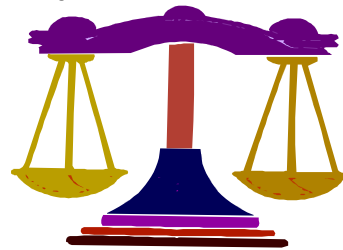


Taiwanese American Lawyers Association

MARCH 21, 2009

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



CHARLES C.H. WU, ESQ.
LAW OFFICES OF WU & CHEUNG, L.L.P.
98 DISCOVERY
IRVINE, CALIFORNIA 92618

WWW.WCLAWYERS.COM

TEL: 949-251-0111 // FAX: 949-251-1588

E-MAIL: CCHWU@WCLAWYERS.COM

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: \$1,403,400
- and 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

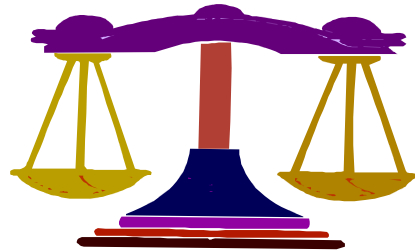
Help4ThePeople.ComTM

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

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

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

PLAY ABC 20 20 NEWS VIDEO



CHARLES C.H. WU, ESQ.
WU & CHEUNG, L.L.P.

98 DISCOVERY

IRVINE, CALIFORNIA 92618

WWW.WCLAWYERS.COM

TEL: 949-251-0111 EXT. 118 // FAX: 949-251-1588

E-MAIL: CCHWU@WCLAWYERS.COM