

  
**MAKING HOME AFFORDABLE**



**NOTICE TO BORROWERS**

Be advised that you are signing the following documents under penalty of perjury. Any misstatement of material fact made in the completion of these documents including but not limited to misstatement regarding your occupancy in your home, hardship circumstances, and/or income will subject you to potential criminal investigation and prosecution for the following crimes: perjury, false statements, mail fraud, and wire fraud. The information contained in these documents is subject to examination and verification. Any potential misrepresentation will be referred to the appropriate law enforcement authority for investigation and prosecution.

By signing the enclosed documents you certify, represent and agree that:

"Under penalty of perjury, all documents and information I have provided to Lender in connection with this Agreement, including the documents and information regarding my eligibility for the program, are true and correct."

**SIGTARP Hotline**

If you are aware of fraud, waste, abuse, mismanagement or misrepresentations affiliated with the Troubled Asset Relief Program, please contact the SIGTARP Hotline by:

Online Form: [www.SIGTARP.gov](http://www.SIGTARP.gov)  
Phone: 877-SIG-2009 (toll-free)  
Fax: 202-622-4559  
Mail to: Hotline  
Office of the Special Inspector General  
For The Troubled Asset Relief Program  
1500 Pennsylvania Ave., NW, Suite 1064  
Washington, D.C. 20220

For all other inquiries related to your mortgage, please contact your Lender.

*AM*

**Home Loans**

June 16, 2009

You may be eligible for a new affordable mortgage payment.  
Complete the enclosed documents by  
7/16/2009 to get started.

Dear

Everyone goes through difficult times. That's when you need someone on your side the most. BAC Home Loans Servicing, LP (the subsidiary of Bank of America that services your mortgage) wants to help homeowners have affordable mortgage payments and stay in their homes by taking advantage of a new government program.

**Based on an initial review of your current financial situation, you may be eligible for a loan modification as part of the federal government's Home Affordable Modification Program to help homeowners.** Under this program, we will determine your current financial situation to confirm whether we can help you by modifying your mortgage to give you a new affordable mortgage payment – now and into the future.

Here's how the program works:

- You provide us with information to confirm your financial situation.
- We will review the information you provide and determine if you are eligible for the Home Affordable Modification Program.
- If the eligibility requirements are met, you will be offered a new affordable mortgage payment for a 3 month trial period.
- After the trial period is successfully completed, a new loan modification agreement will be sent to you.

**There are no fees associated with this program.**

We have enclosed the documents you need to complete and return by 7/16/2009 to start the trial period.

**STEP 1 PROVIDE THE INFORMATION WE NEED TO HELP YOU**

**In order to take advantage of this program, please provide the requested information and complete the enclosed documents.**  
We have included a checklist of all the required information you will need to provide:

- Two copies of the enclosed Trial Period Plan signed by each borrower. The Trial Period Plan details the terms, conditions and monthly payment that you are agreeing to during the 3 month trial period. The Trial Period Plan will not be final until the information you provide has been verified and accepted and the Trial Period Plan has been signed by us.
- The enclosed Hardship Affidavit completed and signed by each borrower. The Hardship Affidavit states the reason that you are unable to make your current monthly mortgage payment.
- A signed and dated copy of the IRS form 4506-T for each borrower. Signing this document will allow us to obtain a copy of your most recent tax return.
- Documentation to verify all of the income of each borrower. The enclosed checklist indicates the specific documentation that we need to verify your income.

In order to facilitate the processing of your request, please provide all the information at the same time using the enclosed envelope.  
The deadline for providing the above information is 7/16/2009.

Investor Loan #

## HOME AFFORDABLE MODIFICATION PROGRAM LOAN WORKOUT PLAN (Step One of Two-Step Documentation Process)

Trial Period Plan Effective Date: 7/16/2009

Borrower ("I"):

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

Date of first lien Security Instrument ("Mortgage") and Note ("Note"): 10/10/2007

Loan Number:

Property Address ("Property"):

If I am in compliance with this Trial Period Plan (the "Plan") and my representations in Section 1 continue to be true in all material respects, then the Servicer will provide me with a Home Affordable Modification Agreement ("Modification Agreement"), as set forth in Section 3, that would amend and supplement (1) the Mortgage on the Property, and (2) the Note secured by the Mortgage. The Mortgage and Note together, as they may previously have been amended, are referred to as the "Loan Documents." Capitalized terms used in this Plan and not defined have the meaning given to them in the Loan Documents.

If I have not already done so, I am providing confirmation of the reasons I cannot afford my mortgage payment and documents to permit verification of all of my income (except that I understand that I am not required to disclose any child support or alimony unless I wish to have such income considered) to determine whether I qualify for the offer described in this Plan (the "Offer"). I understand that after I sign and return two copies of this Plan to the Servicer, the Servicer will send me a signed copy of this Plan if I qualify for the Offer or will send me written notice that I do not qualify for the Offer. This Plan will not take effect unless and until both I and the Servicer sign it and Servicer provides me with a copy of this Plan with the Servicer's signature.

1. **My Representations.** I certify, represent to Servicer and agree:
  - A. I am unable to afford my mortgage payments for the reasons indicated in my Hardship Affidavit and as a result, (i) I am either in default or believe I will be in default under the Loan Documents in the near future, and (ii) I do not have sufficient income or access to sufficient liquid assets to make the monthly mortgage payments now or in the near future;
  - B. I live in the Property as my principal residence, and the Property has not been condemned;
  - C. There has been no change in the ownership of the Property since I signed the Loan Documents;
  - D. I am providing or already have provided documentation for all income that I receive (and I understand that I am not required to disclose any child support or alimony that I receive, unless I wish to have such income considered to qualify for the Offer);

<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.



- E. Under penalty of perjury, all documents and information I have provided to Servicer pursuant to this Plan, including the documents and information regarding my eligibility for the program, are true and correct; and
- F. If Servicer requires me to obtain credit counseling, I will do so.

2. **The Trial Period Plan.** On or before each of the following due dates, I will pay the Servicer the amount set forth below ("Trial Period Payment"), which includes payment for Escrow Items, including real estate taxes, insurance premiums and other fees, if any, of U.S. \$1,983.25.

Trial Period Payment #	Trial Period Payment	Due Date On or Before
1	\$1,983.25	7/16/2009
2	\$1,983.25	9/1/2009
3	\$1,983.25	10/1/2009

The Trial Period Payment is an estimate of the payment that will be required under the modified loan terms, which will be finalized in accordance with Section 3 below.

During the period (the "Trial Period") commencing on the Trial Period Effective Date and ending on the earlier of: (i) the first day of the month following the month in which the last Trial Period Payment is due (the "Modification Effective Date") or (ii) termination of this Plan, I understand and acknowledge that:

- A. TIME IS OF THE ESSENCE under this Plan;
- B. Except as set forth in Section 2.C. below, the Servicer will suspend any scheduled foreclosure sale, provided I continue to meet the obligations under this Plan, but any pending foreclosure action will not be dismissed and may be immediately resumed from the point at which it was suspended if this Plan terminates, and no new notice of default, notice of intent to accelerate, notice of acceleration, or similar notice will be necessary to continue the foreclosure action, all rights to such notices being hereby waived to the extent permitted by applicable law;
- C. If my property is located in Georgia, Hawaii, Missouri, or Virginia and a foreclosure sale is currently scheduled, the foreclosure sale will not be suspended and the Servicer may foreclose if I have not made each and every Trial Period Payment that is due before the scheduled foreclosure sale. If a foreclosure sale occurs pursuant to this Section 2.C., this agreement shall be deemed terminated;
- D. The Servicer will hold the payments received during the Trial Period in a non-interest bearing account until they total an amount that is enough to pay my oldest delinquent monthly payment on my loan in full. If there is any remaining money after such payment is applied, such remaining funds will be held by the Servicer and not posted to my account until they total an amount that is enough to pay the next oldest delinquent monthly payment in full;
- E. When the Servicer accepts and posts a payment during the Trial Period it will be without prejudice to, and will not be deemed a waiver of, the acceleration of the loan or foreclosure action and related activities and shall not constitute a cure of my default under the Loan Documents unless such payments are sufficient to completely cure my entire default under the Loan Documents;
- F. If prior to the Modification Effective Date, (i) the Servicer does not provide me a fully executed copy of this Plan and the Modification Agreement; (ii) I have not made the Trial Period payments required under Section 2 of this Plan; or (iii) the Servicer determines that my representations in Section 1 are no longer true and correct, the Loan Documents will not be modified and this Plan will terminate. In this event, the Servicer will have all of the rights and remedies provided by the Loan Documents, and any payment I make under this Plan shall be applied to amounts I owe under the Loan Documents and shall not be refunded to me; and





## Home Loans

The monthly trial period payments are based on the income information that you previously provided to us. Based on that information, we determined the estimate of what your new mortgage payment will be if we are able to modify your loan under the terms of the program. If your income documentation does not support the income amount that you previously provided in our discussions, two scenarios can occur:

- 1) Your monthly payment under the Trial Period Plan may change
- 2) You may not qualify for this loan modification program

If you do not qualify for a loan modification, we will work with you to explore other options available to try to help you keep your home.

### **STEP 2** MAIL IN YOUR NEW AFFORDABLE PAYMENT

Your new monthly trial period payment can be found on your Trial Period Plan. Please pay using your regular payment method. If you send your payment by mail, it must be mailed separately from the other documents to the following address:

Payment Processing  
PO Box 650070  
Dallas, TX 75265

We want to help you by modifying your mortgage payment; however, you must take the first step by completing the enclosed documents and returning them by 7/16/2009. **Please call 1.866.993.2462** if you have any questions about the program. Remember, there are no fees for this program.

You may receive a phone call from one of our representatives to discuss this offer and answer your questions. However, there is no need to wait for our call. Please call us now or send back the completed documents.

Sincerely,

Jill Balentine  
Senior Vice President  
Home Retention Division  
BAC Home Loans Servicing, LP

*Attachments: Important Notice, Complete Your Checklist, Important Program Info, Frequently Asked Questions,  
Two copies of the Trial Period Plan, Hardship Affidavit, and IRS Form 4506-T*

## **IMPORTANT NOTICE**

We want to help you avoid foreclosure scams

Beware of Foreclosure Rescue Scams. Help is free from your mortgage servicer!

- This program is only available to you through your mortgage servicer.
- There is never a fee to get assistance or information about the Home Affordable Modification Program from your mortgage servicer or a HUD-approved housing counselor.

For a HUD-approved counselor, visit: <http://www.hud.gov/offices/hsg/sfh/hcc/fc/>

- Beware of any person or organization that asks you to pay a fee in exchange for housing counseling services or modification of a delinquent loan.
- Beware of anyone who says they can "save" your home if you sign or transfer over the deed to your house. Do not sign over the deed to your property to any organization or individual unless you are working directly with your mortgage servicer to forgive your debt.
- Never make your mortgage payments to anyone other than your mortgage servicer without their approval.

## COMPLETE YOUR CHECKLIST

This is the information we need to help you modify your mortgage payments

To accept this offer and determine if you qualify for a Home Affordable Modification, you must send the five (5) items listed below to BAC Home Loans Servicing, LP, no later than 7/16/2009. Items 1-4 need to be returned in the envelope provided for your convenience. Item 5, your first Trial Plan payment, must be sent to BAC Home Loans Servicing, LP in a separate envelope to the address on page 2 of this letter and also on your statement or loan coupon.

- 1 Two copies of the enclosed Trial Period Plan signed by all borrowers,
- 2 The enclosed Hardship Affidavit completed and signed by all borrowers (no notary required),
- 3 A signed and dated copy of the IRS Form 4506-T (Request for Transcript of Tax Return) for each borrower (borrowers who filed their tax returns jointly may send in one IRS Form 4506-T signed and dated by both of the joint filers)
- 4 Documentation to verify all of the income of each borrower (including any alimony or child support that you choose to rely upon to qualify). This documentation should include:

**For each borrower who is a paid (salaried or hourly) employee:**

*Copy of the most recent filed federal tax return with all schedules; and  
Copy of the two most recent pay stubs.*

**For each borrower who is self-employed:**

*Copy of the most recent filed federal tax return with all schedules, and  
Copy of the most recent quarterly or year-to-date profit/loss statement.*

**For each borrower who has income such as social security, disability or death benefits, pension, public assistance, or unemployment:**

*Copy of most recent federal tax return with all schedules and W-2 or copies of two most recent bank statements.  
Copy of benefits statement or letter from the provider that states the amount, frequency and duration of the benefit.  
Such benefit must continue for at least 3 years to be considered qualifying income under this program.*

**For each borrower who is relying on alimony or child support as qualifying income:**

*Copy of divorce decree, separation agreement or other written agreement or decree that states the amount of the alimony or child support and period of time over which it will be received. Payments must continue for at least 3 years to be considered qualifying income under this program.  
Proof of full, regular and timely payments; for example deposit slips, bank statements, court verification or filed federal tax return with all schedules.*

**For each borrower who has rental income:**

*Copies of most recent two years filed federal tax returns with all schedules, including Schedule E—Supplement Income and Loss. Rental income for qualifying purposes will be 75% of the gross rent.*

- 5 Your first month's trial period payment in the amount of \$1,983.25.\*\*

**IMPORTANT STEP:** Your first month's trial period payment in the amount of \$1,983.25 should be paid to BAC Home Loans Servicing, LP. Please use your loan coupon or mortgage statement information to ensure your payment is mailed or routed to BAC Home Loans Servicing, LP.

\*\* Please note: your first month's trial payment should not be sent in the enclosed envelope. The address on the envelope is for processing your Trial Period Plan and related financial documentation. Your payment will not be processed if it is mailed in this envelope. If you are mailing your payment to BAC Home Loans Servicing, LP, it must be mailed in a separate envelope to the address reflected on your loan coupon or mortgage statement to ensure timely and proper processing.

If you have other types of income or have questions about the documentation required, please contact us at  
1.866.993.2462.

You must send in both signed copies of the Trial Period Plan, all required Income documentation, and your first trial period payment by 7/16/2009. *Please make and keep a copy of all documents for your records. Do not send original income documentation as copies are acceptable.*

Your remaining trial period payments in the amount of \$1,983.25 will be due on or before 7/16/2009, 9/1/2009, and 10/1/2009. These payments should be sent instead of, not in addition to, your normal monthly mortgage payment. If the trial period payments are made in amounts different from the amount stated *your loan may not be modified.*

If your situation has changed since you provided your financial information to us verbally, please call us at **1.866.993.2462** to be re-evaluated. Please note that all financial information is subject to verification.

## IMPORTANT PROGRAM INFORMATION

Here's what you need to know about the Home Affordable Modification Program

**NO FEES.** There are no fees under the Home Affordable Modification Program.

**TRIAL PERIOD PLAN/MODIFICATION AGREEMENT.** The Trial Period Plan is the first step. Before the end of your Trial Period, we will finalize your modified loan terms and send you a loan modification agreement ("Modification Agreement"), which will reflect the terms for your modified loan. In addition to successfully completing the Trial Period, you will need to sign and promptly return to us both copies of the Modification Agreement before your loan can be modified.

**NEW PRINCIPAL BALANCE.** 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 (the "Past Due Arrearage Amount"). If you fulfill the terms of the trial period including, but not limited to, making the trial period payments, we will waive ALL unpaid late charges at the end of the trial period.

**ESTIMATED MONTHLY PAYMENT.** At this time, we are not able to calculate precisely the Past Due Arrearage Amount or the amount of your modified loan payment that will be due after successful completion of the trial period. However, based on information we currently have, your trial period payment should be close to your modified loan payment. As we near the end of the trial period, we will calculate any past due amount to determine your new modified monthly payment and other modified loan terms.

**ESCROW ACCOUNT.** The terms of your Trial Period Plan and your Modification Agreement will 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. Your current loan may also require escrows. If it does not, the previous waiver of escrows is cancelled under your Trial Period Plan. 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 the servicer 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 \$523.89.

**ESCROW SHORTAGE.** Due to the timing of your tax and insurance payments, we have determined that there will be a shortage of funds in your escrow account in the amount of \$1,596.14. You may pay this amount over a five-year (60 months) period. This monthly payment has already been included in the monthly escrow payment stated above. If you wish to pay the total shortage now, please contact us.

**BORROWER INCENTIVE.** If your monthly mortgage payment (principal, interest, property taxes, hazard insurance, flood insurance, condominium association fees and homeowner's association fees, as applicable, but excluding mortgage insurance) is reduced through the Home Affordable Modification Program by six percent or more and if you make your monthly mortgage payments on time, you will accrue a monthly benefit equal to the lesser of: (i) \$83.33 or (ii) one-half of the reduction in your monthly mortgage payment. As long as your mortgage loan does not become 90 days delinquent, we will apply your accrued monthly benefit to your mortgage loan and reduce your principal balance on or after each of the first through fifth anniversaries of the month in which the Trial Period Plan is executed. *If your modified mortgage loan ever becomes 90 days delinquent, 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.*

**CREDIT COUNSELING.** If you have very high levels of total debt (this includes credit card, car and other debt obligations) you will be required to obtain credit counseling under the Home Affordable Modification Program.

**CREDIT REPORTING.** *If you are delinquent when you enter the trial period, we will continue to report your loan as delinquent to the credit reporting agencies during the trial period even if you make your trial period payments on time.* However, after your loan is modified, we will only report the loan as delinquent if the modified payment is not received in a timely manner.

## FREQUENTLY ASKED QUESTIONS

**Q What is the Home Affordable Modification Program?**

The Home Affordable Modification Program, part of the Making Home Affordable Program announced recently by the federal government, is designed to help three to four million financially struggling homeowners by modifying loans to a level that is affordable for borrowers now and sustainable over the long term. To learn more about the Home Affordable Modification Program, visit [www.MakingHomeAffordable.gov](http://www.MakingHomeAffordable.gov).

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

The modification may involve some or all of the following changes to your mortgage loan:

### *Documents and Processing*

**Q How long will it take to process my modification request and determine if I qualify for the program?**

It may take up to 45 days for us to review your documents once they are received. We will process your modification request as quickly as possible. Please note that your modification will not be effective unless you meet all of the applicable conditions and you are notified in writing that your modification has been approved.

**Q Will a foreclosure occur if I participate in the Home Affordable Modification Program?**

As long as you comply with the terms of the Trial Period Plan, we will not start foreclosure proceedings or conduct a foreclosure sale if foreclosure proceedings have started. If you fail to comply with the terms of the Trial Period Plan and do not make other arrangements, your loan will be enforced according to its original terms, which could include foreclosure.

**Q Do all borrowers have to sign the Trial Period Plan and other documents?**

Unless a borrower or co-borrower is deceased (and proof is provided), all borrowers who signed the original loan documents must sign the Trial Period Plan, the Modification Agreement and all other required modification documents. Contact your mortgage company if it would be difficult or impossible for you to comply with this requirement.

### *Trial Period Payments*

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

BAC Home Loans Servicing, LP. Please continue to use your preferred method of payment.

**Q What happens to my trial period payments if I do not comply with the terms of the Trial Period Plan?**

**Q What if my trial period payment is less than the payment I currently owe on my loan?**

You only need to pay the trial period amount during the three month trial period. The difference between the amount of the trial payment and your normal monthly payment will be added to your loan balance.

**Q Could my trial period payment be more than my current payment?**

escrow payments, your trial period payment could be higher than your current payment. Please note: the increase in your as we will pay those for you out of your escrow account.

**Q What do you do with my first trial period payment if I do not qualify for the program?**

not qualify for the program, we will help you evaluate other options to help you keep your home or ease your transition to a new residence.

### *Modification Terms*

**Q If I get a Home Affordable Modification, can my modified loan terms ever revert to the original loan terms?**

No. This is one of the advantages of the Home Affordable Modification Program. Once your loan is modified, the new terms stay in place for the remainder of your loan.

G. I understand that the Plan is not a modification of the Loan Documents and that the Loan Documents will not be modified unless and until (i) I meet all of the conditions required for modification, (ii) I receive a fully executed copy of a Modification Agreement, and (iii) the Modification Effective Date has passed. I further understand and agree that the Servicer will not be obligated or bound to make any modification of the Loan Documents if I fail to meet any one of the requirements under this Plan.

3. **The Modification.** I understand that once Servicer is able to determine the final amounts of unpaid interest and any other delinquent amounts (except late charges) to be added to my loan balance and after deducting from my loan balance any remaining money held at the end of the Trial Period under Section 2.D. above, the Servicer will determine the new payment amount. If I comply with the requirements in Section 2 and my representations in Section 1 continue to be true in all material respects, the Servicer will send me a Modification Agreement for my signature which will modify my Loan Documents as necessary to reflect this new payment amount and waive any unpaid late charges associated with overdue loan payments remaining unpaid as of the date immediately before the modification. Upon execution of a Modification Agreement by the Servicer and me, this Plan shall terminate and the Loan Documents, as modified by the Modification Agreement, shall govern the terms between the Servicer and me for the remaining term of the loan.

4. **Additional Agreements.** I agree to the following:

- A. That all persons who signed the Loan Documents or their authorized representative(s) have signed this Plan, unless a borrower or co-borrower is deceased or the Servicer has waived this requirement in writing.
- B. To comply, except to the extent that they are modified by this Plan, with all covenants, agreements, and requirements of Loan Documents, including my agreement to make all payments of taxes, insurance premiums, assessments, Escrow Items, impounds, and all other payments, the amount of which may change periodically over the term of my loan.
- C. That this Plan constitutes notice that the Servicer's waiver as to payment of Escrow Items, if any, has been revoked, and I have been advised of the amount needed to fully fund my Escrow Account.
- D. That all terms and provisions of the Loan Documents remain in full force and effect; nothing in this Plan shall be understood or construed to be a satisfaction or release in whole or in part of the obligations contained in the Loan Documents. The Servicer and I will be bound by, and will comply with, all of the terms and provisions of the Loan Documents.
- E. Notwithstanding anything herein to the contrary, if my final two Trial Period Payments are received by Servicer after the close of business on the 15th calendar day of the last month of the Trial Period but before the end of the Trial Period, I agree that the Trial Period shall be extended by one calendar month (the "Additional Trial Period"). I agree to abide by all terms and provisions of this Trial Period Plan during the Additional Trial Period. In addition, I agree to make a Trial Period Payment in the amount of \$1,983.25 [the same amount of the other Trial Period Payments] no more than 30 days after the last due date listed in the chart in Section 2 above.

The Servicer and I have executed this Plan.

\_\_\_\_\_  
BAC Home Loans Servicing, LP

\_\_\_\_\_  
Date

By: \_\_\_\_\_

\_\_\_\_\_  
Date

