

Consumer Services
P.O. Box 5570
Cleveland, OH 44101-0570

[Instructions for Consumer Services: FOR CALIFORNIA PROPERTY ONLY do not use on 1st liens, use on subordinate liens only; Consumer Services is not pursuing deficiency balance after SS on 1st liens]

[REDACTED]

Date: 06/15/2011

Re: Consumer Services Home Equity Installment Note –OR– Home Equity Line of Credit Account number ending in: 2084 (the "Account")
Property address: [REDACTED] (the "Property")

This paragraph is a special notice to our customers who have filed a petition for protection under the United States Bankruptcy Code. Unless you have signed a reaffirmation agreement with Consumer Services, and that agreement has been filed with the bankruptcy court (and not subsequently rescinded or disallowed in accordance with the Bankruptcy Code) you should disregard all portions of this letter which state or suggest that you still have a personal liability to pay Consumer Services. You may wish to consult with an attorney regarding this letter, your bankruptcy and the ability of Consumer Services to enforce its lien on the collateral. If you have obtained a discharge under the Bankruptcy Code this letter is for informational purposes or to protect our interests in the collateral.

Dear [REDACTED]

Based on the information provided and a fully executed Purchase Agreement, you ("Seller") have been approved for a Short Sale pursuant to which:

- a) Consumer Services will release the mortgage or deed of trust pledged as collateral for the Account upon receipt of a minimum of \$10,740.00 "Consumer Services Proceeds of Sale.";
- b) Consumer Services will continue to pursue collection and Seller will remain liable for the remaining deficiency balance after receipt of the Consumer Services Proceeds of Sale, which will be approximately \$96,848.29. Additional interest and fees may increase the actual amount of the deficiency balance. If the Account is an open-end Home Equity Line of Credit Account, the line will be closed and no additional funds may be borrowed on the line; and
- c) As we have previously informed you (or your authorized representative), shortly after receiving the Consumer Services Proceeds of Sale, the deficiency balance will be reported to credit reporting agencies as charged-off which could negatively impact your credit score.

This offer is subject to the following requirements:

- 1. Seller of the Property receives \$0 back at closing;
- 2. Any overages, tax credits, or additional sale proceeds of any kind must increase the amount of Consumer Services Proceeds of Sale unless otherwise due to a more senior lien holder;
- 3. Consumer Services must receive a true and correct copy of the HUD-1 signed at closing;
- 4. Seller acknowledges that except for the release of the Consumer Services mortgage and the closing of the line (if Account is an open-end Home Equity Line of Credit Account), all other terms and conditions of the Account remain in full force and effect (unless Seller received a bankruptcy discharge); and

5. This offer is valid until 07/15/2011. In order to accept, you must sign below and return one copy of this letter (an additional copy is enclosed for your files) along with certified funds to Consumer Services. Both items must be received no later than 4:00 PM on that date, payable to Consumer Services, and sent to the following address:

6750 Miller Rd.
Attn: Payment Processing
Loc: BR-YB58-01-3
Brecksville, OH 44141

If you have any questions or concerns, we can be reached at the telephone number below.

Thank you,
Short Sale Department
[REDACTED]

TO BE SIGNED BY BORROWERS REQUESTING SHORT SALE ON PROPERTY IN CALIFORNIA:

Seller(s), intending to be legally bound, has (have) read, understand, and agree to all provisions of the short sale agreement as set forth above, including my (our) responsibility for repayment of any remaining deficiency balance after the short sale closing. To the extent applicable, Seller(s) hereby waives all rights and defenses, if any, arising out of an election of remedies by Consumer Services, including:

1. Seller's right, if any, under Section 726 of the Calif. Code of Civil Procedure to require lender to exhaust its security (i.e. the property) before taking a personal monetary judgment against borrower under the first lien obligation;
2. Seller's right, if any, under Section 580D of the Calif. Code of Civil Procedure to prevent lender from obtaining a personal monetary judgment against Seller for any deficiency on the note, including without limitation a personal judgment against Seller following a non-judicial foreclosure on the property pursuant to the terms of a powers of sale in the deed of trust;
3. Seller's right, if any, under Section 580A of the Calif. Code of Civil Procedure to limit borrower's personal liability under the note to the amount by which the outstanding principal balance of the note at the time of the sale exceeds the fair market value of the property at the time of the sale.

Seller understands and acknowledges that if Consumer Services foreclosed on the property that secures its loan Consumer Services could be required to proceed first against the Property before proceeding against Borrowers; may not be able to obtain a personal judgment against Borrower for any deficiency after a nonjudicial foreclosure sale of the Property, and may be limited with regard to a deficiency judgment against Seller to the amount by which the outstanding debts on the Note exceed the fair market value of the Property at the time of a foreclosure sale. Seller further acknowledges that as a result of this Short Sale Agreement and the waiver contained herein, Consumer Services will be able to hold Seller personally liable on the Note, and to the extent permitted by applicable law Consumer Services may proceed against Seller personally and may enforce a judgment by executing upon any of Seller's non-exempt assets. Seller further acknowledges that this waiver is in consideration for Consumer Services reconveying the DOT and releasing its security interest on the Property.

X _____ Date: _____
[REDACTED]

X _____ Date: _____
[REDACTED]

The separate laws of Connecticut, D.C., New York City, North Carolina and Vermont each require that their respective residents be furnished with this notice:

This is an attempt to collect a debt. Any information obtained will be used for that purpose.