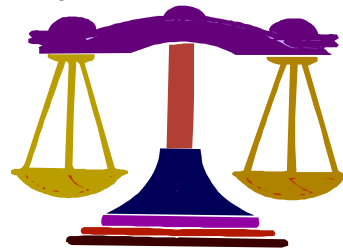


Taiwanese American Lawyers Association

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How to Apply for Loan Modifications, Refi, and
Treasure Secretary Timothy Geithner's Financial Stability Plan



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WHAT STARTED THE
CURRENT ECONOMIC
CONDITION –
SUBPRIME MELTDOWN

VIDEO – HOW THE BRITS
VIEW THE U.S.

TREASURE SECRETARY TIMOTHY GEITHNER'S
FINANCIAL STABILITY PLAN (MARCH 4, 2009)

USEFUL GOVERNMENT WEB SITES

WWW.MAKINGHOMEAFFORDABLE.GOV

WWW.FINANCIALSTABILITY.GOV



It is a partnership between the Treasury and financial institutions to reduce homeowners' monthly mortgage payments

Timothy Geithner's Financial Stability Plan

2 PROGRAMS, ALL TOGETHER
COMPRISING EARMARKING \$75B TO
ASSIST HOMEOWNERS.

1. The Home Affordable Modification Program
2. The Home Affordable Refinance Program

Both programs will expire on Dec. 31, 2012.

PLAY TG1 AND TG2 VIDEOS

What is a Loan Modification

- It is an amendment to the Promissory Note that changes the terms of the original note. Typical amended terms are:
 - reduction of interest rate
 - lowering monthly payment
 - extend term of loan
 - reduction of mortgage principal (not common)

Program Elements described in the Home Affordable Modification Program under the Financial Stability Plan of March 4, 2009:

1. Lender will have to reduce payment on mortgages down to no greater than 38% Front-End Debt to Income (DTI) ratio
2. **Treasury will match dollar for dollar down to 31% Front – End DTI this is aka “Payment Reduction Cost Share” under the program.**
3. Servicers will receive incentive of \$1,000 upfront and \$1,000 per year for up to 3 years
4. Eligible Borrower in good standing of program can receive up to \$1,000 per year toward principal pay down up to 5 years.
5. One-time bonus of \$1,500 incentive to lender / investor and \$500 to servicer while a borrower is still current on mortgage payments.

Qualifying Criteria for a Loan Mod

1. Demonstrate Financial Hardship:
Job Loss; Medical bill; or
Interest Rate Spike
2. Demonstrate at Risk of Defaulting (good standing borrowers are qualified)
3. Supporting documents:
Pay stubs, and tax returns
4. Receiving Financial Counseling if total debts are more than 55% of Gross Income (backend DTI ration)

5. Owner occupied, primary residence, 1-4 units
6. Unpaid principal balance equal or less
 - 1 unit: \$729,750
 - 2 units: \$934,200
 - 3 units: \$1,129,250
 - 4 units: \$1,403,400and originated on or before
Jan. 1, 2009.

Program Elements described in the Home Affordable Refinance Program under the Financial Stability Plan of March 4, 2009:

1. Solid payment history on an existing mortgage owned by Fannie Mae or Freddie Mac.
2. Normally unable to refinance because current loan to value above 80%

Qualifying Criteria for a Loan Refi

1. Owner occupant: 1-4 units
2. Loan securitized by Fannie Mae or Freddie Mac (800-7FANNIE; 800-FREDDIE) fanniemae.com/loanlookup; freddiemac.com/mymortgage
3. Not more than 30 days late on mortgage within last 12 months
4. 1st loan greater than 80% and less 105% of current value
5. Have income

Where to apply:

Now – through your current mortgage servicer or lender

On and after April 4, 2009, borrowers may apply to any Fannie Mae approved lender.

BEWARE OF UNSCRIPULOUS LOAN MODIFICATION CONSULTANTS

- THEY ARE EGULATED BY THE DEPT.
OF REAL ESTATE.
- NO UP-FRONT FEE IS PERMITTED

FRIDAY MARCH 20, 2009 ABC 20-20 TV
NEWS MAGAZINE

EXAMPLE ADVERTISEMENT NO. 1



Public Education Outreach

Homeowner's Guide to Loan Workouts

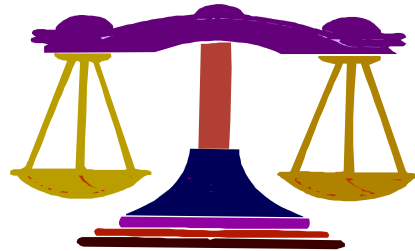
Help4ThePeople.Com™

**Helping Homeowners Keep Their Homes,
and Lenders Keep Their Loans!™**

**13 Homeowner Solutions
to Default & Foreclosure!™**

The advertisement features a 3D rendering of a two-story house with a red roof and tan walls, set against a blue sky and green lawn. A large, stylized white house icon is positioned to the left of the main text. The background is split into a dark red upper section and a light blue lower section, separated by a curved white line.

PLAY ABC 20 20 NEWS VIDEO



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