

PRINCETON INVESTMENTS, INC.

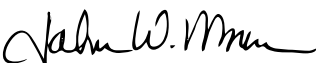
NoteSmith® Software

1001 E Harmony Road, Suite A-110

Fort Collins, CO 80525

(800) 526-5588 Sales

To: Loan servicers

From: John W. Moren, President 

Re: NoteSmith software

Thank you for your recent inquiry regarding our NoteSmith software.

NoteSmith services notes that you hold in your portfolio and also tracks notes that you buy and resell. Along with the normal servicing functions of a loan package, NoteSmith tracks the investor's discount earned and return of capital separate from the payor's amortization. NoteSmith is completely menu driven.

Wraparound mortgages, investor servicing, partial purchases, variable rate notes, US and Canadian interest, and hypothecations are supported, as are current Dodd-Frank regulations. Unlimited form letters easily can be added or modified by the user.

While rare for governments to grant testimonials, NoteSmith was approved for use by the Texas Consumer Credit Commission and by the state of Michigan. Neighborhood Reinvestment Corp., headquartered in Washington, DC, recommended our network version for purchase by their regional offices. NoteSmith is published as desktop software designed for all versions of Windows from XP (no longer supported by Microsoft) through 8.1. It will run on Mac computers that can run Windows programs.

We offer toll free fax and email support for the entire calendar year for which the program was released. Although we promise next business day turnaround, virtually all incoming messages are answered the same business day, most within a couple of hours, and 7 days a week during IRS 1098 season. The NoteSmith web site contains downloadable files, newsletters, and the latest Frequently Asked Questions file. Low cost renewals are available for the next calendar year but are not required.

Some sample reports from NoteSmith are reproduced below and saved in a format for easy viewing with Adobe Reader. Additional information can be found at www.NoteSmith.com. If you have other questions, call our sales office at 800-526-5588 or email Sales@NoteSmith.com. Thank you for your interest in our software.

NoteSmith Reports

Below is a comprehensive list of reports in NoteSmith, some of which are available in the Pro version only, followed by a number of sample printouts. Annual changes to NoteSmith may render report formatting differently based on user input, new features, and federal lending law changes.

Reports designed for payors

- Payment history
- Setup
- IRS 1098, 1096, 1099-A, 1099-C
- IRS 1099-INT (Pro)
- Escrow analysis
- Adjustable rate analysis
- Invoice
- Payoff
- Regulation Z

Reports designed for managers

- Investment pay history
- IRS 6252 (Pro)
- Bankruptcy B-10
- Wraparound
- Aging
- Balances
- Balloons
- Collateral
- Due dates
- Escrow paid and escrow adjustments
- Interest accrued
- Seasoning
- Yields
- Register, Register change, Register totals, Register escrow
- Ordinary income
- Capital gains
- Cash flow
- Statistics
- Company configurations (Pro)

A custom report generator is available in the Pro version. The generator can be set to export the data instead of printing, to create Word, Excel, or comma delimited files. Additionally, the Pro version mail merges directly to Word.

Your Company Name

Payment History

As of 05/01/2016

THOMAS, T.
123 Main Street
Cortland, NY 13045-1234
(123) 567-8901 Work
(123) 456-7890 Home

Loan number TT1234567-RC
123 Main Street
Cortland, NY 13045
(123) 666-6666 Fax
(123) 555-5555 Other

Status

Balance:	9852.33	Regular Pmt:	132.15	Int Rate:	10.000%
Pmts Remain:	117	Escrow Pmt:	0.00	Orig Date:	12/15/2015
Next Due:	05/01/2016	Late/Fee:	5/ 5.00	Original Bal:	10000.00
Arrearage:	0.00	Service Fee : P	0.00	Maturity:	01/01/2020
Per diem int:	2.70	Pmt type:	USR 365 M	Balloon:	0.00

Pay Date	Due	Payment	Applied	Int	Prin	Rem Bal	Escrow	Late	Svc
01/01/2016		0.00	0.00	0.00	0.00	10000.00	0.00	0.00	0.00
02/01/2016	02/01R	132.15	132.15	83.33	48.82	9951.18	0.00	0.00	0.00
03/01/2016	03/01R	132.15	132.15	82.93	49.22	9901.96	0.00	0.00	0.00
04/01/2016	04/01R	132.15	132.15	82.52	49.63	9852.33	0.00	0.00	0.00
REPORT TOTAL:		496.45		248.78	147.67		0.00	0.00	0.00
ESCROW PAID OUT:							0.00		
BALANCES:						9852.33	0.00	0.00	0.00

Financial counseling is available HUD.gov. Choose Resources, then HUD Approved Counseling Agencies.

Payoff as of 04/01/2016: \$ 9852.33

Your Company Name

As of 02/01/2016

Due dates: Notes Receivable

Receipts: All Notes: No Filter

Loan	Name	Next/Last/Mat		Amt/Bal/Rem	Due in
BB1234567-RC	Barth, B.	03/01/2016	M	135.15	27
		02/01/2016		6139.40	
		01/01/2016		59/119	
PP1234567-RC	Perry, P.	03/01/2016	M	134.15	27
		02/01/2016		5150.01	
		01/01/2016		59/119	
TT1234567-RC	Thomas, T.	03/01/2016	M	132.15	27
		02/01/2016		9951.18	
		01/01/2016		119/119	
WW1234567-RC	Willis, W.	02/01/2016	M	137.15	-1
		01/01/2016		10000.00	
		01/01/2016		120/120	

Total:	4	Pmts:	\$ 535.60	Balance:	\$ 31240.59
TotMoPmt:	\$ 535.60	AveMoPmt:	\$ 133.90	Ave Bal:	\$ 7810.15

Your Company Name

03/15/2016

Aging: Notes Receivable: 0 through 99 days

Period: 12/08/11 - 03/15/2016

Receipts: All Notes: No Filter

Loan Name	W Phone H Phone	Reg Pmt Late/Svc	Total Late Amt Paid	Due Days Late
Barth	(890) 123-4567	132.15 M	135.15	03/01/2016
Barry	(901) 234-5678	3.00	0.00	14
Late letter not sent.		Amt owed:	135.15	
Called 2/29, promised to pay by 3/1.				
Paris	(678) 901-2345	132.15 M	139.15	03/01/2016
Perry	(567) 890-1234	7.00	0.00	14
Late letter not sent.		Amt owed:	139.15	
Willis	(987) 653-5520	132.15 M	282.30	02/01/2016
William	(987) 654-5656	9.00	0.00	42
Late letter not sent.		Amt owed:	282.30	
Payors: 3/4		These Payors	All Payors	
Total Owed:		556.60	688.75	
Ave Mo Pmts:		138.48	133.90	

Aging Status

Receipts: All Notes: No Filter

	Current	0-15	16-30	31-60	61-90	91+
Payors:	1	2	0	1	0	0
AveMon:	132.15	264.30	0.00	132.15	0.00	0.00
Percent:	25	50	0	25	0	0

Your Company Name

As of 05/01/2016

Ordinary Income

Note receipts of: All

Fiscal Year Starting 01/01/2016

Month	DiscEarn	Income	Late/Svc	Taxable	Cash Flow
Jan	0.00	0.00	0.00	0.00	0.00
Feb	26.14	213.22	5.00	244.36	401.45
Mar	13.12	82.93	0.00	96.05	132.15
Apr	13.23	82.52	0.00	95.75	132.15
May	0.00	0.00	0.00	0.00	0.00
Jun	0.00	0.00	0.00	0.00	0.00
Jul	0.00	0.00	0.00	0.00	0.00
Aug	0.00	0.00	0.00	0.00	0.00
Sep	0.00	0.00	0.00	0.00	0.00
Oct	0.00	0.00	0.00	0.00	0.00
Nov	0.00	0.00	0.00	0.00	0.00
Dec	0.00	0.00	0.00	0.00	0.00
TOTALS:	52.49	378.67	5.00	436.16	665.75

Your Company Name

Printed as of 03/01/2016

Payment register of: All Notes: No Filter

02/01/2016 - 02/15/2016

Name	Date	Payment		RetCap	Income	DiscEarn	LatSvc	Esc
Thomas	02/01/2016	132.15	R	35.80	83.33	13.02	0.00	0.00
Peters	02/02/2016	134.15	R	54.09	78.06	0.00	2.00	0.00
Barth	02/02/2016	135.15	R	67.20	51.83	13.12	3.00	0.00
Thomas	02/06/2016	100.00	E	0.00	0.00	0.00	0.00	100.00
Thomas	02/06/2016	-100.00	E	0.00	0.00	0.00	0.00	-100.00
RC+:	4	501.45		157.09	213.22	26.14	5.00	100.00
RC-:	1	-100.00		0.00	0.00	0.00	0.00	-100.00
PY+:	0	0.00		0.00	0.00	0.00	0.00	0.00
PY-:	0	0.00		0.00	0.00	0.00	0.00	0.00
Net :		401.45		157.09	213.22	26.14	5.00	0.00

NoteSmith Form Letters

Form letter bodies can be edited and printed in Arial or Times with or without letterhead completely within NoteSmith. You can optionally print a company bitmap graphic instead of your return address. All form letters and reports designed for payor viewing are in double window envelope format.

Microsoft Word users can generate form letters with full font and field control. NoteSmith Pro can open, merge, print, and close the form letter files automatically, then enter a reference in the payor's account for documentation purposes.

Your Company Name
Your Address
City, State, Zipcode
(123) 456-7890

05/15/2016

Mr. and Mrs. Barry Barth
456 Appleton Way
Minneapolis, MN 54321

Reference: 456 Appleton Way, Minneapolis
Loan num: BB1234567-RC
Date due: 05/01/2016
Payment: \$132.15 (132.15 PI and 0.00 TI)

Reg Pmts Late : \$ 264.30
Late/Svc Fees : + 6.00
Part Pmts Recd: - 0.00
Total Late: \$ 270.30

Dear Mr. and Mrs. Barth,

This is to inform you that we have not yet received your payment as referenced above.

If you feel this notice was sent to you in error, please contact this office immediately. Otherwise, further fees could accrue against your account.

Be aware that this is a second notice.

Sincerely,

Your name

NoteSmith Coupons

NoteSmith payment coupons can be printed either 3 to a page or 4 to a page, in sheet order or in booklet order and includes a customizable cover letter for window envelope mailing to the payor. The date range for printing can be chosen, although it is recommended to print only through the calendar year in case the loan pays off early.

An annual mailing of coupons with a cover letter is an acceptable alternative to monthly statements according to current Dodd-Frank regulations for small servicing companies.


A line of text that can be customized and printed in the upper left corner of the coupon. On the sample, it reads "Payments are posted as of the date received." The coupon displays the grace period and late fee, and also encourages extra principal payments.


A bar code font is distributed with the program and optionally can be installed. Once installed, NoteSmith uses the font to generate a bar code on the coupon that can be used with a keyboard scanner to post payments with little or no typing.

The coupon has the servicer's address printed so it will display in a window envelope for the benefit of the payor.

NoteSmith coupons are designed to be printed on blank paper. Local commercial printers have check stock and other fancy papers available, many of which are already perforated or can be for a small charge. If the paper is perforated in thirds or fourths, the 3 up and 4 up coupon will print correctly between the perforations.

A sample 3 up coupon appears on the next page.

Reference	Payment
Total2016-RC Total, Tom Property: College Ave. Townhome	Next due: 06/01/2016
Message	
Payments are posted as of the date received	Pmt: 132.15 Esc: 60.00 192.15 After 06/06/2016 add: 5.00 Extra principal: Total enclosed: \$ _____
Return to	
Test Company 123 Main Street Anycity, CO 80525	

Reference	Payment
Total2016-RC Total, Tom Property: College Ave. Townhome	Next due: 07/01/2016
Message	
Payments are posted as of the date received	Pmt: 132.15 Esc: 60.00 192.15 After 07/06/2016 add: 5.00 Extra principal: Total enclosed: \$ _____
Return to	
Test Company 123 Main Street Anycity, CO 80525	

Reference	Payment
Total2016-RC Total, Tom Property: College Ave. Townhome	Next due: 08/01/2016
Message	
Payments are posted as of the date received	Pmt: 132.15 Esc: 60.00 192.15 After 08/06/2016 add: 5.00 Extra principal: Total enclosed: \$ _____
Return to	
Test Company 123 Main Street Anycity, CO 80525	