

March 23, 2010

LAUGHLAN H. CLARK, Attorney
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TO: Borrower/Debtor

Re: Foreclosure Help Information

Dear Borrower/Debtor:

You are currently in default for failure to make payments under the terms of a promissory note. By state law, foreclosure cannot be commenced until the Lender/Beneficiary has made contact with you by phone and by this letter, for the purpose of giving certain information to you assessing your financial ability to pay the promissory note and exploring options with you to avoid foreclosure.

There are options that may be available to you if you are unable to afford your mortgage payments and wish to avoid foreclosure. The following are some of the options that may be available:

1. Lender/Beneficiary may be willing to accept reduced payments that would fit within your budget;
2. Lender/Beneficiary may be willing to accept a deed in lieu of foreclosure, whereby you would convey your home to the Lender/Beneficiary, and in exchange the Lender/Beneficiary would release you from all further liability under the promissory note;
3. You may be able to file bankruptcy that will allow you to discharge debts that are not secured, thereby freeing up money that could be used to make payments on the promissory note;
4. Selling the property, even if the sale price is less than the amount owed on the deeds of trust, by requesting the Lender/Beneficiary to do a "short sale" wherein it would accept less than the full amount due on the promissory notes.

This list is not intended to be exclusive and there may be other options that are more appropriate for your particular circumstances.

Lender/Beneficiary is not required to do any of the actions described above, but is by law required to discuss options to avoid foreclosure with you. If you wish to explore any options to avoid foreclosure, you should contact attorney Laughlan Clark at 360-647-1500. Your discussion will be more productive if you provide him the information described in the following paragraph. If Laughlan Clark is not available you may talk to attorney Bryan Page. The toll free

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number for Bryan Page is also 360-647-1500. You are entitled to make this call free of charge, therefore if the listed phone number would be a long distance call for you, you may call us collect.

To facilitate Laughlan Clark's review of your financial ability to pay the promissory note, you should collect and be prepared to give to Laughlan Clark the following financial documents:

1. Personal financial statement, listing all assets and their fair-market value, and listing all debts and the balance due on each debt;
2. If debts are secured, copies of security documents creating the security interest;
3. Pay stubs or other information to show current monthly income;
4. Federal income tax returns for the prior year;
5. A budget showing all monies that are coming into your household each month, and all monthly expenses;
6. Appraisals, market analyses, or any other information that will help Laughlan Clark analyze the value of your home.

There are various resources available to debtors in the State of Washington to assist you to understand the process. You may contact the Department of Financial Institutions (877-894-4663), the Washington State Bar Association Service Center (800-945-9722), or the statewide civil legal aid hotline (888-201-1014) for possible assistance or referrals.

Enclosed is a document prepared by the Washington State Financial Institution that gives you some direction relating to foreclosure help and information.

The purpose of this letter is to notify you that 30 days from now Lender/Beneficiary intends to start foreclosure proceedings and serve you with a formal Notice of Default. Prior to that step, you have the right to request a meeting with Laughlan Clark, or if he is not available, Bryan Page, in order to assess your ability to pay the loan and to explore repayment options to avoid the foreclosure. The meeting will be scheduled to occur as soon as possible, but no later than 14 days after your request.

Sincerely,

Laughlan H. Clark
Bryan L. Page



Foreclosure Help and Information

Assistance and information for Washington homeowners who are facing foreclosure or are having trouble making their mortgage payment.

Please note that DFI cannot provide legal or financial advice. We do not endorse or recommend any person, product, or institution.

Latest News And Events

■ Making Home Affordable Trial Period To Permanent Modification Deadlines

The Home Affordable Modification Program requires borrowers to enter into a Trial Period Plan before receiving a permanent Home Affordable Modification. Visit the [Making Home Affordable Web site](#) for more information about important deadlines and more.

If You're Facing Foreclosure

You may be contacted by letter or phone call from your lender that you are at risk of facing foreclosure. If you receive a letter or are contacted, try to work with your lender to assess your ability to repay the debt, and consider other options.

The letter or notice that you receive may contain phone numbers for [HUD approved housing counselors](#) (1-800-569-4287), the Department of Financial Institutions referral number to the [Washington State Foreclosure hotline](#) (1-877-894-HOME (4663)), or for legal assistance through the Northwest Justice Project that services low income persons and persons age 60 and older (1-800-997-8944 weekdays between 2 and 4:30 p.m.).

Please note that DFI cannot provide legal or financial advice. We do not endorse or recommend any person, product, or institution.

Programs & Initiatives To Help Prevent Foreclosure

■ Washington State Homeownership Information Program

Free foreclosure counseling, classes, workshops, and resources available to Washington State residents.

Speak To A HUD Approved Counselor: 1-877-894-HOME

www.homeownership.wa.gov

■ Obama's Making Home Affordable Program

Through President Obama's Making Home Affordable program, Washington families may be eligible to refinance or modify their loans to a payment that is affordable.

www.makinghomeaffordable.gov

■ Partial Claim Program For FHA Loans In Foreclosure

If you have an FHA loan in foreclosure you may be eligible for a partial claim program. The program is called the FHA-Home Affordable Modification Program, or FHA-HAMP. The program is designed to help borrowers retain their homes and to prevent the destructive impact of foreclosures on families and communities. The program is available to borrowers who do not qualify for the existing FHA special forbearance or loan modification.

Contact your lender or servicer to see if you qualify.

Documents:

[Participation Guidelines \(Word\)**](#)

[Hardship Affidavit \(PDF\)*](#)

■ FDIC Foreclosure Prevention Initiative

The FDIC has launched a program to help prevent both unnecessary foreclosures and fraudulent rescue scams by encouraging loan modification, providing an FDIC phone line to direct borrowers to legitimate mortgage counselors, and creating a foreclosure information "tool kit".

FDIC Call Center: 1-877-275-3342

[Foreclosure Prevention Toolkit](#)

■ Property Tax Deferral Program

Struggling to make ends meet? The Department of Revenue has program that can help. The Property Tax Deferral Program helps homeowners with limited income by paying 50 percent of property taxes and/or special assessments on behalf of the owner. The taxes are postponed and must be paid when the homeowner no longer owns and uses the

property as their primary home. For more information and a list of requirements visit dor.wa.gov or call (360) 570-5900, or call your local county assessor's office.

Educate Yourself About Foreclosure

- [What To Do If You Are Facing Foreclosure](#)
Steps to take and individuals to contact if you are behind on your monthly mortgage payments and need assistance.
 - [Possible Alternatives To Foreclosure](#)
Sometimes, a lender may not pursue foreclosure even though your loan payments are behind. Although a lender isn't required to accept any offers or renegotiate the terms of your loan, there may be alternatives to foreclosure.
 - [HB 2791 – Distressed Property Conveyances](#)
A message from the Attorney General's Office about legislation proposed by the Attorney General's Office to help protect financially strapped homeowners from equity skimming and foreclosure rescue scams.
 - [Foreclosure Resources](#)
Links to helpful resources and information available from DFI and other organizations.
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Avoiding Fraud

- [Loan Modification Services](#)
DFI advises homeowners who are delinquent on their mortgage to be cautious about using the services of someone offering to help them work with their lender to modify the terms of their home loan.
 - [Beware of Foreclosure Rescue Scams](#)
Solutions that sound too simple or too good to be true usually are.
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Contacting Your Lender

Do not ignore letters or phone calls from your lender. If you're having trouble making your monthly mortgage payments, explain the situation to your lender. Write down who you spoke to, the date, and what was said. Don't wait!

- [Contact Information for Lenders and Servicers](#)
 - [Contact Information for Washington State Banks](#)
 - [Contact Information for Washington State Credit Unions](#)
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Tips For Those Having Trouble Making Their Monthly Mortgage Payments

- Take advantage of free foreclosure counseling. To contact a counselor, call the Washington State Homeownership Information Hotline at **1.877.894.HOME (1.877.894.4663)** or visit www.homeownership.wa.gov for a list of counselors in your area.
 - If you fall behind on your payments, call or write your mortgage lender immediately. Don't ignore letters from your lender.
 - Stay in your home to make sure you qualify for assistance.
 - Lenders don't have to accept all proposals and are not obligated to do so. So don't wait till the last minute to contact your lender.
 - Explore every alternative to losing your home.
 - Beware of foreclosure rescue scams.
 - Don't sign anything you don't understand.
 - If the lender refuses to take partial payments, you should put this money aside to help negotiate with the lender later.
 - If you're a senior citizen or are disabled and are facing a foreclosure action because of unpaid property taxes or special assessments, you may be eligible to postpone payment of your property taxes or special assessments under two programs in Washington. Contact your local County Assessor's Office or an attorney for more information.
 - Remember that signing over the deed to someone else doesn't necessarily relieve you of your loan obligation.
 - Remember to use registered or certified mail in all your correspondence on legal matters.
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Contact The Washington Homeownership Information Hotline

If you would like to speak with someone about your current situation, please contact the Washington State Homeownership Information Hotline at **1.877.894.HOME (894.4663)**.