

You're on your way toward
an affordable mortgage payment.

To accept our offer,
make your first payment today.

SUN CITY, CA 92586

January 08, 2011

Loan Number: [REDACTED]

Dear [REDACTED]:

We are pleased to tell you that you are approved to enter into a trial period plan under the Home Affordable Modification Program. This is the next step toward qualifying for more affordable and sustainable mortgage payments. Please read this letter so that you understand all the steps you need to take to permanently modify your mortgage, starting with your first trial payment. Remember, there are no fees associated with this program.

What you need to do

To accept this offer you must make new monthly "trial period payments" in place of your normal monthly mortgage payment. Send in your monthly trial period payments—instead of your normal monthly mortgage payments—as follows:

1st payment: \$1,662.40 by 2/01/2011
2nd payment: \$1,662.40 by 3/01/2011
3rd payment: \$1,662.40 by 4/01/2011

Payment coupons are included in this package if you wish to send your payment in the mail, or you can call us at 1.800.669.6650 and we can deduct your payment directly from your checking account. There are no fees to make your payment by phone.

If you do not make each trial period payment in the month in which it is due, your loan will not be modified under the Home Affordable Modification Program. Please also note that your existing loan agreement remains in effect and unchanged during the trial period.

If you successfully make all of your trial period plan payments and return any additional documents that may be required, you may receive a Modification Agreement defining your new modification terms that must be signed, notarized and mailed to us. At that time, your modification will be officially permanent.

If you have any questions, if you cannot afford the trial period payments shown above but want to remain in your home, or if you have decided to leave your home but still want to avoid foreclosure, please call us at 1.800.669.6660.

Monday - Thursday 8 a.m. - 12 midnight Eastern
Friday 8 a.m. - 10 p.m. Eastern
Saturday 8 a.m. - 6 p.m. Eastern
Sunday 3 p.m. - midnight Eastern

We are glad you have been accepted into a trial period plan with the Home Affordable Modification Program. Start it today by making your first payment.


Bank of America  Home Loans

Home Loan Team
BAC Home Loans Servicing, LP

P.S. For your convenience and to ensure you receive all required program documents in a timely manner, this package may be sent via multiple delivery methods and to all addresses on file with us. If you receive multiple packages that are identical, you only need to return one complete package with all required documents to us.

Attachments: (1) Frequently asked questions (2) Additional Trial Period Plan Information and Legal Notices (3) Payment coupons

BAC Home Loans Servicing, LP is required by law to inform you that this communication is from a debt collector. However, the purpose of this communication is to let you know about your potential eligibility for a loan modification program that may help you bring or keep your loan current through more affordable payments.

Mortgage loans are administered by an Equal Housing Lender. 
Protect your personal information before recycling this document.

Bank of America  Home Loans

Property Address:

Notice Date: April 7, 2011

Loan No: 
SUN CITY, CA 92565
Loan Modification
CLARITY COMMITMENT 

Thank you for working with BAC Home Loans Servicing, LP on your current mortgage needs and for making your trial period mortgage payments. This summary is intended to be a clear and simple description of the final loan modification that we are pleased to offer you. The loan modification is intended to help you with your current needs, and to put you in a better position to meet your loan obligation. Once you sign and return the enclosed Modification Agreement, you will have agreed to the new permanent loan modification. Please thoroughly review all the materials in the enclosed package to ensure you understand the details of this new agreement.

Summary of Your Modified Loan

Your new loan balance is \$322,706.46. Past due interest in the amount of \$18,667.63, and taxes and insurance in the amount of \$1,114.00 totaling \$19,781.63 have been added to your principal balance to calculate this new loan balance. Unpaid late fees are not included in this amount and will be waived when your loan modification is finalized.

The current interest rate of 6.500% is changing to 2.000% for the first 5 years of your modified loan. This rate will increase as shown in the section below.

We have extended the length of your loan by 0 years and 8 months.

Your final payment date, which is your new maturity date, is 07/01/2037

You may also be eligible for incentive payments under the Home Affordable Modification Program of up to \$1,000.00 each year. Each time you make on-time payments, you will receive an incentive that reduces the principal balance on your loan, provided your loan does not become 90 days delinquent at any time.

THE LAW OFFICES OF
MICHAEL GADDIS

Your New Mortgage Payments

Your new total modified monthly mortgage payments of \$1,864.98 are made up of principal and interest of \$1,317.84 and an initial escrow amount of \$347.34. Escrow payments are collected for payment of items such as property taxes and insurance and may change. We will notify you of any adjustments to the total monthly payment.

Your total monthly payments will be due on the 1st of the month starting the 1st day of May, 2011.

Your interest rate will adjust to slowly bring your rate to 4.875% and your total monthly payments to \$2,054.81, as shown in the schedule below. The amount of these payments will change if your escrow payment amount changes.

- Years 1 – 5, beginning May 1, 2011, the interest rate will be 2.000% with a total monthly payment of \$1,864.98
- Year 6, beginning May 1, 2016, the interest rate will be 3.000% with a total monthly payment of \$1,799.36
- Year 7, beginning May 1, 2017, the interest rate will be 4.000% with a total monthly payment of \$1,935.41
- Years 8-27, beginning May 1, 2018, the interest rate will be 4.875% with a total monthly payment of \$2,054.81

If you have questions regarding the Modification Agreement or the steps you must take to complete this process, please contact us at 1.866.467.1359 to speak with one of our home retention associates.

[REDACTED]

Summary of your Modification

NEW PRINCIPAL BALANCE. Any past due amounts as of the end of the trial period, including unpaid interest, real estate taxes, insurance premiums, and certain assessments paid on your behalf to a third party, will be added to your mortgage loan balance. In addition, your mortgage insurance premium may increase as a result of the higher mortgage loan balance. **If you fulfill the terms of the trial period including, but not limited to, making any remaining trial period payments, we will waive ALL late charges that have accrued and remain unpaid at the end of the trial period.**

INTEREST RATE. The interest rate on your modified loan will be adjusted as noted in the attached Modification Agreement in Section 3.C.

TERM EXTENSION. To reduce your mortgage payment, we will extend the term of your mortgage. This means we will spread your payments over a longer period.

ESCROW ACCOUNT. The terms of your Modification Agreement require the servicer to set aside a portion of your new monthly payment in an escrow account for payment of your property taxes, insurance premiums and other required fees. Any prior waiver of escrows by your lender is no longer in effect. BAC Home Loans Servicing, LP will draw on this account to pay your real estate taxes and insurance premiums as they come due. Please note that your escrow payment amount will adjust if your taxes, insurance premiums and/or assessment amounts change, so the amount of your monthly payment that BAC Home Loans Servicing, LP must place in escrow will also adjust as permitted by law. This means that your monthly payment may change. Your initial monthly escrow payment will be \$347.34. This amount is included in the loan payment noted in Section 3.C. of the enclosed Modification Agreement; you do not need to remit this amount separately.

ESCROW SHORTAGE. Due to the timing of your tax and insurance payments, we have determined that there is a shortage of funds in your escrow account in the amount of \$330.64. You may pay this amount over a 5-year (60 month) period. Your monthly payment has already been included in the monthly escrow payment stated above. **If you wish to pay the total shortage now in a lump sum, please contact us. Paying this amount now in a lump sum will reduce your new monthly mortgage payment.** BAC Home Loans Servicing, LP may include alternative provisions to deal with an escrow shortage in accordance with applicable law.

PAYMENT SCHEDULE. The enclosed Modification Agreement includes a payment schedule in Section 3.C. showing your payment plan for the life of your modified loan after the trial period.

FEES. There are no fees or other charges for this modification.

REPRESENTATIONS. Please read the enclosed Modification Agreement carefully and make sure that you understand it and that the statements set forth in the "My Representations" section are true and accurate. **If you have any questions, please contact us at 1.855.487.1359.**

BORROWER INCENTIVE. If you make your monthly mortgage payments on time, you will accrue a monthly benefit equal to \$83.33 [the lesser of: (i) \$83.33 or (ii) one-half of the reduction in the monthly mortgage payment]. As long as your mortgage loan does not lose good standing, which means that the equivalent of three full monthly payments are due and unpaid on the last day of any month, we will apply your accrued monthly benefit to your mortgage loan and reduce your principal balance after each of the first through fifth anniversaries of the month in which the trial period plan is executed. If your mortgage loan loses good standing at any time during this five year period, you will lose all accrued but unapplied principal reduction benefits and will no longer be eligible to accrue additional principal reduction benefits even if the mortgage loan is later brought current.