 877-267-6161 / Direct Line: 949-477-5804 / Fax: 949-861-8875

Date _____

Dear Mr. and Mrs. _____,

Enclosed, please find the Loan Modification Agreement for the above mentioned property. The Agreement must be **signed and notarized** before returning the original executed Agreement in the enclosed Federal Express Envelope before the date set forth below. Please include the following items in your packet:

1. A legible photocopy of picture identification for each signer such as driver's license, passport or other State Identification Card.
2. Fully **COMPLETED** enclosed "Current Information Worksheet".
3. All and any income documentation requested during your financial interview, i.e. Paystubs, Rental Agreements, Social Security Award Letters, Bank Statements, etc. This information may also be faxed to (949)861-8875.
4. **Contact County Tax Assessor to make sure taxes are current or set up payment plan arrangements.**
5. If presently available, Proof of hazard insurance for the subject property with coverage equal to or greater than the amount of your new principal loan balance as shown on the Loan Modification Agreement.
 - a. You may enclose proof of insurance or it may be faxed from your insurance agent directly to (949)861-8875
 - b. **If you need to obtain a new policy, a Certificate of Insurance showing proof of hazard insurance as stated herein must be received by our office within 30 days of the effective date set forth in the Loan Modification Agreement, as a condition to the effectiveness of the Loan Modification Agreement. If not received within such 30-day period, the Loan Modification Agreement will be null and void. The loss payee portion of the Certificate should show the following as the loss payee:**

*Granite Loan Acquisition Venture I LLC
Its successors and/or its Assigns
2 Park Plaza, Suite 800
Irvine, CA 92614*

The Loan Modification Agreement will be countersigned by Granite Loan Acquisition Venture I LLC. **If the Documents are not notarized or other requested original executed documents are not received, on or before the date which is ten (10) days from the date of this letter, your Loan Modification Agreement will not become effective per its terms.**

Your first payment is due April 1st, 2011 but must be received no later than April 15th, 2011. You may return payment with these documents in the enclosed Fed Ex package. **Please be aware the first payment only must be made in certified funds or by money order, and your modification is not complete until this payment is received. Payments made thereafter will be due on the 1st of each month. All payments, including the first payment, must be made payable to:**

*FCI Lender Services
8180 East Kaiser Blvd.
Anaheim Hills, CA 92808
www.trustfci.com
Toll free #: (800) 931-2424*

Sincerely,

Claudia Newcomer
Production Manager

Granite Loan Solutions, LLC

Current Information Worksheet

***** Please complete All Fields Below (Write N/A if Not Applicable) *****

Borrower 1:

Name: _____ Property: O/O _____ Invest/2nd Home _____

Physical Address: _____

Mailing Address: _____

Home Phone: (_____) _____ Cell Phone: (_____) _____

Email Address: _____ @ _____

Current Employer: _____

Current Position: _____

Address of Employer: _____

Work Phone: (_____) _____

Signature: _____

I certify all the information above to be True and Correct

Date

Borrower 2:

Name: _____ Property: O/O _____ Invest/2nd Home _____

Home Phone: (_____) _____ Cell Phone: (_____) _____

Email Address: _____ @ _____

Current Employer: _____

Current Position: _____

Address of Employer: _____

Work Phone: (_____) _____

Signature: _____

I certify all the information above to be True and Correct

Date

Granite Loan Solutions, LLC
Closing Modification Worksheet

Verbal Verification of Employment

Borrower #1 Name: _____

Current Employer: _____

Work Phone: (_____) _____

Current Position: _____

Verified by: _____ Date: _____

Verbal Verification of Employment

Borrower #2 Name: _____

Current Employer: _____

Work Phone: (_____) _____

Current Position: _____

Verified by: _____ Date: _____

Income Verification Borrower #1:

Paystub /Award Letter / Bank Statement Date: _____

Calculated Net Income: \$ _____

Income Verification Borrower #2:

Paystub /Award Letter / Bank Statement Date: _____

Calculated Net Income: \$ _____

Insurance Verification:

Date of Policy: _____ Loss Payee Endorsement in GLS's Name: Yes _____ No _____

Replacement Cost Coverage Amount: \$ _____

Tax Verification:

Next Installment Due Date: _____ Current: Yes _____ No _____

Verified By: _____ **Manager Approval:** _____