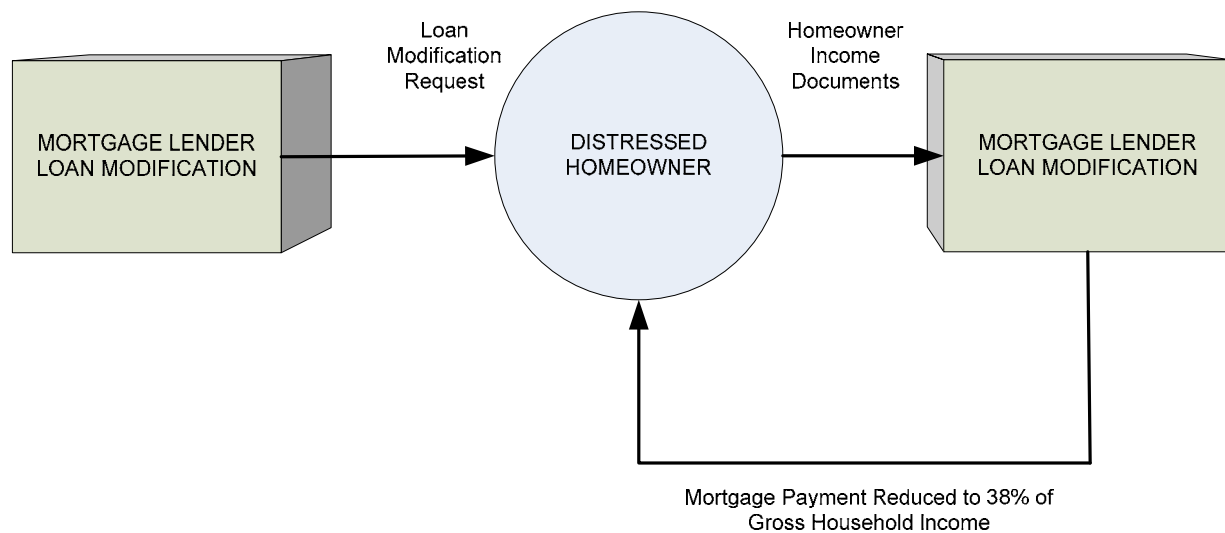


FDIC LOAN MODIFICATION PLAN of 2008

During the first decade of 2000, America was teetering on the brink of an economic disaster. National wealth was being transferred from middle class households to high income earners at an alarming rate. It became apparent to many that Middle America's average household disposable income was shrinking. Consumer spending, which is the economic engine that drives the America's economy, was diminishing at an alarming rate. One major cause for the absence of consumer dollars was excessive home mortgage payments. The home mortgage sector was draining the American economy of nearly 50% of all household income, thus, starving the other economic sectors that rely on consumer spending.

Realizing that that a national economic disaster was at hand - caused in great part by unscrupulous predatory subprime mortgage lending practices - Sheila Bair, the CEO of the FDIC, initiated the FDIC Loan Modification Guidelines of 2008. The goal of the plan was to reduce the mortgage demand on American households to no more than 38% of gross monthly income. This would free up much needed capital for consumer spending in other economic sectors.



FDIC LOAN MODIFICATION PROGRAM 2008

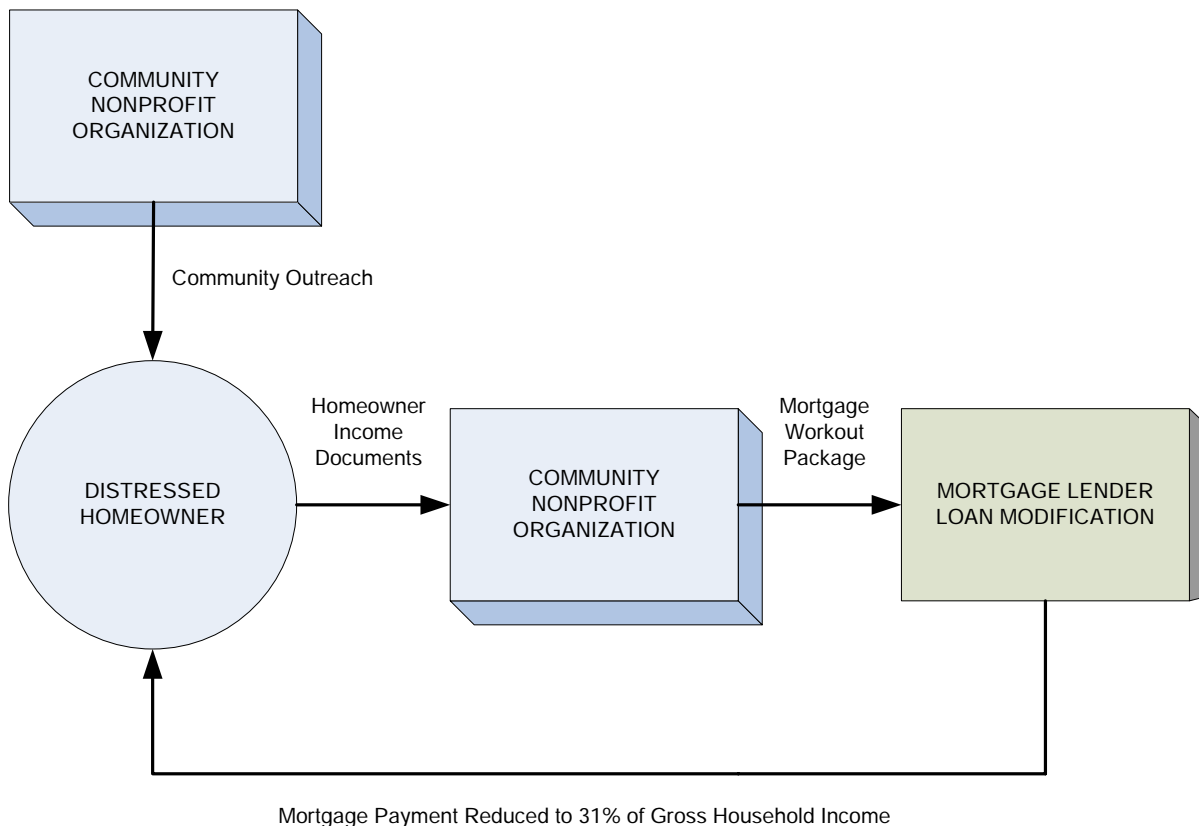
The FDIC Loan Modification Plan was well intended but it did not stand a chance of success. Unfortunately, the FDIC was powerless to enforce the program using the limited enforcement resources provided in its federal charter for regulating banks. The FDIC had to rely on the same dysfunctional mortgage lenders that it regulates to implement the fix for the problem. The success of the program had to rely on the "fox (predatory lenders) to save the hen (distressed homeowners) that the fox was busy eating". The program did not stand a chance of success.

Then, on his way out of office [President Bush delivered his final shot](#) over the bow of the ship of hope for millions of distressed Main Street homeowners.

HOME AFFORDABLE MODIFICATION PROGRAM (HAMP)

When he took office in January of 2009, President Obama realized that our economic downturn was far more severe than anyone had predicted. In March of 2009, the President's administration enacted the Home Affordable Modification Program (HAMP) as part of a broader Economic Stimulus Act. The President's program calls for mortgage lenders to reduce monthly mortgage payments to 31% of gross household income, thus, freeing up an even higher level of mortgage dollars to fuel other sectors of the economy. To induce mortgage lenders to comply with the program, the US government allocated \$75 billion to supplement possible losses that lenders might incur as a result of participation in the program.

Just as with the 2008 FDIC Loan Modification Plan, there was also a need for an outreach program to inform the public about HAMP. The mortgage lenders had failed miserably in fulfilling their community outreach responsibility as called for under the 2008 FDIC Loan Modification Plan. In light of that failure, the new administration designated HUD certified nonprofit organizations across the nation to provide the community outreach function needed to make the new HAMP plan successful.

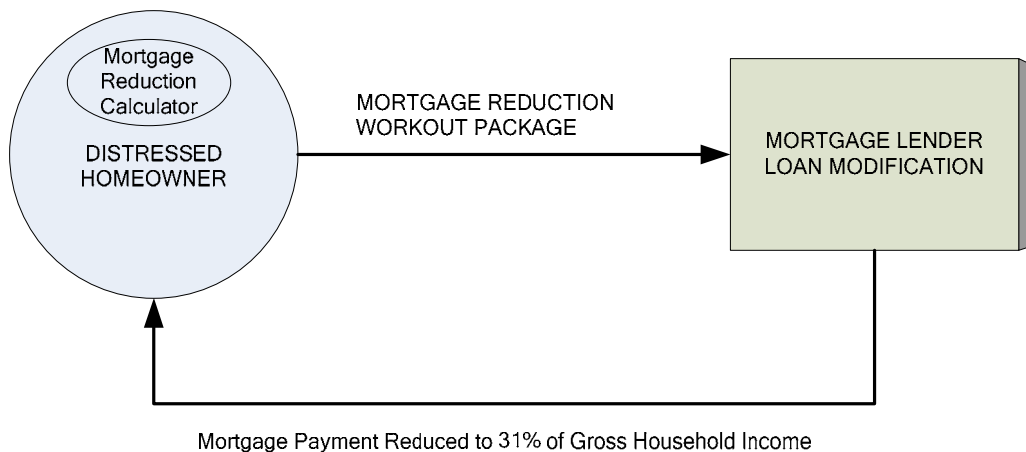


HOME AFFORDABLE MODIFICATION PROGRAM (HAMP)

URBAN SOLUTIONS MORTGAGE REDUCTION PROGRAM

As part of the HAMP public outreach effort, HUD even offers an online calculator for households to determine their qualification for participation in HAMP. Qualification is primarily based on the ratio of gross household incomes and monthly household mortgage payments. However, there are other considerations that must be made regarding the appropriateness of a loan modification that go beyond the simple ratio of income to mortgage payment. Even when a household is paying more than the prescribed 31% of gross household income, the household may still not be able to afford the monthly payments under the new plan. Recurring household expenses such as unsecured credit card debt must be considered to determine affordability of the new plan. This shortcoming of the online HAMP qualification process opens the door for lender rejections of many loan modification requests. The same also holds true for the HAMP mortgage loan refinancing plan. The new HAFA addition to the program makes it even more difficult for the homeowner to retain his or her home with affordable payments.

Urban Solutions has a better system. We empower the homeowner to negotiate in his or her own behalf after being prequalified for the mortgage reduction. We do not count on the lender to formulate the modification plan. The terms for the modification have already been stipulated by HAMP. It is not a discretionary matter of bank policy. Our homeowners are prequalified for the program and take their mortgage reduction workout package directly to their lenders. The modification process is simply a matter of making payment calculations according to net income under HAMP modification guidelines.



URBAN SOLUTIONS MORTGAGE REDUCTION CALCULATOR

Our mortgage Reduction Calculator will produce the actual HAMP loan modification payment plan that each household deserves under the HAMP plan based on information provided by the homeowner. A primary function of the Urban Solutions Mortgage Reduction Calculator is to determine the “real” affordability of the new mortgage payment plan in light of all recurring household expenses. The calculator closes the door on mortgage lenders that would claim excessive household expenses as the reason for not granting a loan modification. This is a principal reason the success rate of our users is so high. The final reason is that homeowners mitigate their own outcomes. There will never be a more dedicated supporter of the homeowner’s cause than the homeowner, himself. And, so it is.