

**You're approved for a  
Home Equity Trial Modification**

02/25/2011

[REDACTED]  
Beaumont, CA 92223

Account number: [REDACTED]

Dear [REDACTED]

Thank you for speaking to us about your current financial situation. Under this program, BAC Home Loans Servicing, LP (the Bank of America company that services your mortgage), may be able to help you by modifying your home equity account to give you a new affordable monthly payment.

To qualify for a modification of your home equity account, you must complete a three month trial period. If you complete the trial period successfully, we will offer you a permanent modification of your home equity line of credit. Please note there are no fees for this program. Here's how the process works:

- We have set your trial period payment at \$290.34. During the trial period you will pay the new trial payment amount on your regular payment due date instead of your existing monthly home equity payment. These payment dates will be:
  - 03/25/2011 for the first payment.
  - 04/25/2011 for the second payment, and
  - 05/25/2011 for the third payment.
- This trial period payment is an estimate of what your initial monthly payment amount will be if you complete your trial period and enter into a permanent modification agreement. Depending on the specific terms of your agreement, your monthly payment amount could change over the life of your loan. This means your payment amounts in the future could be higher than your initial monthly payment amount. The specific details will be provided in your Modification Agreement.
- You will receive a permanent modification of your account if you: a) pay each of the monthly trial period payments on time and in full, and b) sign and return the final Modification Agreement which will be sent to you once you have completed making your required trial payments. Until you receive your final Modification Agreement in the mail, you should continue to make your monthly home equity payments in the amount of your trial period payments.

The first step in this process is to make the first trial payment of \$290.34 by 03/25/2011. For your convenience, simply call us at 1.800.641.5302, and we will set up one or all of your trial payments to be deducted directly from your checking account. This ensures that your trial period payment will be made on time each month, plus we will waive the fee for the pay by phone service. You can also mail your trial payments to the address provided on your monthly statement.

Please read the enclosed information for further details regarding your Trial Period Plan. If you have any questions, call us at 1.800.641.5302. We look forward to the opportunity to work with you.

Sincerely,

Loan Modification Team  
BAC Home Loans Servicing, LP

Attachments: (1) Frequently Asked Questions, (2) Trial Period Plan

**Bank of America**  **Home Loans**

**Additional Terms and Conditions:**

You and we agree that:

- We will suspend any scheduled foreclosure sale or pending foreclosure proceedings on your Mortgage during the Trial Period, provided you continue to meet the obligations under this Trial Period Plan, and provided that:
  - Any pending foreclosure action will not be dismissed and may be immediately resumed if you fail to comply with the terms of this Trial Period Plan. No new notice of default, notice of intent to accelerate, notice of acceleration, complaint in foreclosure or similar foreclosure notices will be necessary to continue the foreclosure action. You waive all rights to such foreclosure notices to the extent permitted by applicable law.
- During the Trial Period, we may accept and post your Trial Payments to your account and it will not affect any foreclosure proceedings that have already started.
  - Our acceptance and posting of your new payment during the trial period will not be deemed a waiver of any acceleration of your Loan or foreclosure action and related activities, and shall not constitute a cure of your default under your Mortgage unless such payments are sufficient to completely cure your entire default under your Mortgage.
- Your Original Loan Documents remain in effect; however, you may make the Trial Payment instead of the payment required under your Original Loan Documents.
  - You agree that all terms and provisions of your current Mortgage note and security instrument remain in full force and effect and, except to the extent permitted by this Trial Period Plan, you will comply with those terms. Nothing in the Trial Period Plan shall be understood or construed to be a satisfaction or release in whole or in part of the obligations contained in the Original Loan Documents.
- Termination of your ability to borrow on your Home Equity Line of Credit:
  - If you successfully complete your Trial Period Plan and enter into a permanent modification of your Home Equity Line of Credit, your right to borrow against your Home Equity Line of Credit will be permanently terminated as part of your permanent modification.
- Property Taxes and Insurance:
  - If the Bank does not maintain an escrow account with respect to your Loan, it is your responsibility to pay all property taxes and premiums for insurance by their due dates, as required in your Loan Documents. If the Bank does maintain an escrow account with respect to your Loan, you agree to forward to the Bank the amounts required to permit the escrow account to contain a sufficient balance so that payments for property taxes and insurance may be made on time. The failure to pay property taxes or insurance before their due dates, if there is no escrow account, or to forward to the Bank sufficient funds so that such payment may be made from your escrow account, shall constitute an event of default under this Trial Period Plan and the Loan Documents, and this Trial Period Plan shall terminate immediately and automatically without further notice to you.
- Final terms of your Modification Agreement:
  - Once you have completed your Trial Payments, and after applying any remaining money held at the end of the Trial Period, we will determine the new payment amount and the remaining final terms of your Modification Agreement. This Modification Agreement will modify your Original Loan Documents to reflect your new payment amount and other terms.
- Credit reporting during the Trial Period: Your credit score may be affected by accepting a trial period plan or modification. For more information about your credit score, go to <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cra24.shtm>.



Trial Period Plan

Trial Period Plan Effective Date: 03/25/2011

Borrower ("I")<sup>1</sup>: [REDACTED]

Servicer ("Servicer"): BAC Home Loans Servicing, LP

Date of Home Equity Security Instrument ("Mortgage") and Note ("Note"): 06/14/2007

Loan Number: [REDACTED]

Property Address ("Property"): [REDACTED] Beaumont, CA 92223

To qualify for a modification of your account referenced above (your "Loan") with BAC Home Loans Servicing (the "Bank"), you must complete a three month trial period. If you complete the trial period successfully and if you qualify for the modification after we have verified your income and otherwise confirmed your eligibility, we will offer you a modification of your Loan. Here's how the process works:

- We have set your trial period payment at \$290.34 (the "Trial Payment Amount"). This is an estimate of what your initial monthly payment amount will be if you complete your trial period and enter into a permanent modification agreement (your "Modification Agreement"). Depending on the specific terms of your Modification Agreement, your monthly payment amount will not necessarily stay the same throughout the life of your loan, but could adjust to one or more payment amounts that could be higher than your initial monthly payment amount. The exact terms will be spelled out in your Modification Agreement.
- During the trial period you will pay the Trial Payment Amount – instead of your existing monthly home equity payment – on the existing payment due dates under your original loan documents. Those payment dates would be:
  - o 03/25/2011 for the first payment,
  - o 04/25/2011 for the second payment, and
  - o 05/25/2011 for the third payment.
- Your trial payments must each be received by us on or before the 30<sup>th</sup> day after they are due. If you have not made each of the Trial Payments required under this Trial Period Plan on or before the 30<sup>th</sup> day after each such payment is due, the Original Loan Documents will not be modified and this Trial Period Plan will terminate. In this event, the Bank will have all of the rights and remedies provided by the Original Loan Documents, and any payment you make under this Trial Period Plan shall be applied to amounts you owe under the Original Loan Documents and shall not be refunded to you.
- After you satisfy all requirements for completing your Trial Period, the Bank will contact you and will forward your Modification Agreement to you. You must continue making your monthly trial payments until you receive your Modification Agreement. Once you receive your Modification Agreement, you must return it within 30 days or the modification offer will terminate.
- The terms of your Trial Plan are set forth below and are effective as of the due date of the first Trial Payment under this Trial Plan, provided that you have paid your first trial payment on or before the thirtieth day after the first trial payment is due.

<sup>1</sup> If there is more than one Borrower or Mortgagor executing this document, each is referred to as "I". For purposes of this document words signifying the singular (such as "I") shall include the plural (such as "we") and vice versa where appropriate.

## Frequently Asked Questions

### Q. If I qualify, how will my mortgage be modified?

There are several different ways we may modify the terms of your loan using available modification options to reach an affordable payment. The specific terms of your modification will be set forth in your Modification Agreement; however your initial monthly payment under the permanent modification will be close to the amount of your trial payment for at least the first year.

### Q. Will a foreclosure occur if I participate in the Loan Modification Program?

As long as you comply with the terms of the Trial Period Plan, we will not start foreclosure proceedings and we will place the foreclosure on hold if foreclosure proceedings have started. If you do not comply with the terms of the Trial Period Plan and do not make other arrangements, the hold on the foreclosure will be removed and your account may be enforced according to its original terms, which could include foreclosure.

### Q. My monthly statement shows a different payment amount. What should I pay?

Although your monthly statement will continue to include your regular payment amount and any regularly accruing late charge amounts, you need to make only the trial period payment during the three month trial period. The difference between the amount of the trial payment and your normal monthly payment will be included in the final Modification Agreement at the successful conclusion of your trial period, and any unpaid late fees which are owed at the time of the modification will be waived.

### Q. Where should I mail or send my trial period payments?

You can mail your trial payments where you would normally send your home equity payment or simply call us at 1-800-641-5302. If you choose to pay by phone, we can deduct your payment directly from your checking account and we will waive the fee for this service.

### Q. What happens if I do not comply with the terms of the Trial Period Plan?

Your trial period payments will be applied to your existing home equity account according to the terms of your Loan Documents. If you were in default at the beginning of the trial period, you will remain in default under your account terms. If you were not in default at the beginning of the trial period, you may become in default under the terms of your account if your trial period payments are less than your contractual payments.

### Q. If I get a permanent Modification Agreement, can my modified account terms ever revert to the original loan terms?

No. Once your account is modified, the new terms stay in place for the remainder of your loan.

### Q. What else should I know about this offer?

- You will not be charged any fees for this Trial Period Plan or final modification.
- Your credit score can be affected by entering into a Trial Period Plan or accepting a permanent modification. For more information about your credit score and how to improve it, please visit <http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm>.
- Until you receive your final Modification Agreement, you should continue making your monthly home equity payments in the amount of your trial period payments.