

Your mortgage is approved for a modification.

Please return the Modification Agreement by August 19, 2012.

Your first modified mortgage payment is due September 01, 2012.



August 09, 2012

[Redacted]
[Redacted]
[Redacted]
Loan Number: [Redacted]

Dear ANN M SIMONETTI:

Thank you for applying for a loan modification. We are pleased to inform you that you have been approved and your mortgage will soon be permanently modified to provide you with an affordable monthly payment.

The enclosed Modification Agreement reflects the new terms of your modified mortgage that will go into effect once you complete and return the enclosed documentation.

Please read the attached summary of your modified home loan and Modification Agreement carefully. We have also included a Clarity Commitment™, which provides a summary of your new loan terms. If you have questions about this offer, please call me at 1.800.669.6650.

How to Accept This Offer:

Choose one of the following options:

We will come to you. For your convenience, a representative of Bank of America, N.A. will call you (or may have already called you) to set up an appointment to sign your documents. The representative will personally deliver two additional copies of these documents to you, ensure that your documents are executed correctly, and return the documents to us by the due date. Please give two signed copies of the documents to the person delivering the Modification Agreement to return to us for processing and keep all other copies for your records.

Send your documents to us. Sign two modification agreements and return them to us using the enclosed pre-paid envelope by August 19, 2012. Please mail the documents to: Home Retention Services, Inc., 9700 Bissonnet Street, Suite 1500, Houston, TX 77036. Keep the other copy for your records.

Once your first mortgage is permanently modified under HAMP, a second mortgage on the same property may be eligible for a modification under the Second Lien Modification Program (2MP). If you have a second mortgage on the same property, please visit makinghomeaffordable.gov/programs/second-mortgage-help/pages/default.aspx to see if your second mortgage servicer is participating in 2MP. If so, you should hear from them within 60 days. If you have not heard from them within this timeframe, please contact them directly to see if your second mortgage is eligible for a modification.

We appreciate your cooperation and look forward to taking the final steps to providing you with modified mortgage payments.

Sincerely,



Lynette Miles
Home Loan Team
Bank of America, N.A.



P.S. For your convenience, we invite you to enroll in our PayPlan services program. Your monthly mortgage payment can be automatically debited from your designated checking or savings account. To learn how to sign up please review the attached PayPlan Enrollment Form.

Enclosures: (1) Clarity Commitment (2) Summary of Your Modification Agreement (3) Modification Agreement - Servicer Copy (4) Modification Agreement - Servicer Copy (5) Modification Agreement - Customer Copy (6) Important Disclosures (7) PayPlan Enrollment Form & Electronic Payment Service Agreement (8) Pre-Paid Envelope

Bank of America, N.A. is required by law to inform you that this communication is from a debt collector. However, the purpose of this communication is to offer you a permanent loan modification that may help you bring or keep your loan current through affordable payments.

- § Mortgages funded and administered by an  Equal Housing Lender.
-  Protect your personal information before recycling this document.





Loan Modification
CLARITY COMMITMENT

Thank you for working with Bank of America, N.A. 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 \$281,973.72. Past due interest in the amount of \$32,107.83, and servicing expenses paid to third parties in the amount of \$1,782.99, and taxes and insurance in the amount of \$139.99 totaling \$34,030.81 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 10.950% is changing to 9.200% for the life of your modified loan.

Over the next three years, as long as you remain in good standing on the loan, we will annually forgive \$28,197.37 of the deferred principal.

Your final payment date, which is your existing maturity date, is April 01, 2047.

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 accrue an incentive that reduces the principal balance on your loan, provided your loan does not become 90 days delinquent at any time.

Your New Mortgage Payments

Your new total modified monthly mortgage payments of \$1,790.11 are made up of principal and interest of \$1,579.11 and an initial escrow amount of \$211.00. 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 of September, 2012.

- Years 1-35, beginning 09/01/2012, the interest rate will be 9.200% with a total monthly payment of \$1,790.11

If you have questions regarding the Modification Agreement or the steps you must take to complete this process, please contact 1.800.669.6650.



Summary: Here is a summary of your modified mortgage

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.

PRINCIPAL REDUCTION ALTERNATIVE. You may be eligible to have some of your principal forgiven on a deferred basis. If you make your monthly mortgage payments on time, we will forgive **\$28,197.37** of the principal balance of your loan each year on the anniversary of your first trial period payment date for three years. You will lose this benefit if your modified loan loses good standing, which means that the equivalent of three full monthly payments are due and unpaid on the last day of any month, at any time during this three year period, including all accrued and unapplied amounts, even if the mortgage loan is later brought current. Any principal forgiveness will be reported to the Internal Revenue Service and may have tax consequences. Therefore, you are advised to seek guidance from a tax professional. Please contact **1.800.669.6650** if you do not want principal forgiveness, we may have other modification options for you.

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. Bank of America, N.A. 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 Bank of America, N.A. 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 **\$211.00**. 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 **\$595.63**. You may pay this amount over a 5-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 in a lump sum, please contact us. Paying this amount now in a lump sum will reduce your new monthly mortgage payment.** Bank of America, N.A. 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 **1.800.669.6650**.

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 modified 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.



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