Protecting Your Debt Investments

Boarding Your Assets with Franklin Credit

FRANKLIN CREDIT
MANAGEMENT CORPORATION®

THANK YOU FOR CHOOSING FRANKLIN CREDIT

Thank you for choosing Franklin Credit Management Corporation to service your mortgage or other debt investments.

This brochure is meant to queue-up the highly collaborative loan boarding process by reviewing the activities and documents required for the proper integration of your loans with our account information system.

While most of the cooperation will occur between our professionals and those of the loans' current servicer, you will see there are several points where the cooperation of your own professionals will be appreciated as well.

Regulatory deadlines notwithstanding, please note that our ultimate goal is to transfer your loans as thoroughly as possible in order to ensure service continuity and maximum protection of your assets. As such, any and all documentation supporting your portfolio should be provided to our professionals as promptly as possible.

Should your team members or the loans' current servicer have any questions, please refer them directly to me. We look forward to working with your team. And thank you again for selecting Franklin Credit Management Corporation to service your debt portfolio.

Kathy Haak
Director, Client Relations
Franklin Credit Management Corporation
201-604-1800;ext. 4799

About Franklin Credit Management Corporation

Franklin Credit Management Corporation is a national loan management company that currently services more than 37,000 borrower accounts representing an aggregate principal balance of more than $1.6 billion.

Founded in 1989 and a pioneer in subprime origination and servicing since 1992, Franklin Credit Management provides unmatched range and depth in servicing performing and distressed assets, with proven proficiency in many loan types (simple interest, interest only and conventional, performing and nonperforming, firsts and seconds, ARMS, balloons) and most portfolio types (bankruptcy- or foreclosure-only, multiple-strata**)** as well.

Franklin Credit also provides a full complement of portfolio investment management capabilities, including portfolio- and loan-level valuation, pricing and cash flow models, appraisal and forensic due diligence, and closing-to-service expertise.

Now a leader in mortgage portfolio analysis and servicing, Franklin nonetheless remains true to its subprime origins, prizing flexibility and borrower focus as keystones to maximizing client return on loan investment. Franklin Credit Management Corporation's unparalleled success with even the hardest to service loans and portfolios makes it the perfect partner for today's tumultuous mortgage investment environment.

Franklin Credit Management Corporation
101 Hudson Street, 25th fl.
Jersey City, NJ07302
201.604.1800

BOARDING YOUR ASSETS WITH FRANKLIN CREDIT

CONTENTS

FRANKLIN CREDIT BOARDING CONTACTS

Service Release Data Transfer
Michael Begley
(201) 604-4514
mbegley@franklincredit.com

Document Management
Servicing Files
Collateral@FranklinCredit.com

MERS Transfers
Nigel Harding
boarding@FranklinCredit.com
(201) 604-1800, x-4811

Interim Payments
Michael Begley
(201) 604-4514
mbegley@FranklinCredit.com
(please cc: application of funds)

Other Boarding/Portfolio Issues
ClientRelations@FranklinCredit.com

PROPER BOARDING REQUIRES ADVANCE WORK

FRANKLIN CAN HANDLE MOST LOAN TYPES...

- **Principal & Interest**
- **Simple Interest**
- **Interest Only**
- **Residential Firsts, ARMs, and Balloons**
- **Seconds, HELOCS**
- **Prime and Subprime**
- **Performing and Nonperforming**
- **Charge-off/Recovery**

AND A VARIETY OF SERVICING SCENARIOS...

- **Securitized portfolios**
- **Catch-all portfolios**
- **Sole Servicer**
- **Multiple servicer**
- **Interim Servicer**

We handle many types of loan portfolio missions, including ARMs, balloons, modifications, fixed-rate conversion options. So boarding should be automated and easy, right?

Yes. And no.

It's true that once your prior servicer's data fields are mapped correctly to our system, a push of the button will transfer a tremendous amount of data.

But depending upon the nature of the servicing to be done, there may be many other moving parts to consider.

For instance, for recovery work—loans that have been written off yet whose unsecured debt represents great latent potential—we don't require a lot in the way of loan file documents. But we likely will need to also board data from a co-maker (a.k.a., co-borrower) file that contains charge-off data for each loan, as well as a file that contains data on legal actions such as judgments.

And if you have retained us to provide all aspects of loan servicing—issuing monthly statements, providing escrow for first liens, tracking payments and defaults, offering loan mods (particularly while borrowers are in bankruptcy or foreclosure)—well, then, there's a whole lot more information required.

On the opposite page, you'll find a quick guide outlining what needs to be provided by who in order to expedite the boarding of your loans. Of course, your portfolio needs will ultimately determine the final listing, but this should serve as a reasonable starting point.

One of the most important things we seek from our clients is their input into the *Client Approval Matrix* and *Work Rules Matrix* that our professionals will develop to expedite portfolio servicing on both an everyday and an exceptional basis. Samples of those matrixes are on the pages which follow, as is a sample of the *Limited Power of Attorney* that the client must sign if we are to efficiently execute on their behalf.

Loan Boarding Components

✓ = required, unless otherwise indicated

Component	Source	Recovery Only	Escrow Only	Servicing
Account Data	Prior Servicer	✓	✓	✓
Goodbye Letter 15 days prior to boarding	Prior Servicer	✓	✓	✓
Collateral documents	Custodian/Prior Servicer[*]	✓	✓	✓
Servicing File documents (credit reports, collateral doc cc:, PMI policy)	Prior Servicer	✓	✓	✓
Report on accounts' last BPO/Appraisal	Prior Servicer			✓
Report on former/current Bankruptcy accounts	Prior Servicer	✓	✓	✓
Report of accounts with borrower e-OSCAR and other complaints	Prior Servicer	✓	✓	✓
Report on accounts in Active Litigation (Do Not Call, Cease & Desist)	Prior Servicer	✓	✓	✓
Reports on Judgment accounts	Prior Servicer	✓	✓	✓
Reports on Loan Mods (e.g., HAMP)	Prior Servicer	✓	✓	✓
Report on Foreclosure accounts	Prior Servicer		✓	✓
Reports REO accounts	Prior Servicer			✓
Reports on accounts with insurance escrow, incl. insurance type/vendor	Prior Servicer		✓	✓
Reports on accounts with tax escrow, incl. tax type and authority	Prior Servicer		✓	✓
Hello Letter within 15 days of boarding	FCMC	✓ Not req.	✓	✓
Escrow Analysis within 60 days	FCMC		✓	✓
Client Approval Matrix	Client	✓	✓	✓
Client Work Rules Matrix	Client	✓	✓	✓
Power of Attorney	Client	✓	✓	✓
Interim payments accounting	Prior Servicer	✓	✓	✓
Borrower Payment Conduits	FCMC	✓	✓	✓
Truth in Lending Mailing (one-time)	Client[†]	✓		✓ (If recent acq.)
Privacy Notice (annual)	Client[†]	✓	✓	✓

Franklin Credit can provide collateral document management services upon request.
† Franklin Credit can perform this task upon request.

THE CLIENT'S ROLE

You don't have to get knee-deep in the details of loan transference, but we do ask you and your assigns roll up your sleeves and actively work with your Franklin Credit Management Corporation Client Liaison to develop a set of guidelines that will govern everyday portfolio activities and exceptions.

We'll need you to indicate your disposition on many issues, including what services we should provide, whether your loans should participate in HAMP, whether to accept credit card payments, how to handle loan modifications and partial payments, what constitute acceptable legal and appraisal costs, how to handle foreclosure approvals, and predetermining REO marketing strategies.

To the right are a *Services Matrix* and a *Work Rules Matrix*. Your Client Liaison will work with you to determine your organization's disposition on the items in the left column of each.

COLLECTION MATRIX for DELBY MORTGAGE INVESTORS

ITEM	COMMENTS	OTHER DATA
DOCS TO CLIENT		
Contact Sheet		
Data File Format		
REQUIRED FROM CLIENT		
Action in the Name of	Delby Mortgage Investors	
Custodial Information	SeineBank	john.smith@seinebank.com
Limited Power of Attorney	n/a	
Work Rules Matrix	See attached	
Executed Contract/Service Agreement	See file	
Loan Level Data	See file	
Who Processing AOM/Allonge	(Processor name)	
INVOICING & REMITTANCE		Calendar month
Cutoff Date		Last day of month
Invoice Date		10th business day
Remittance Due	Bank Wire, net of Servicing Fees/Expenses	10th business day
Servicer Fee Payment Terms	Bank Wire	10th business day
Reports Due	Standard ILS Reports	10th business day of month
Lockbox Information	FCMC, P.O. Box 620777, Indianapolis, IN 46262-0777	
STANDARD SERVICES	**ESTIMATED COST**	
Bankruptcy Scrub	$1 per debtor	Run
Collection Letters – Initial	$1 per account	Send
Credit Bureau Reporting	Cost	Report
Deceased Scrub	$1 per debtor	Run
End of Year – 1098/1099	$1 per account	Do not send
File Storage	N.A.	Will provide imaged files
HAMP Qualification		Participate
Hello Letter/Servicing Transfer	$1 per account	Send
LPS FC/BK Monitoring	Cost	Monitor
MoneyGram Payments		3529; Accept
Primary Mortgage Insurance		Do Not Monitor
RE Tax Monitoring	$25 per collateral address	Monitor
Skip Tracing		Run
Statements	$1 per account	Do not send
Statute of Limitations Scrub	$1 per account	Run
Western Union Pay by Phone	$0	Accept
Western Union Quick Collect®	$0	Accept
OPTIONAL SERVICES	**ESTIMATED COST**	
Annual Privacy Notice	$1.00 per debtor letter; every debtor receives a letter	Send
Assignments – Recording/Correction	$35 per recording	N/A
Bankruptcy	POC $325; MFR $800; Objection $400; Affidavit $50; Transfer of Claim $50; Notice of Rate Change $35+	Monitor and file
Collection Letters – 30-day No Contact	$1.00 per account letter	Do not send
Complaint Resolution	$?? plus related costs	Determined by response effort
Compliance Letter (Owner TIL)	$1.00 per account letter	Send
Credit Bureau	$1.50 per debtor	As required
Credit Card Payments	2.30% of payment	Authorized
Door Knock/Inspections	$20 per account visit	See work rules
Face to Face Home Solutions	$100 to $150 per account	See work rules
FASLO Model	$22 per account per year	
Flood Insurance	TBD based on policy	N/A
Force Placed Insurance	TBD based on policy	N/A
Foreclosure Scrub	$5 per request; $20 for addt'l info	Run after boarding complete
Pre Judgment Letter	$1.00 per account letter	Send
Rate Change Notice	$1.00 per account letter	Send

WORK RULES MATRIX for DELBY MORTGAGE INVESTORS

ITEM	COMMENTS	OTHER DATA	MGR APPROVAL	AGENT APPROVAL
Allocation of Funds				
Assumptions		BK – as directed per POC arrears filed/non-BK principal, fees, interest		
AVM		Not authoroized		
BPO	$11	As required for Loss Mitigation consideration		
Cash For Keys	$95 - $150	As required for Loss Mitigation consideration		
Deceased Debtor		Not authorized		
Deed in Lieu		If all parties deceased and unsecured – close file		
Deferment		Not authorized		
Discharged Bankruptcy		Verify household income	2x year	1x year
Escrow Advance – RE Taxes	Monthly premium varies	If all parties discharged and debt unsecured – close file		
Escrow Advance – Hazard	Monthly premium varies			
Eviction				
Force Placed Insurance (FPI)	Monthly premium varies			
Foreclosure Bid		Cover UPB only		
Judgment	Max $650 (uncontested)	Bid FMV		
Lien Release		UPB > $20K; employment verified; age < 65 Years old		
Litigation	Max $250 per hour / max 10 hours	Settled, paid in full		
Loss Draft				
Messages		Agent name and call back number; hours of operation		
Modification		Verify all household income; financials must indicate monthly surplus; floor rate 0.00%; capitalize arrearage	3%	6%
Pay and Accrue		Verify all household income		
PMI	Monthly premium			
Property Preservation	5000			
One-Year Rate Reduction		1st lien only		
REO – Force Placed Insurance		Requires client approval		
REO – Listing Price				
REO – Property Preservation	5000	FMV		
Repayment Plans		Verify all household income; financials must indicate monthly surplus; term not to exceed current maturity date		
Repo Policy				
Settlement		Not authorized		
Short Sales – Senior Lien		2% UPB		
Short Sales – Junior Lien		80% FMV		
Subordination		10% UPB		
Write-Off/Close Account		Requires client approval		
		Unsecured Discharged BK7; Settlement; Short Sale		

CUSTOM OPTIONS

ITEM	COMMENTS	OTHER DATA	MGR APPROVAL	AGENT APPROVAL
Dialer Campaigns	TBD based on campaign			
Letters	TBD based on campaign	TBD based on campaign		
Messages	TBD based on campaign	TBD based on campaign		
Mini Miranda	TBD based on campaign	TBD based on campaign		

The Client's Role
(continued)

Your comments in the *Work Rules* Matrix will help determine the scripts we give to our collections agents at varying points in the loan servicing process. In the example below, collectors are to first offer a refinance option to borrowers with performing loans, but need not pursue refinancing for sub-performing loans. For sub-performing first liens, the collector is to first suggest a settlement, followed by homeowner relief (a program that incents the borrower to let us market their property and head-off likely foreclosure), permanent relief and temporary relief. For sub-performing second liens, however, the collector advances his dialogue with the borrower from settlement directly to temporary relief.

Offering Order of Financing Solutions

Loan Type / Account Status	First Lien	Second Lien

Performing *(Current to 30 days delinquent)*	1. Settlement
	2. Homeowner Relief
	3. Refinance via client*
	4. Permanent Relief
	5. Temporary Relief
		1. Refinance via client*
		2. Settlement
		3. Temporary Relief
		4. Permanent Relief
		  o If borrower does not qualify for minimum 3% interest rate, approval to go to 0% interest rate.
		  o Must be current on 1st mortgage
		  o Expenses cannot exceed Income

Sub-performing *(30-119 days delinquent)*	1. Settlement 2. Homeowner Relief 3. Permanent Relief 4. Temporary Relief 5. Deed-in-Lieu *Else initiate foreclosure at 120 days; but if net proceeds are less than $15,000, client approval is required*	1. Settlement 2. Temporary Relief 3. Expanded Temporary Relief

Non-performing *(120+ days delinquent)*	1. Settlement
	2. Homeowner Relief
	3. Deed-in-Lieu
	4. Permanent Relief
	  o If borrower does not qualify for minimum 3% interest rate, approval to go to 0% interest rate.
	  o Requires client approval
	
	Else foreclosure but if net proceeds are less than $15,000, client approval is required
		1. Settlement
		  o Requires client approval
		2. Temporary Relief
		3. Expanded Temporary Relief

* *Refinance-ability is determined via a program on Franklinet. If the borrower has a FICO score higher than 580 and the account has not been offered the refinancing option within the past 30 days, the agent will inform the borrower that he or she is prequalified. If the borrower indicates interest, the agent clicks on the Refer to (client's bank) button. The borrower will hear from the client's bank soon thereafter. If the borrower indicates they were approached about refinancing within the past 30 days,* **REFINANCING SHOULD NOT BE OFFERED ON THIS CALL.**

STATE OF _____
COUNTY OF _____

_____, _____, before me, the undersigned, a Notary Public in and for said
...onally appeared _____ of _____, personally
...me to be the person whose name is subscribed to the within instrument and
...ged to me that [she/he] executed that same in [her/his] authorized capacity, and that
...] signature on the instrument the entity upon behalf of which the person acted and
...he instrument.

...TNESS my hand and official seal.

(SEAL)

_____
Notary Public

Third parties without actual notice may rely upon the exercise of the power granted under this
Limited Power of Attorney; and may be satisfied that this Limited Power of Attorney shall
continue in full force and effect and has not been revoked unless an instrument of revocation has
been made in writing by the undersigned.

IN WITNESS WHEREOF, _____, as Company pursuant to that Collection
Services Agreement between the Company and the Service Provider, dated as of _____,
has caused its corporate seal to be hereto affixed and these presents to be signed and
acknowledged in its name and behalf by _____, its duly elected and authorized
_____ this ___ day of _____, _____.

By: _____
Name: _____
Title: _____

The undersigned gives said Attorney-in-Fact full power and authority to execute such
instruments and to do and perform all and every act and thing necessary and proper to carry into
effect the power or powers granted by or under this Limited Power of Attorney, each subject to
the terms and conditions set forth in the Agreement and in accordance with the standard of care
set forth in the Agreement as fully as the undersigned might or could do, and hereby does ratify
and confirm to all that said Attorney-in-Fact shall lawfully do or cause to be done by authority
... Limited Power of Attorney shall be effective as of _____ ___, _____.

RECORDING REQUESTED BY
AND WHEN RECORDED MAIL TO:
Franklin Credit Management Corporation
101 Hudson Street
Jersey City, New Jersey 07302
Attn: COO, Servicing

LIMITED POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that _____, a
liability company organized and existing under the laws of the State of _____
principal place of business at _____ and having its
Management Corporation (the "Service Provider") and the Company, dated as of _____
(the "Agreement"), hereby constitutes and appoints the Service Provider, by and through the
Service Provider's officers, the Company's true and lawful Attorney-in-Fact, in the Company's
name, place and stead and for the Company's benefit, in connection with all the Accounts
subject to the terms of the Agreement for the purpose of performing all acts and executing all
documents in the name of the Company as may be customarily and reasonably necessary and
appropriate to effectuate the following enumerated transactions in respect of any of the
mortgages or deeds of trust (the "Mortgages" and the "Deeds of Trust" respectively) and
promissory notes secured thereby (the "Mortgage Notes") for which the undersigned is the
owner (whether the undersigned is named therein as mortgagee or beneficiary or has become
mortgagee by virtue of endorsement of the Mortgage Note secured by any such Mortgage or
Deed of Trust) and for which the Service Provider is performing servicing/collection activities
all subject to the terms of the Agreement.

This appointment shall apply to the following enumerated transactions only:

1. The modification or re-recording of a Mortgage or Deed of Trust.

2. The subordination of the lien of a Mortgage or Deed of Trust; this section shall
include, without limitation, the execution of partial satisfactions/releases, partial
reconveyances or the execution or requests to trustees to accomplish same.

3. The conveyance of the properties to the mortgage insurer, or the closing of the
title to the property to be acquired as real estate owned, or conveyance of title to
real estate owned.

4. The completion of loan assumption agreements.

5. The full satisfaction/release of a Mortgage or Deed of Trust or full conveyance
upon payment and discharge of all sums secured thereby, including, without
limitation, cancellation of the related Mortgage Note.

6. The assignment of any Mortgage or Deed of Trust and the related Mortgage Note,
in connection with the repurchase of the mortgage loan secured and evidenced
thereby.

...ge or Deed of Trust upon payment and discharge
...njunction with the refinancing thereof, including,
...at of the related Mortgage Note.

...Deed of Trust, the foreclosure, the taking of a deed
...ompletion of judicial or non-judicial foreclosure or
...scission of any such foreclosure, including, without
...ollowing acts:

...stee(s) serving under a Deed of Trust, in accordance
... Deed of Trust;

...ssuance of statements of breach or non-performance;

...filing of notices of default and/or notices of sale

...scission of notices of default and/or notices of sale;

...d in lieu of foreclosure; and

...nd execution of such other documents and performance
...as may be necessary under the terms of the Mortgage,
...r state law to expeditiously complete said transactions in
...through 8(e), above.

...e of property acquired through a foreclosure or deed-in-lieu
...ding, without limitation, the execution of the following

...nents;

...d sale agreements;

...nty/quit claim deeds or any other deed causing the transfer of
...property to a party contracted to purchase the same;

...structions; and

...ll documents necessary to effect the transfer of property.

...on or amendment of escrow agreements established for repairs to
...property or reserves for replacement of personal property.

...y checks or other instruments received by Service Provider with
... Accounts.

...ther act or complete any other document that arises in the normal
...vicing or collecting of all Accounts.

- 2 -

**We will need your organization's executed *Limited Power of Attorney*, the scope of which will vary depending upon
the work you ask us to do. In the example above, client sign-off enables Franklin Credit Management Corporation to
act as the client's Attorney-in-Fact when it comes to executing such customary loan servicing transactions as loan
modifications, re-recordings of mortgage or Deed of Trust, providing escrow, subordinations of lien, negotiating
partial satisfactions, releases, deeds-in-lieu, and foreclosure listing and purchase and sale agreements.**

Loan Boarding—Primary Account Data

Data transference underpins every successful loan boarding. The more information that can be transferred through automation, the less rekeying of data will be required and the more time that can be devoted to proofing and reconciling.

Following are the steps we follow in processing the transference of primary account data. Please note that we do not board unapplied funds—the loan will be boarded, but the unapplied balance field will be left empty until the funds arrive:

- The loans' current servicer provides us with a copy of your data, either by physical media (e.g., file on CD, tape) or automated feed.

- Our Senior Database Administrator confirms receipt and, assuming the system report agrees with the expected number of loans and aggregate unpaid principal balance, notifies our Loan Boarding, Client Relations and Servicing Division managers of the data's arrival.

- Loan Boarding provides the current servicing agent with a copy of our *Transfer of Servicing Information* sheet, data from which may be used to populate the servicer's *Goodbye Letter*, and a sample Goodbye Letter.

- Franklin Credit Management Corporation's Database Administrator will map the preliminary loan data to the company's Test Database via the *Loan Setup Module* in our Interlinq Loan Servicing system (a.k.a., ILS).

- Loan Boarding then sends the loans' current servicer a data file template so the servicer can prep the loan data for migration.

- When the loans' current servicer returns with data mapped to our database, Loan Boarding and IT load the data and examine every data field in a randomly sampled one in 10 loans.

- Any issues are resolved with the loans' current servicer.

- The loans' current servicer provides our Loan Boarding Team with a copy of its *Goodbye Letter* draft. Once approved by us, the letter may be released.

- We receive the current servicer's final data at Service Release.

- We conduct another sampling of 10 percent of all accounts, to ensure data has boarded correctly.

A WORD ABOUT DATA SECURITY

Our Information Technology (IT) Division is tuned into the growing universe of consumer confidentiality and data integrity laws and regulations.

In fact, they play a significant role whenever we consider retaining a new vendor, vetting the vendor's confidentiality and security controls to ensure the vendor's data security methods will be as thorough as ours.

This attention to data security isn't limited to our IT people, either. All employees are trained and annually tested in the confidentiality requirements of RESPA, FDCPA, the **Gramm-Leach-Bliley Act, and** other federal and state requirements as well.

A FINAL RECONCILIATION

Assuming the number of loans in the data file submitted by the client matches the number of loans which were imported successfully, and that the aggregate unpaid principal balances of the two loan groups match, the Boarding Manager completes an *Investor Approval* Form, checks off the "Final Review of Trial Balance" box, indicates whether the Trial Balance Report is attached, and forwards the material on to your project executives for their final approval sign-off.

After we receive your executed approval:

- The loans are made active on our borrower account information system, ILS.

- During end-of-day processing, ILS instructs our financial printing vendor Harland Systems to generate *Hello Letters* and, where applicable, monthly *Billing Statements*, and print and mail them to your borrowers.

- A Trial Balance is generated and circulated to Servicing and Accounting.

Loan Boarding—Supporting Data

As noted, to fully service most portfolios, the supporting data for loans that are in loss mitigation programs, bankruptcy, foreclosure, REO, or litigation will need to be boarded into ILS. Our Loan Boarding Team either imports or manually inputs the data from the supplementary reports provided by the loans' prior servicer and registers the loans' legal status.

INTERIM PAYMENTS

Once loans are boarded, Accounting monitors and reconciles the prior servicer's remittance reports for any interim payments that the prior servicer may be receiving.

The *Funding Schedule* drives the reconciliation process. Accounting compares the trial balance generated upon activation of the loans against the Funding *Schedule*, and the difference between each loan's principal balance acquired and principal balance transferred is recorded. Once Loan Boarding identifies the loans with variances, it estimates the interim collections by calculating the time between each loan's due date and its activation date in the ILS system. The number of payments are determined and multiplied by the monthly payment to estimate the collection amount for each loan.

By summing up all of the variances, Loan Boarding arrives at the total interim payment that is expected. If the prior servicer does not initiate a remittance within seven days of the transfer, Loan Boarding contacts the servicer's release coordinator to request the remittance be wired to Franklin Credit forthwith.

ESCROW

Borrower accounts that lack property hazard insurance and/or lag in paying property taxes can pose considerable risk to your investments.

For first liens, we retain a specialist to monitor policy lapses in each of the 50 states and alert us to the need to force-place hazard insurance. Escrow then pro-rates that cost across the borrower's future monthly payments. We also retain a tax tracking specialist to monitor property tax delinquencies; unless client guidelines dictate otherwise, we advance payments for those accounts that are failing to meet county and other taxing authority obligations

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IN ANY ENVIRONMENT...

- **Stress tests, which can help you estimate defaults, extensions, and losses—and ultimately, provision loan loss reserves—are advised.**

- **The same goes for aging reports, which can profile where delinquent loan build-ups are occurring in your portfolio (e.g., concentration in second mortgages that are 60+ days past due).**

- **Vintage reports can help predict what percentage of loans from a certain vintage will become "losses" (120 days past due), and also predict what percentage of their underlying properties' value will likely be recoverable at sale.**

- **Franklin Credit's Servicing Division *does not* conduct these sophisticated investment management analyses, but the company's Portfolio Analytics Unit *can*. When you're ready, ask your Client Servicing Liaison for more details.**

DO NOT CALL/CEASE & DESIST

We do not want to compromise the client's rights to pursue debt obligations. So if your loans' prior servicer maintained fields and documents for borrowers who do not want to be called or are otherwise best left alone, that information should be passed along to us as well.

BANKRUPTCY LOANS

Similarly, we do not want to comprise client rights by improperly approaching a borrower in active bankruptcy. So while we will accept any data the prior servicer has regarding a bankruptcy-involved loan, we perform a precautionary scrub of all incoming loans against the Banko national database.

DOCUMENT MANAGEMENT

It is anticipated that your prior servicer will provide us with electronic copies of all loan file documents.

We also presume that your current custodian will remain responsible for all "collateral documents" (e.g., original mortgage note, Deed of Trust, title) and that you will authorize us to work directly with your custodian should we ever need to access those original documents.

However, should you require a new home for collateral and original loan file content, our Document Management unit can secure your documents with an appropriate custodian or archiver and assume responsibility for managing same.

FOR NEWLY ACQUIRED LOANS

If we will be servicing loans you have recently acquired with the assistance of our Loan Acquisitions professionals, the Loan Boarding Team will ask our Due Diligence unit to provide us with bar-coded, hard-copy credit files and their *Due Diligence Report*. If the loans were acquired without Franklin Credit's closing acquisition and closing assistance, we will ask you or the loans' current servicer to provide copies of the credit files, etc.

DOCUMENTS WE CAN SAFEKEEP INCLUDE...

Servicing

Correspondence
Credit Report
Property Valuations
Application
Income Documentation
Assignments

Modifications

Credit Report
Property Valuations
Application
Income Documentation
Agreement

Legal

Bankruptcy Documents
Bankruptcy Correspondence
Foreclosure Documents
Foreclosure Correspondence
Property Valuations
Application
Income Documentation

Bankruptcy

Misc. Docs
Order/Notice
Petitions
Reliefs from Stay

REO Properties

Property Valuations
Title
Deed
Closing Documents

Escrow

Tax Receipts
Dec Pages

What's Required from the Prior Servicer

MOST IMPORTANT OF ALL: CLEAN DATA

At a minimum, we expect to receive a spreadsheet populated with sufficient loan data to pursue our assignment. Key data fields include:

- **Prior Account Number**
- **Name**
- **Phone Number**
- **Address**
- **Social Security**
- **Collateral Type**
- **Principal Balance**
- **Interest Rate**
- **Interest Method**
- **Next Due Date**
- **Last Payment Date (crucial for calculating an account's Statute of Limitations)**
- **Escrow Balances**
- **Unapplied Balance**
- **Accumulated Fees**

But as you can see from our Data Mapping Assignment sheets to the right, we'll be happy to take as many as 148 fields of primary loan data. And 19 fields of insurance escrow data. And 23 fields of tax escrow data.

#	FIELD NAME	FIELD TYPE	TABLE	COMMENT
1	LoanID	varchar(10)		FCMC, Investor's LoanID should be in L_PreviousLoanNum field
2	A_OriginalIndex	float	A	The original index rate used in calculating the Original Rate
3	A_Index	varchar(3)	A	Index used ex. Prime Rate, 1-yr t-bill,2-yr T-bill,6-month LIBOR 1st / 15th etc
4	A_PeriodRateInc	float	A	(Period Rate Increase) This is the cap for the remaining Period Increase
5	A_PeriodRateDec	float	A	(Period Rate Decrease) This is the cap for the remaining Period Decreases
6	A_FirstRateInc	float	A	First Time Rate Increase
7	A_FirstRateDec	float	A	First Time Rate Decrease
8	A_LifeRateInc	float	A	This amount added to the Original Interest Rate represents the highest allowable interest
9	A_LifeRateDec	float	A	This amount subtracted from the Original Interest Rate represents the lowest allowable interest rate on the loan. Not using, use FloorRate instead
10	A_FloorRate	float	A	This is the lowest allowable interest rate, same as liferatedec, which don't use
11	A_PIChgFrequency	smallint	A	The frequency of P&I payment changes, specified in # of pmts
12	A_RateChgFrequency	smallint	A	The frequency of interest rate changes, specified in # of pmts
13	A_OriginalPIPmt	money	A	Original Principal and Interest Payment
14	A_OriginalRate	float	A	Original Interest rate on the loan
15	A_FirstPIChgDate	datetime	A	The first date a P&I payment change occurs
16	A_FirstRateChgDate	datetime	A	The first date a rate change occurs
17	A_NextPIChgDate	datetime	A	The date a principal and interest payment change should occur
18	A_NextRateChgDate	datetime	A	The date an interest rate change should occur
19	A_LetterLeadDay	tinyint	A	The date an interest rate change should occur / ARM letters must be sent
20	A_LookBackPeriod	tinyint	A	Number of days before the Next Rate Change Date to determine interest rate on the
21	A_Margin	float	A	The number of days before the Next Rate Change Date to determine the new interest rate
22	A_RoundingCode	tinyint	A	A percentage amount added to the Index rate to determine the new interest rate
23	A_RoundingFactor	float	A	indicate the type of calculation used to determine the new interest rate
24	A_TeaserRate	float	A	The percentage used in rounding to calculate a new interest rate
25	A_AuditFlag	tinyint	A	A teaser rate would be a rate that is artificially low, not based on an index plus margin
26	A_CarryOverFlag	tinyint		FCMC, default is 0
				No = 0, Yes = 1,indicates that the ARM has a carry over feature. A Carry over feature allows the amount of a rate adjustment that is capped to be carried (over) to future
27	A_ConvertibleFlag	tinyint	A	No = 0, Yes = 1, indicates that the loan has an option to convert to a fixed rate
28	B_FirstMid_1	varchar(15)	B	The first and middle name of the borrower 1
29	B_LastName_1	varchar(40)	B	The last name of the borrower 1
30	B_Position_1	int	B	The position of the borrower 1 on the loan, 0
31	B_HomePhone_1	varchar(14)	B	The borrower 1 home phone number
32	B_WorkPhone_1	varchar(14)	B	The borrower 1 work phone number
33	B_SSN_1	varchar(11)	B	The borrower 1 tax identification number
34	B_TINType_1	tinyint	B	No = 0, Yes = 1, indicates that the TAX ID # is an employer identification number.
35	B_FirstMid_2	varchar(15)	B	The first and middle name of the borrower 2
36	B_LastName_2	varchar(40)	B	The last name of the borrower 2
37	B_Position_2	int	B	The position of the borrower 2 on the loan, 1
38	B_HomePhone_2	varchar(14)	B	The borrower 2 home phone number
39	B_WorkPhone_2	varchar(14)	B	The borrower 2 work phone number
40	B_SSN_2	varchar(11)	B	The borrower 2 tax identification number
41	B_TINType_2	tinyint	B	No = 0, Yes = 1, indicates that the TAX ID # is an employer identification number.
42	C_AccrualAmt	money	C	The amount of interest accrued on loan as of accrual date
43	C_AccrualDate	datetime	C	Date the accrual is through
44	C_AccrualStatus	tinyint	C	accrual status ex.Accrue, Continue Accrual, Non-Accrual
45	D_GraceDays	int	D	The number of days after the due date that the borrower has to make his payment without a late charge being assessed. Will +1 when importing for ILS
46	D_LCFixedAmt	money	D	Amount of late charge if the LC Type is a fixed amount
47	D_LCMaximum	money	D	The maximum amount of late charges that can be assessed per payment on the loan
48	D_LCMinimum	money	D	The minimum amount of late charges that can be assessed on the loan
49	D_LCPercent	float	D	the percentage of the payment or principal balance to be assessed if the payment has not been made by the end of the grace days
50	D_LCType	tinyint	D	Indicates how late charges are assessed, for example, % of P&I, % of Total Pmt,etc
51	D_QueueDays	int	D	FCMC, default is 0
52	F_CommunityNum	varchar(6)	F	
53	F_CommunityStatus	tinyint	F	Indicates that the community participates in the National Flood Insurance Program,
54	F_NFIPMapNum	varchar(6)	F	
55	F_NFIPPanelNum	varchar(5)	F	
56	F_MapEffectiveDate	datetime	F	
57	F_RevisionSuffix	varchar(2)	F	The revision suffix on the flood certificate
58	F_CertificateNum	varchar(14)	F	The Flood Certificate Number.
59	F_CertificateDate	datetime	F	The date of the flood certificate/determination
60	F_Zone	varchar(4)	F	The specfice flood zone for the property
61	F_SFHAZone	tinyint	F	Special Flood Hazard Area Zone. For example; outside of SFHA, within SFHA, etc.
62	F_InsRequirement	tinyint	F	Insurance Requirements, for example, Not Required and Not available, Required and
63	F_Vendor	varchar(30)	F	The name of the vendor who provided the flood certificate/determination
64	G_Block	varchar(5)	G	The block number assigned to this parcel
65	G_Lot	varchar(5)	G	The lot number for the parcel
66	G_Description	varchar(255)	G	The legal description of the property
67	G_UNIT	varchar(4)	G	Condominium or Apartment Number
68	L_AcquiredDate	datetime	L	FCMC
69	L_AcquiredFromCode	varchar(2)	L	FCMC, Code from Investor Table
70	L_PreviousLoanNum	varchar(20)	L	Previous Loan Number, which is investor's loan number
71	L_LienPosition	tinyint	L	Lien Position, 1,2, etc.
72	L_PrincipalBal	money	L	Current Principal Balance
73	L_PIPmt	money	L	Current Principal and Interest Payment
74	L_OriginalAmt	money	L	Original Amount of loan
75	L_OriginalTerm	int	L	Original Term of Loan in number of months
76	L_AmTerm	smallint	L	The amortization term of the loan, specified in months
77	L_LoanClosedDate	datetime	L	Date the loan was closed
78	L_MaturityDate	datetime	L	Maturity Date
79	L_FirstDueDate	datetime	L	Date the loan was first due for a payment
80	L_NextDueDate	datetime	L	Date the loan is next due for a payment
81	L_ARMLoan	tinyint	L	No = 0, Yes = 1, indicates that the mortgage is an adjustable rate mortgage
82	L_BalloonLoan	tinyint	L	No = 0, Yes = 1, indicates that the loan is a balloon loan
83	L_AssistanceBal	money	L	Assistance (Buydown) Balance
84	L_AssistancePmt	money	L	Assistance (buydown) Payment
85	L_EscrowBal	money	L	Escrow Balance
86	L_EscrowPmt	money	L	Escrow Payment
87	L_InterestMethod	tinyint	L	Method of calculating interest, for example, arrears, daily simple, advance, etc
88	L_InterestRate	float	L	Interest rate on the loan
89	L_LCBal	money	L	Late Charge Balance
90	L_LegalFeeBal	money	L	Legal Fees Balance
91	L_LoanPurpose	varchar(2)	L	Pupose of the loan , Purchase, Cash out refi, rate&term refi, other

#	FIELD NAME	FIELD TYPE	TABLE	COMMENT
92	L_LoanType	tinyint	L	Loan type, for example, Conventional, FHA, etc
93	L_LossDraftBal	money	L	Loss Draft balance
94	L_NegAmBal	money	L	Negative Amortization Balance
95	L_NSFFeeBal	money	L	NSF Fee Balance
96	L_OddDaysInterest	money	L	The amount of interest due at payoff.
97	L_OthFeeBal	money	L	Other Fees Balance
98	L_OthFundBal	money	L	Other Funds Balance
99	L_OthFundPmt	money	L	Other Funds Payment
100	L_PledgedLoan	tinyint	L	No = 0, Yes = 1, indicates that the loan is pledged
101	L_PmtFrequency	tinyint	L	Payment Frequency, for example, monthly, Bi-Weekly, etc
102	L_PmtMethod	tinyint	L	Payment Method, for example, coupon, ACH, usually "2"
103	L_PmtRule	varchar(3)	L	FCMC, usually "FC"
104	L_PrepayPenaltyMethod	tinyint	L	No = 0, not 0 indicates that the loan has a Prepayment Penalty and the method
105	L_PrepayYears	smallint	L	Number of years that Prepayment Penalty is in effect
106	L_UnappliedBal	money	L	Unapplied Balance
107	L_AMLType	tinyint	L	FCMC, usually 0
108	L_Assumable	tinyint	L	No = 0, Yes = 1, indicates that the loan is assumable
109	L_BAndOTax	tinyint	L	No = 0, Yes = 1, indicates that the loan is Subject to Business and Occupation
110	L_BorrPaidBuy	tinyint	L	No = 0, Yes = 1, indicates that the borrower paid the assistance (buydown) funds
111	L_GLPlan	varchar(10)	L	FCMC, usually "001"
112	L_BranchOffice	varchar(3)	L	FCMC, usually "FC"
113	LH_SeniorLienName	varchar(50)	LH	Senior Lien Holder name
114	LH_SeniorLienPosition	varchar(2)	LH	Senior Lien Position, if no senior lien (lien position = 1), position = 0
115	LH_SeniorLienBal	money	LH	Senior Lien Balance
116	M_Address_1	varchar(40)	M	The first line of the mailing address
117	M_Address_2	varchar(40)	M	The second line of the mailing address
118	M_City	varchar(25)	M	The mailing address city
119	M_State	varchar(2)	M	The mailing address state
120	M_Zip	varchar(10)	M	The mailing address zip code
121	P_Address_1	varchar(40)	P	Property Address Line 1
122	P_Address_2	varchar(40)	P	Property Address Line 2
123	P_City	varchar(25)	P	Property Address City
124	P_State	varchar(2)	P	Property Address State
125	P_CountyName	varchar(30)	P	Property Address County Name
126	P_Zip	varchar(10)	P	Property Address Zip
127	P_NumOfUnits	smallint	P	Number of Units in the property, usually 1
128	P_OriginalAppraisalAmt	money	P	Original Appraisal Amount when the loan was originated
129	P_OriginalAppraisalDate	datetime	P	Original Appraisal Date when the loan was originated
130	P_CurrAppraisalAmt	money	P	FCMC The appraised value of the property from the current appraisal
131	P_CurrAppraisalDate	datetime	P	FCMC The date the current appraisal was completed
132	P_ValMethod	tinyint	P	The method used to determine the current appraised value
133	P_FloodZone	tinyint	P	No = 0, Yes = 1,indicates that the property is located in a Flood Zone
134	P_Occupancy	smallint	P	Occupancy status, for example, Non-Owner Occupied, Vacant, etc
135	P_PropertyType	varchar(2)	P	Property type ex. 2-4 family, condo Residential, condo-commercial, co-op, single dwelling
136	P_OriginalLTV	float	P	Original LTV - Loan to Value
137	P_SalesPrice	money	P	FCMC
138	P_SMSACode	int	P	Standard Metropolitan Statistical Area
139	P_CensusTract	float	P	Census Tract Number
140	PA_InvestorID	varchar(6)	PA	FCMC
141	PA_PoolGroup	int	PA	FCMC
142	U_ServiceTransDate	datetime	U	FCMC, Service Transfer Date
143	U_DTI	float	U	Debt to Income ratio
144	U_Score	int	U	FICO Score
145	U_Grade	varchar(1)	U	FICO>=621 A 620>=FICO>=5...
146	U_LegalStatus	varchar(30)	U	FCMC, usually "Perform", but ch...
147	U_OriginalUPB	money	U	FCMC, Original Unpaid Balance...
148	U_BulkorFlow	varchar(5)	U	FCMC, to indicate if it's a bulk ...

TABLE CODES

Code	Meaning
A	ARM
B	Borrower
C	AccruedInterest
D	Delinquent
F	Flood
G	Legal
I	Insurance
L	Loan
LH	LienHolder
M	MailingAddress
P	Property
PA	Participation
T	Tax
TD	TaxDisbItem
U	UserDefindData
Y	Payee

Insurance Escrow Data Mapping Assignments

#	FIELD NAME	FIELD TYPE	TABLE	COMMENT
1	LoanID	varchar(10)		FCMC
2	I_CoverageAmt	money	I	
3	I_PmtFrequencyMonths	int	I	The frequency of insurance payments for this record. Specified as a number of months, usally 12
4	I_EscrowType	tinyint	I	code for escrowtype table
5	I_PmtType	tinyint	I	usally 0
6	I_PaymentInfo	tinyint	I	0 = insurance company 1 = insurance agent
7	I_PolicyExpireDate	datetime	I	
8	I_PolicyNumber	varchar(20)	I	
9	I_PremiumAmtDue	money	I	
10	I_PremiumDueDate	datetime	I	
11	I_Responsibility	tinyint	I	0 = Lender, 1 = Borrower
12	Y_Name_1	varchar(40)	Y	payee information
13	Y_Name_2	varchar(40)	Y	payee information
14	Y_Address_1	varchar(40)	Y	payee information
15	Y_Address_2	varchar(40)	Y	payee information
16	Y_City	varchar(25)	Y	payee information
17	Y_State	varchar(2)	Y	payee information
18	Y_Zip	varchar(10)	Y	payee information
19	Y_Phone	varchar(14)	Y	payee information

Tax Escrow Data Mapping Assignments

#	FIELD NAME	FIELD TYPE	TABLE	COMMENT
1	LoanID	varchar(10)		FCMC
2	T_ParcelNumber	varchar(50)	T	The parcel number assigned by the taxing authority
3	T_Responsibility	tinyint	T	0 = Lender, 1 = Borrower
4	T_PmtInfo	tinyint	T	payee information for the disbursement check. 0 = payee, 1 = payee and borrower
5	T_PmtFrequency	tinyint	T	0=No, 1=Once a year, 2=Twice a Year, 3=Three Times a Year, 4=Four times a Year
6	T_EscrowType	tinyint	T	The escrow type for this record
7	TD_BillAmt_1	money	TD	The tax bill amount
8	TD_DueDate_1	datetime	TD	The due date. Each time the amount is paid this date is advanced by one year.
9	TD_BillAmt_2	money	TD	if tax pmt freq is 2 than this column has to be filled
10	TD_DueDate_2	datetime	TD	if tax pmt freq is 2 than this column has to be filled
11	TD_BillAmt_3	money	TD	if tax pmt freq is 3 than this column has to be filled
12	TD_DueDate_3	datetime	TD	if tax pmt freq is 3 than this column has to be filled
13	TD_BillAmt_4	money	TD	if tax pmt freq is 4 than this column has to be filled
14	TD_DueDate_4	datetime	TD	if tax pmt freq is 4 than this column has to be filled
15	Y_Name_1	varchar(40)	Y	payee information
16	Y_Name_2	varchar(40)	Y	payee information
17	Y_Address_1	varchar(40)	Y	payee information
18	Y_Address_2	varchar(40)	Y	payee information
19	Y_City	varchar(25)	Y	payee information
20	Y_State	varchar(2)	Y	payee information
21	Y_Zip	varchar(10)	Y	payee information
22	Y_Phone	varchar(14)	Y	payee information
23	Y_Indicator	tinyint	Y	To distinguish between Tax Authority and Tax Collector, can only be 2 or 3 in this table

(continued)

BEAUGARD LOAN SERVICING
FINAL SERVICE RELEASE REPORT / DATA LIST

Miscellaneous
- Notice of Confidentiality.doc – 'BLS' confidentiality statement.
- Code Descriptions BLS.xls – Definition of codes in the data files we send.
- Field Descriptions for System Data Files and Extra Data Queries.xls – Listing of query data fields.

Letter Copies In PDF Format
(These letters only generate if applicable to the loan population.)
- 19M Letter.pdf – Insurance mortgagee change letters.
- RESPA Letter.pdf – RESPA 'goodbye' letters.
- FC Attorney Notification Letter.pdf – BK & FC attorney notification letters.

Fidelity Service Transfer Workstation Reports
(These reports only generate if applicable to the loan population.)
- 10N Report.txt – Actual balances transferred.
- 10N Report.xls – Actual balances transferred.
- 10P H Report.txt – Hazard insurance info.
- 10P T Report.txt – Tax information.
- 10S Report.txt – Mortgage insurance info.
- 19M (H, F, O).xls – Data used for 19M letters.
- 1AT Report.txt – Escrow open items.
- 1BW Report.txt – BK workstation detail.
- 1ET Report.txt – Insurance claim balances.
- 1LD Report.txt – ACH info listing.
- 1LF Report.txt – Flood info listing.
- 2EH Report.txt – Company payee definitions.
- 2FT Report.txt – FC loan listing.
- 2FW Report.txt – FC workstation detail.
- 45C Report.txt – Payment histories.

- 4BC Report.txt – ARM loan info.
- 4BS Report.txt – Buydown loan info.
- 4CH Report.txt – Corporate advance history.
- 4CV Report.txt – Force placed insurance info.
- 4CZ Report.txt – Transfer cutoff recon report.
- 4TB D Report.txt – Trial balance report.
- 4TB D Report.xls – Trial balance report.
- 4TN Report.txt – Pending payoff report.
- 54C Report.txt – Loan activity report.
- 54D Report.txt – Letter activity report.
- 54E Report.txt – Collection activity report.
- 54F Report.txt – Escrow analysis report.
- 5SB Report.txt – BK loan listing.
- 5XS Report.txt – Suspense (unapplied) funds.
- T309 Report.txt – Master record report.

Supplemental Data
(These reports only generate if applicable to the loan population.)
- Extra ARM Data.xls – Pending ARM info.
- Extra BK Data.xls – BK supplementary info.
- Extra BK Steps Data.xls – BK action timelines.
- Extra INS Data.xls – Supplementary ins. info.
- Extra MISC Data.xls – Property/origination info.
- Extra OPT INS Data.xls – Optional ins. info.
- Extra TAX Data.xls – Supplementary tax info.

- ASF Information.xls – ARM change delayed due to ASF.
- BK 'Total Debt Plan' Loans.xls – A list of BK 'Total Debt Plan' Loans (these may require special handling/audit).
- (Fraud) Risk Code.xls – Fraud Investigation information.
- Insurance Claim Information.xls – Loss drafts.
- Suspense Related EZ Pays.xls – Phone pmts in suspense.

System Data Files (Data Warehouse Data)
- 1st Lien Info.csv – Senior lien info.
- 4TB.csv – Current balance info.
- Additional Borrower Info.csv – Other customers.
- Arm Info.csv – ARM loan info.
- BK Data.csv – BK loan info.
- BPO Hist Info.csv – Inspection data.
- Comment History.csv – Comment data.
- Demand Info.csv – Demand letter data.
- FC Dates Info.csv – FC timeline info.
- FC Info.csv – FC case information.
- Fee Trans.csv – Fee transaction history.
- HazFloodInsInfo.csv – Insurance info.
- Inspect Info.csv – Inspection data.
- Loan Status Query.csv – Current status.

- Loss Mit Info.csv – Workout information.
- MERS Info.csv – MERS data.
- MI Info.csv – Insurance info. (MI/PMI).
- Mortgage Insurance Data.csv - (MI/PMI).
- Mortgage Insurance Open Items.csv – (MI/PMI).
- Optional Insurance Info.csv – Optional ins. Info.
- REO Info.csv – REO property info.
- Special Loan.csv – ARM, DSI, etc.
- Standard Info.csv – Name, addr., etc.
- Stop Codes.csv – Stop code info.
- Tax Info.csv – Tax information.
- YearEnd OrigLoan.csv – Pre-Pay penalties, etc.
- Zero Balance Loan Detail.csv – PIF loans, etc.

This servicer provided a hard-copy summary of the portfolio summary reports it sent along. Our boarding pros will make sure your supplementary account information, which includes loan modification, hazard insurance, ARM histories, foreclosure, bankruptcy and REO data, gets boarded as well.
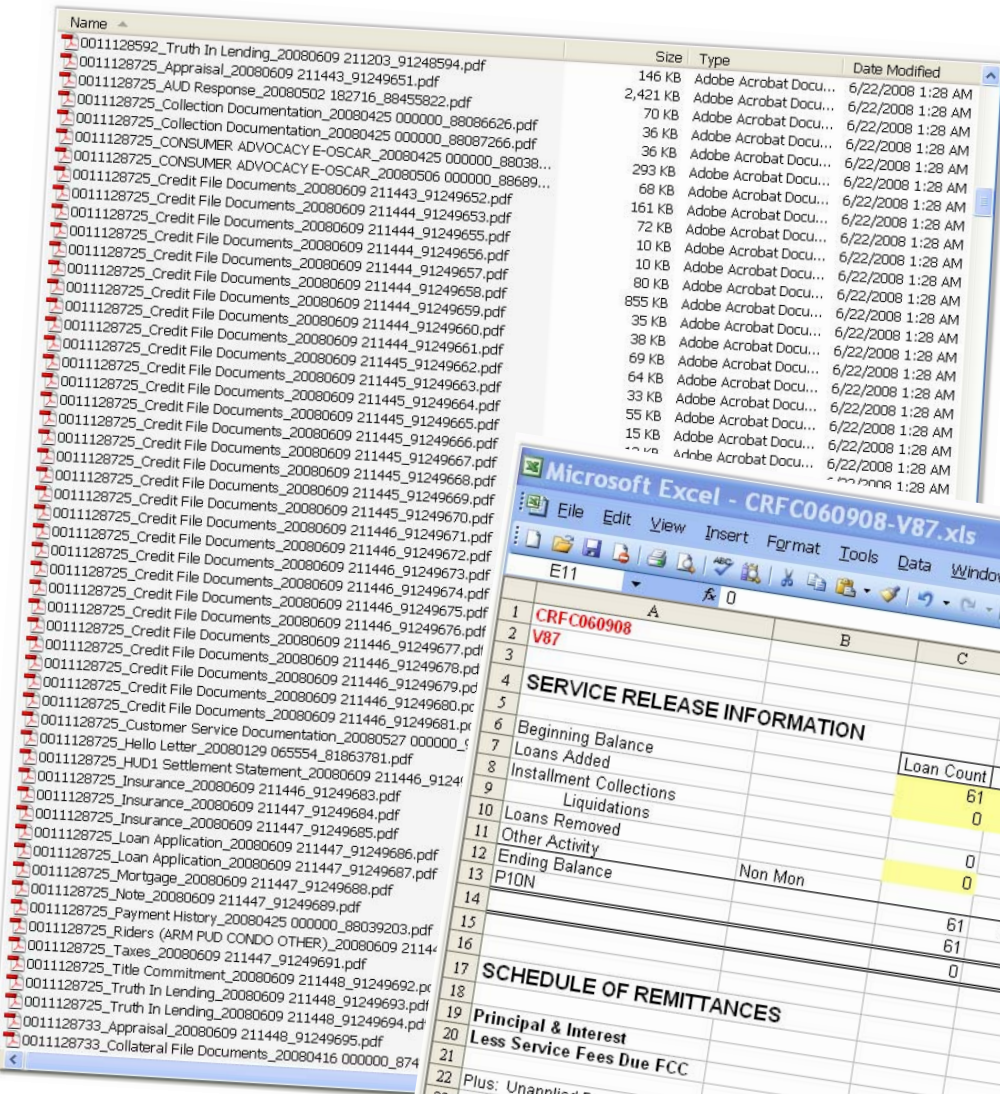
Your loan's current servicer should provide us with copies of all servicing files and documentation it has inherited or generated. To the left is a screen shot of a list of supporting documents one servicer provided to us for a newly boarded account.

Critical information includes the portfolio's ending balance and summaries of escrow and unapplied balances. Note the Loan-Level Detail tab at the bottom of the spreadsheet… this leads to a listing of accounts with unapplied funds, funds we will deploy on your behalf as soon as they are received.

WHAT WE'LL PROVIDE TO YOUR BORROWERS

The Hello Letter we send to your borrowers within 15 days of the transfer of service will depend on the nature of the borrower's account.

For full-service loans, we send a Hello Letter introducing Franklin Credit Management Corporation.

If your mortgage payment includes escrow for taxes or insurance, please forward the necessary bills to:

Franklin Credit Management Corp.
101 Hudson St. 25ᵗʰ Fl.
New Jersey, NJ 07302
Attn: Escrow Department

You should also be aware of t
Settlement Procedu

re detail in Section 6 of the Real Estate

icing, a loan payment received by your
a late fee may not be imposed on you.

a "qualified written request" to your
a written acknowledgment within 20
respondence, other than notice on a
ur name and account number, and

appropriate corrections to your
s 60-Business Day period, your
payment related to such period
losure if proper grounds exist

rying on substantially all of

in circumstances where
f you believe your rights

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101 Hudson Street • Jersey City, NJ 07302 • T 201.604.1800 • F 201.604.1818 • www.FranklinCredit.com
Mon.–Thurs. 8:30AM to 10PM, ET • Fri. 8:30AM to 9PM, ET • Sat. 9AM to 6PM, ET • Sun. 11AM to 8PM, ET

FRANKLIN CREDIT
MANAGEMENT CORPORATION

05/15/2007

MELODY SONG LARK
324 WOODFARM DRIVE
CHANSON, GA, 30003

Re: Oak County Mortgage Loan Number 905000148
Franklin Credit Management Corp. Loan Number 4502516002
Property Located at: 414 FARMWOOD WAY
CANTON, GA 30115

Dear Borrower,

Please be advised that the servicing of your mortgage loan is being transferred to Franklin Credit Management Corp. ("Franklin Credit"), effective 05/15/2007. Franklin Credit began accepting payment on your loan on 05/15/2007.

The assignment sale or transfer of the servicing of the mortgage loan does not affect any term or condition of the mortgage instruments, other than terms directly related to the servicing of your loan.

Your prior servicer was Oak County Mortgage. If you have any questions relating to the transfer of servicing from your prior servicer, call (555) 555-5555.

Your new servicer is Franklin Credit. The business address for Franklin Credit is set forth below. You can contact Franklin Credit's Customer Service Department at 1-800-255-5897.

Please send all payments to Franklin Credit at the payment address below:

Payments
Franklin Credit Management Corp.
P.O. Box 620777
Indianapolis, IN 46262-0444

Correspondence
Franklin Credit Management Corp.
101 Hudson St. 25ᵗʰ Fl.
New Jersey, NJ 07302

Please remember to include your new Franklin Credit Loan Number 4502516002 on your check.

You should receive a regular monthly billing statement soon. Attached is a temporary remittance slip for your convenience.

(Continues on reverse side)

Please Detach and Return With Payment

Payment Coupon

Payment Amount _____
Additional Principal _____
Additional Escrow _____
Other Payment (Explain) _____
Total Enclosed _____

Where to Send Payments by Overnight Mail:
Franklin Credit Management Corp.
P.O. Box 620777
Indianapolis, IN 46262-0444

For recovery (unsecured) loans, our Hello Letter is terser, and practically identical to our 30-Day Collections letter.

FRANKLIN CREDIT
MANAGEMENT CORPORATION®

101 Hudson Street ● Jersey City, NJ 07302 ● T 201.604.1800 ● www.FranklinCredit.com
Mon. – Thurs. 8:30AM to 10PM, ET ● Fri. 8:30AM to 9PM, ET ● Sat. 9AM to 6PM, ET ● Sun. 11AM to 8PM, ET

<DATE>

< BORROWER1> < BORROWER2>
< BADDRLINE 1> < BADDRLINE 2>
< MAILCITY >, < MAILSTATE > < MAILZIP >

Re: Franklin Credit Management Account <FCMCLOANID>
Original Creditor: < ACQUIREDFROM >
Previous Account # < PREVIOUSLNNUM>
Total Due: $<TOTALDUE>

Dear < BORROWER1>, < BORROWER2>:
Please be advised that the above referenced account has been referred to our office for collection.

This is a reminder that as of <TODAYSDATE> your balance due of $<TOTALDUE> has not been received.

To avoid further action, please forward $<TOTALDUE> today or contact us at 1-877-353-3947.

If you have already mailed your check, please disregard this notice.

Thank you for your prompt attention to this matter.

Sincerely,

Franklin Credit Management Corporation

Federal law requires us to inform you that this is an attempt to collect a debt and any information obtained will be used for that purpose. In the event that you fail to dispute the validity of the debt, or any portion thereof, within thirty (30) days after receipt of this notice, the debt will be assumed valid. If within the thirty (30) day period you notify us in writing that you dispute the debt or any portion thereof, we will obtain verification of the debt or a copy of a judgment against you and a copy of such verification or judgment will be mailed to you. Upon your written request within the thirty (30) day period, we will provide you with the name and address of the original creditor.

La siguiente información es muy importante; por favor léala cuidadosamente. Si no entiende el contenido, nos puede contactar al 1-800-255-5897.

If you've just acquired a portfolio, Franklin Credit Management Corporation can also send out the mortgage loan transfer notice you are required to send mortgagors under the Truth in Lending Act. There is an additional charge for mailing this document, which must be sent under separate cover from the "Hello letter".

HANLEY-MEDLON MORTGAGE INVESTORS, LLP

MORTGAGE LOAN TRANSFER NOTICE

In this Notice, the terms "we", "us" or "our" mean the new creditor identified below. The terms "you" and "your" mean the mortgage loan borrower(s) identified below.

We are sending you this Notice because we are required by law to notify you that your mortgage loan identified below has been sold or transferred to us. We are the new creditor of your mortgage loan.

Date of this Notice: **April 5, 2010**
Mortgage Loan Borrower Name(s): **Adam Post**
Account Number with Previous Creditor: **123456789**

Mortgage Loan Information
Date of Loan: **March 25, 2009**
Original Amount of Loan: **$285,000.00**
Address of Mortgaged Property: **123 Anywhere Road Jacksonville, FL 32225**

Please note the following information regarding the transfer of your mortgage loan:

1. The identity (name), address and telephone number of the new creditor:

   **Hanley-Medlon Mortgage Investors, LLP
   555 Düsseldorf Street, Suite 16
   Burley, Indiana 46211
   (317) 555-5555**

2. The date of the transfer of your mortgage loan: **March 23, 2010**

3. The loan servicer authorized by the new creditor to service your mortgage:

   **Franklin Credit Management Corporation
   1-800-255-5897**

4. If the assignment of the security instrument is or may be recorded in the office of public land records or the recorder of deeds office for the county or local jurisdiction where the property is located.

If your portfolio has escrow accounts, each account will receive an analysis of its past escrow payments, as well as escrow requirements for the coming year. There is no charge to either you or the borrower for this service.

Franklin Credit Management Corporation
For Inquiries: (800) 255-5897

Final

Loan: 9009000000

Analysis Date: December 24, 2009

BRUCE E PEARLER

Annual Escrow Account Disclosure Statement
Projections for Coming Year

This is an estimate of activity in your escrow account during the coming year based on payments anticipated to be made to and from your account.

	Escrow Balance	
	Anticipated	**Required**
		1,507.49
	(426.85)	1,809.00
	(125.34)	1,533.68
	(400.66)	1,314.44
	(-0.90)	1,615.95
		-7.46

Date	Anticipated Pmt To Escrow	Fr...
Feb 2010	301.51	
Mar 2010	301.51	
Apr 2010	301.51	
May 2010	301.51	
Jun 2010	301.5	
Jul 2010	301.	
Aug 2010	301	
Sep 2010		
Sep 2010	?	
Oct 2010		
Nov 2010		
Dec 2010		
Jan 2011		

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Franklin Credit Management Corporation
101 Hudson St 25 fl
Jersey City, NJ 07302
For Inquiries: (800) 255-5897

Final

Analysis Date: December 24, 2009

BRUCE E PEARLER
GLENDA A PEARLER
253 FREEDOM STREET
PEGASUS PA 18071

Loan: 9009000000

Property Address:
253 FREEDOM STREET
PEGASUS PA 18071

Annual Escrow Account Disclosure Statement
Account History

This is a statement of actual activity in your escrow account from Jan 2009 to Jan 2010. Last year's anticipated activity (payments to and from your escrow account) is next to the actual activity.

Payment Information

	Current:	Effective Feb 01, 2010:
Principal & Interest Pmt:	1,233.41	1,149.16 **
Escrow Payment:	380.46	462.71
Other Funds Payment:	0.00	0.00
Assistance Payment (-):	0.00	0.00
Total Payment:	$1,613.87	$1,611.87

** The terms of your loan may result in changes to the monthly principal and interest payments during the year.

Escrow Balance Calculation

Due Date:	Oct 01, 2009
Escrow Balance:	(1,948.69)
Anticipated Pmts to Escrow:	1,521.84
Anticipated Pmts from Escrow (-):	0.00
Anticipated Escrow Balance:	($426.85)

Date	Payments to Escrow Anticipated	Actual	Payments From Escrow Anticipated	Actual	Description	Escrow Balance Required	Actual
Jan 2009					Starting Balance	1,197.41	
Feb 2009	299.35				*	1,496.76	(1,011.97)
Feb 2009	299.35	298.90			*	1,796.11	(1,011.97)
Mar 2009		90.62			*	1,796.11	(713.07)
Mar 2009	299.35	380.46			* Escrow Only Payment	1,518.63	(622.45)
Mar 2009		9.06	576.83	576.83	* County	1,518.63	(818.82)
Apr 2009					* Escrow Only Payment	1,518.63	(809.76)
Apr 2009	299.35	380.46		520.75	* Borough	1,323.93	(1,330.51)
May 2009			494.05		* Borough	1,318.93	(950.05)
Jun 2009	299.35		5.00		* Borough	1,618.28	(950.05)
Jul 2009	299.35	380.46			*	1,917.63	(950.05)
Aug 2009	299.35	380.46			*	2,216.98	(569.59)
Aug 2009	299.35	380.46			*	428.00	(189.13)
Sep 2009			2,088.33		*	428.00	191.33
Sep 2009	299.35				* School District	299.35	(245.67)
Oct 2009				437.00	* Hazard Insurance	299.35	(245.67)
Nov 2009	299.35		428.00		* Hazard Insurance	598.70	(2,329.15)
Dec 2009	299.35	380.46		2,083.48	* School District	898.05	(2,329.15)
Dec 2009	299.35				*	1,197.40	(1,948.69)
Jan 2010		1,141.38			*	1,197.40	(1,948.69)
		380.46			Anticipated Transactions		(1,948.69)
	$3,592.20	$4,203.18	$3,592.21	$3,618.06			(807.31)
							(426.85)

An asterisk (*) indicates a difference from a previous estimate either in the date or the amount. If you want a further explanation, please call our toll-free number.

Last year, we anticipated that payments from your account would be made during this period equaling $3,592.21. Under Federal law, your lowest monthly balance should not have exceeded $598.70 or 1/6 of the anticipated payment from the account, unless your mortgage contract or State law specifies a lower amount. Your mortgage contract and State law are silent on this issue.

Page 1

(continued)

The *Privacy Notice* must come from the mortgagee. Alternately, you can contract with Franklin Credit to generate and distribute the required annual mailings on your behalf.

CLIENT REPORTING

When you board your debt assets with Franklin Credit Management Corporation, you get optimal accountability at both the account and portfolio levels. Your Client Liaison will not only push you daily reports, such as those listed below, and monthly reports, but assigns a back-up liaison for your account.

Should you have a question about a procedure, trend or issue, your Liaison will exercise direct-access rights to speak with the manager responsible, and can even arrange to have them speak directly with you.

FULL-SERVICE REPORTING

- **Trial Balance**
- **Principal and Interest Collections**
- **Prepaid Loans**
- **Delinquent Loans**
- **Curtailments**
- **Payoff/Foreclosure Collections**
- **Remittances**
- **Loan Transfers**
- **Cut-off Summary**
- **REO**
- **Liquidation**
- **Foreclosures and Abandonment**

Standard Daily Reporting

Aged Delinquents By Investor
ARMs Due for Calculation Report
ARMs Missing Setup Report
ARMs Pending Adjustment Report
ARMs With Conversion Options Report
ARMs With Manual Adjustments Report
Bank Transactions Report
Batch Report - Prior Day
Check Register Report
Corporate Advance Trial Balance by Fee Group
Credit Bureau Base_FourJ1 Export Report
Daily Collection Work
Daily Field Logging Report
Daily Unapplied Payments
Deferred Fee Amortization Report
Deferred Fee Daily Summary File
Deferred Fee Trial Balance Report
Escrow Activity Report
Escrow Advance and Recovery Report
FASB New Records Report
Fee Activity Report
HELOC DSI Pmt Calc Errors Report

HELOC Term Problems Report
Inspections Ordered; Not Received
Interest On Escrow Report
Investor Collections Report
Investor Payoffs Report
Late Notice Listing Report
Loan Balance Audit Report
Loan Setup Review Report
Loan Setup Report
Loan Transfers Report
Modification Report
P&I Activity Report
Payoff Activity Report
PMI Automatic Cancellation Report
PMI Cancellation Audit Report
PMI Loan Purpose Audit Report
Service Released Report
Summary Batch Report - Prior Date
Tax ID Number Errors Report
Trial Balance Report
Unapplied Amounts Report

WE KNOW YOU REQUIRE MUCH MORE THAN PROMISES TO PAY

OUR STATE-OF-THE-ART SYSTEMS PROVIDE...

- **Multiple data delivery methods**

- **Maximum scalability**

- **Secure client and borrower information**

- **External network monitors ensure integrity of environment**

- **A Disaster Recovery Plan that includes a redundant hot site; all critical data is replicated in real-time**

- **Best-of-breed automated servicing software integration**

When you board your debt assets with Franklin Credit Management Corporation, you contract with a partner who fully understands the commitment you've made. We know you look to us to assume full responsibility for all asset administration activities, including borrower services such as monthly statements, insurance and tax escrow, payment processing, payoffs and satisfactions and loss mitigation programs, as well as mortgagee services such as ARM rate resets, collections campaigns, default management, recovery campaigns, property preservation, property management and sales, and portfolio reporting. And we know you expect us to help maximize your investment.

Franklin Credit's ability to provide a full complement of asset administration services across most types of loans and conditions—prime, sub-prime, HELOC, balloon, performing, non-performing, charged-off—across all 50 states means most clients do not have to assign and manage portions of their portfolio across multiple servicers. That translates into more cohesive reporting and better targeted opportunities. Read: More value!

There are other benefits, too. We maintain long-time relationships with experienced vendor networks that provide reliable, national, coverage. This ability to quickly deploy expert, _local_, legal and real estate professionals to negotiate myriad municipal, county, and state requirements reduces your risk. It also often translates into significant cost savings when it comes to appraisals, property inspections, and judgment, bankruptcy and foreclosure proceedings.

And should circumstances ever require you'll have direct access to our peers, Franklin Credit portfolio acquisition and analytics professionals who are expert in portfolio and loan-level (forensic) due diligence, as well as portfolio stratification, valuation, cash flow and liquidation modeling, and sales vs. hold analytics.

In short, when you board your loans with Franklin Credit Management Corporation, you gain access not only to a full array of loan servicing capabilities, but to a truly national, integrated, network of accomplished professionals who strive to reduce your risks and costs and help make the most of your investment as well.