



You may be able to make your payments more affordable!  
Call 1-888-224-4702 for Immediate Assistance.

April 2, 2013

[REDACTED]  
[REDACTED] GROVELAND TER  
EL CAJON CA 92021-3417

Loan Number : [REDACTED]  
Property Address : [REDACTED] KEMPFF ST  
LEMON GROVE CA 91945

Dear [REDACTED]

Thank you for contacting us about your mortgage. Based on a careful review of the information you provided, you are approved to enter into a conditional Trial Period Plan under the federal Home Affordable Modification Program (HAMP). This is the first step toward qualifying for more affordable mortgage payments or more manageable terms. It is important that you read this information in its entirety so that you completely understand the actions you need to take to successfully complete the trial period and permanently modify your mortgage.

**TO SUSPEND FORECLOSURE**

You must contact us at [REDACTED] 888-224-4702 ext. [REDACTED] or in writing at the address provided below, or alternatively submit your first payment by no later than 04/16/2013 to indicate your intent to accept this offer. If you contact us or make payment by 04/16/2013 to indicate your intent to accept this offer, we will not refer your loan to foreclosure or if your loan has been referred to foreclosure, we will suspend the next legal action in the foreclosure proceedings.

However, if you do not make your first trial period payment by the date referenced below, or if you do not respond by 04/16/2013, foreclosure proceedings may continue, and a foreclosure sale may occur, even if such sale is scheduled prior to the first payment due date set forth below. If a foreclosure sale occurs prior to your making your first payment and you failed to respond by 04/16/2013, this offer has been revoked.

If your foreclosure sale date is scheduled between 15 and 37 days of the date of this letter, the only forms of acceptance allowed are written or payment of the first scheduled trial plan payment. If you wish to send written acceptance, please sign the bottom of the Trial Plan Agreement and fax it to 855-288-3974.

**TIME IS OF THE ESSENCE**

What you need to do . . . .

**TO ACCEPT THIS OFFER**

You must make your first trial period payment by no later than 05/01/2013.

If you have notified us of your intent to accept the offer by 04/16/2013, you must make your first trial period payment by 05/01/2013. If you fail to make the first trial period payment by 05/01/2013 and we do not receive the payment by the last day of the month in which it is due, this offer has been revoked and foreclosure proceedings may continue and a foreclosure sale may occur.

**MAKE TRIAL PAYMENT PLANS**

To successfully complete the trial period, you must make the trial period payments below.

- 1st Payment: \$1,541.47 by 05/01/2013,
- 2nd Payment: \$1,541.47 by 06/01/2013,
- 3rd Payment: \$1,541.47 by 07/01/2013.

Send these payments instead of your normal monthly mortgage payment to the following address:

PNC Mortgage  
PO BOX 54828  
Los Angeles, CA 90054-0828

Attachments: (1) Frequently Asked Questions and (2) Additional Trial Period Plan Information and Legal Notices

The Making Home Affordable program was created to help millions of homeowners refinance or modify their mortgages. As part of this program, we - your mortgage servicer - and the Federal Government are working to offer you options to help you stay in your home.

**FREQUENTLY ASKED QUESTIONS**

You've got questions. We've got answers.

**Q. Why is there a trial period?**

The trial period offers you immediate payment relief and gives you time to make sure that you can manage the lower monthly mortgage payment. The trial period is temporary, and your existing loan and loan requirements remain in effect and unchanged during the trial period.

**Q. How was my new payment in the trial period determined?**

Your trial period payment is approximately 31% of your total gross monthly income, which we determined to be \$4,966.67 based upon the income documentation you provided. If the loan is successfully modified, your new payment also will be based on 31% of your gross income. In addition, if your existing payment includes mortgage insurance premiums, this amount will also be added to your payment. If we were able to permanently modify your loan today, we estimate your modified interest rate would be 2%. Your final modified interest rate may be different.

The modified payment should be sufficient to pay the principal and interest as well as property taxes, insurance premiums and other permissible escrow fees based on our recent analysis of these costs. Your modified monthly payment may change if your property taxes and insurance premiums change. If you did not have an escrow account before, the timing of your tax and insurance bills may require that you make a payment to cover any such bills when they come due. This is known as an escrow shortage. Your loan has an escrow shortage of \$1,768.76; this can either be paid in a lump sum when the loan is modified or over the next 60 months. If you wish to pay the total shortage as a lump sum, please contact us at 1-888-224-4702.

**Q. When will I know if my loan can be modified permanently and how will the modified loan balance be determined?**

Once you make all of your trial period payments on time and return to us two copies of a modification agreement with your signature, we will sign one copy and send it back to you so that you will have a fully executed modification agreement detailing the terms of the modified loan. Any difference between the amount of the trial period payments and your regular mortgage payments will be added to the balance of your loan along with any other past due amounts as permitted by your loan documents. While this will increase the total amount that you owe, it should not significantly change the amount of your modified mortgage payment as that is determined based on your total monthly gross income, not your loan balance.

**Q. Are there incentives that I may qualify for if I am current with my new payments?**

Once your loan is modified, you can earn a pay-for-success incentive for every month that you make on-time payments beginning with the trial period payments. Depending on your modified monthly payment, you may accrue up to \$1,000 each year for five years for a maximum of \$5,000. This important benefit, which will be applied to your principal balance each year after the anniversary date of your first trial period payment due date, will help you earn equity in your home by reducing the amount that you owe. However, you must remain current on your loan. You will lose this benefit if your modified loan loses good standing, which means that the equivalent of three full monthly payments are due and unpaid on the last day of any month, at any time during this five year period. If you lose this benefit, you will lose all accrued, unapplied incentive payments.

**Q. If I am a current borrower and accept a Trial Plan, what happens if I am later denied from the Making Home Affordable Program?**

Entering the Making Home Affordable program as a current borrower and accepting a Trial Plan with reduced payments will require you to make payments less than your contractual amount. In the event that you are denied from the MHA program after accepting the Trial Plan terms, the status of your loan will be reported as delinquent and you will be responsible for bringing your account current within a designated timeframe. If you do not bring your account current, applicable Foreclosure activity, up to and including Foreclosure sale, may occur as part of normal servicing of your loan. In addition, you will be responsible for any fees that were accrued while active on the Trial Plan, including Late Fees, and any new fees incurred as part of normal servicing, including Attorney Fees and Costs if your loan is referred to Foreclosure.

Q. Will my interest rate and principal and interest payment be fixed after my loan is permanently modified?

Once your loan is modified, your interest rate and monthly principal and interest payment will be fixed for the life of your mortgage unless your initial modified interest rate is below current market interest rates. In that case, the below market interest rate will be fixed for five years. At the end of the fifth year, your interest rate may increase by 1% per year until it reaches a cap. The cap will equal the market rate of interest being charged by mortgage lenders on the day your modification agreement is prepared (the Freddie Mac Primary Mortgage Market Survey® rate for 30-year fixed-rate conforming mortgages). Once your interest rate reaches the cap, it will be fixed for the remaining life of your loan. Your new monthly payment will include an escrow for property taxes, hazard insurance and other escrowed expenses. If the cost of your homeowner's insurance, property tax assessment or other escrowed expenses increases, your monthly payment will increase as well.

Q. What if I have other questions about a Home Affordable Modification that cannot be answered by my mortgage servicer?

Call the Homeowner's HOPE™ Hotline at 1-888-995-HOPE (4673). This Hotline can help with questions about the program and offers access to free HUD-certified counseling services in English and Spanish.



Q. What if I am aware of fraud, waste, mismanagement or misrepresentations affiliated with the Troubled Asset Relief Program?

Please contact SIGTARP at 1.877.SIG.2009 (toll-free), 202.622.4559 (fax) or www.sig tarp.gov and provide them with your name, our name as your servicer, your property address, loan number and reason for escalation. Mail can be sent to: Hotline Office of the Special Inspector General for Troubled Asset Relief Program, 1801 L Street NW, Washington, DC 20220.



Additional Trial Period Plan Information and Legal Notices

The terms of your trial period plan below are effective on the day you make your first trial period payment, provided you have paid it on or before 05/01/2013. You and we agree that:

We will not proceed to foreclosure sale during the trial period provided you are complying with the terms of the trial period plan:

- Any pending foreclosure action or proceeding that has been suspended may be resumed if you are notified in writing that you failed to comply with the terms of the trial period plan or do not qualify for a permanent modification.
- You agree that the servicer will hold the trial period payments in an account until sufficient funds are in the account to pay your oldest delinquent monthly payment. You also agree that the servicer will not pay your interest on the amounts held in the account. If any money is left in this account at the end of the trial period plan, those funds will be deducted from amounts that would otherwise be added to your modified principal balance.
- The servicer's acceptance and posting of your new payment during the trial period will not be deemed a waiver of the acceleration of your loan (or foreclosure actions) and related activities, and shall not constitute a cure of your default under your loan unless such payments are sufficient to completely cure your entire default under your loan.

If your monthly payment did not include escrows for taxes and insurance, you are now required to do so:

- You agree that any prior waiver that allowed you to pay directly for taxes and insurance is revoked. You agree to establish an escrow account and to pay required escrows into that account.

Your current loan documents remain in effect; however, you may make the trial period payment instead of the payment required under your loan documents:

- You agree that all terms and provisions of your current mortgage note and mortgage security instrument remain in full force and effect and you will comply with those terms; and that nothing in the trial period 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.

None of the information requested in this package will be used for any purposes prohibited by the Bankruptcy Code or other applicable Federal or state law.

**FREQUENTLY ASKED QUESTIONS**

You've got questions. We've got answers.

After all trial period payments are timely made and you have submitted all the required documents, your mortgage will be permanently modified. (Your existing loan and loan requirements remain in effect and unchanged during the trial period.) If each payment is not received by PNC Mortgage in the month in which it is due, this offer will end and your loan will not be modified under the Making Home Affordable Program.

If you have any questions about your trial period or permanent modification requirements or if you cannot afford the trial period payments shown above but want to remain in your home, or if you have decided to leave your home but still want to avoid foreclosure, you may contact [REDACTED] at 888-224-4702 ext. [REDACTED]. (Also, please review the attached "Frequently Asked Questions.")

**NEXT STEPS**

- It is important that you thoroughly review the *Frequently Asked Questions and Additional Trial Period Plan Information and Legal Notices* information attached.
- If your foreclosure sale date is scheduled between 15 and 37 days of the date of this letter, the only forms of acceptance allowed are written or payment of the first scheduled trial plan payment. If you wish to send written acceptance, please sign the bottom of the Trial Plan Agreement and fax it to 855-288-3974. **TIME OF THE ESSENCE.**
- Once you have successfully made each of the payments above by their due dates, you have submitted two signed copies of your modification agreement, and we have signed the modification agreement, your mortgage will be permanently modified in accordance with the terms of your modification agreement.
- We must receive each payment, in the month in which it is due. If you miss a payment or do not fulfill any other terms of your trial period, this offer will end and your mortgage loan will not be modified under the Making Home Affordable Program.
- If you have questions about this information, your trial period payments, or HAMP modification requirements, please contact [REDACTED] at 888-224-4702 ext. [REDACTED].
- If you feel that you cannot afford the trial period payments shown above but want to remain in your home, or if you have decided to leave your home, please contact [REDACTED] at 888-224-4702 ext. [REDACTED] to discuss alternatives to foreclosure.
- Please note that except for your monthly mortgage payment amount during the trial period, the terms of your existing note and all mortgage requirements remain in effect and unchanged during the trial period.

Sincerely,  
PNC Mortgage

[REDACTED] \_\_\_\_\_ April 2, 2013

\_\_\_\_\_  
Borrower \_\_\_\_\_ Date

\_\_\_\_\_  
Borrower \_\_\_\_\_ Date

\_\_\_\_\_  
Borrower \_\_\_\_\_ Date

\_\_\_\_\_  
Borrower \_\_\_\_\_ Date

**Q. What else should I know about this offer?**

- If you make your new payments timely, we will not conduct a foreclosure sale.
- You will not be charged any fees for this Trial Period Plan or a permanent modification.
- If your loan is modified, we will waive all unpaid late charges.
- **CREDIT REPORTING:** We will continue to report the delinquency status of your loan to credit reporting agencies as well as your entry into a Trial Period Plan in accordance with the requirements of the Fair Credit Reporting Act and the Consumer Data Industry Association requirements. **CREDIT SCORING COMPANIES GENERALLY CONSIDER THE ENTRY INTO A PLAN WITH REDUCED PAYMENTS AS AN INCREASED CREDIT RISK. AS A RESULT, ENTERING INTO A TRIAL PERIOD PLAN MAY ADVERSELY AFFECT YOUR CREDIT SCORE, PARTICULARLY IF YOU ARE CURRENT ON YOUR MORTGAGE OR OTHERWISE HAVE A GOOD CREDIT SCORE.** For more information about your credit score, go to <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm>.
- You may be required to attend credit counseling.

[REDACTED]