

November 7, 2014

Zachary Perlick
 1420 Walnut Street Suite 718
 Philadelphia, PA 19102

██████████
 ██████████
 Schwenksville, PA 19473

Loan Number: ██████████

Dear ██████████

We're writing with important information about your FHA Loan. We're pleased to let you know that you are approved to start a Trial Period Plan for a new loan assistance program offered by Bank of America as part of its recent settlement with the Department of Justice. **This modification program includes a significant forgiveness of principal and an affordable monthly payment.**

The proposed modification terms

If you complete this Trial Period Plan by making all payments as outlined below, any unpaid late fees will be waived and any advances that we paid on your behalf and any unpaid interest will be added to your principal balance. This updated principal balance will then be **permanently reduced by an estimated \$245,975.68**. In addition, we will fix your interest rate at the rate set forth below for the life of the loan.

Please note that approval of the modification by the Bankruptcy Court will also be required.

This chart shows the benefits you will receive from this modification:

	Current Loan	Modified Loan
Monthly Payment	\$3,352.72	\$2,298.13
Total Loan Principal Balance (includes past due payments, interest and advances added to principal at the time of the modification)	\$552,975.69	\$307,000.01
Interest Rate	5.500%	2.000%

Please note the amount(s) shown are estimates only based on the current status of your loan. Additional payment or advance activity during the trial plan period may result in minor changes to these estimates. Once you successfully complete your Trial Period Plan payments, you will receive a permanent modification agreement that shows the final loan and payment amounts. However, your final modified monthly payment will be substantially equal to the trial payments shown below. Note that your initial modified monthly payment will change over time based on changes to your tax and insurance escrow requirements.

Because this is an FHA-insured loan, certain conditions apply to the offer. Please read this letter carefully to understand those conditions.

What you need to do

Send in your monthly Trial Period Plan payments as follows:

APPROVED FOR A TRIAL PLAN:
You could receive principal forgiveness in the approximate amount of \$245,975.68, and a low monthly payment of approximately \$2,298.13.

To accept this trial plan, make your first trial payment by December 1, 2014.

Trial Period Plan

- 1st payment: \$2,298.13 by December 1, 2014
- 2nd payment: \$2,298.13 by January 1, 2015
- 3rd payment: \$2,298.13 by February 1, 2015

If you are in bankruptcy and are required to receive Bankruptcy Court approval of the modification, you may continue making your monthly Trial Period Plan payments until you receive approval. If you are currently making your mortgage payments to a Trustee, please note that all funds we receive from the Trustee during the loan modification review, trial period, and court approval process will be applied and credited to your account if you are in an active bankruptcy.

Since you are required to make your regular monthly mortgage payment to a Chapter 13 Trustee, you should continue to forward your monthly payment to the Chapter 13 Trustee.

If you successfully complete your trial payments, you will need to sign and return to us a modification agreement that will be sent to you at the end of this trial period. The agreement must be signed by all borrowers on the loan. Finally, you will be required to sign a form agreeing to cancel the FHA insurance on your loan, in accordance with the disclosure set forth below. After that, your loan will be up to date with a modified monthly payment.

IMPORTANT INFORMATION ABOUT THE IMPACT OF THIS MODIFICATION ON YOUR FHA LOAN

You currently have an FHA-insured loan administered through the Department of Housing and Urban Development (HUD). You, as the borrower, are responsible for paying a mortgage insurance premium every month for this insurance. FHA insurance provides protection to the investor on your loan against losses resulting from a foreclosure. FHA insurance does not reduce your ultimate liability for repayment of any such loss, and HUD could still collect from you the amount of any insurance that it paid to the investor on account of a foreclosure. However, FHA-insured loans do provide borrowers with specific benefits, such as special loss mitigation products and certain streamlined refinance programs available for borrowers who are current on their loan.

FHA modification programs do not offer forgiveness of principal. In order to offer you this opportunity for a modification with principal forgiveness, Bank of America, as a part of the recent settlement, agreed with HUD that each borrower who completes all required trial payments and enters into a final modification agreement would also agree in writing to a cancellation of the FHA insurance on the loan. This means that you would no longer be responsible for payment of a monthly mortgage insurance premium, and that the owner of your loan would not be able to seek payment from HUD for any loss resulting from a foreclosure. It also means that FHA programs such as the streamlined refinance program, FHA loss mitigation options, and face-to-face loss mitigation meetings at your property after default would no longer be available to you, and that Bank of America would no longer service your loan as an FHA-insured loan.

Your acceptance of this trial plan offer by making your first trial payment by the due date shown above **does not** constitute your agreement to cancel the FHA insurance on your loan. However, your written agreement to cancel will be required at the end of the trial period as a condition to permanently modifying your loan and forgiving principal. If you decide you don't want to agree to the cancellation of the FHA insurance, this offer will be cancelled, we will continue to collect any unpaid amounts, and you will have to re-apply for loan assistance under FHA programs available to you at that time. Those programs will normally require that you provide a complete application, including financial information such as paystubs and tax returns, in order to be evaluated, and there is no guarantee you will be approved. However, if you are willing to cancel this FHA insurance, all you need to do to receive this principal forgiveness modification is complete the trial plan on time and sign the required documents, as you are already pre-approved.

Please consider your options carefully before you accept this trial period plan.

Important Message:

You meet the criteria to apply for a modification program as part of the National Mortgage Settlement. Qualifying customers will receive significant principal reduction and may reduce their monthly payment by up to 35%.

Bank of America  Home Loans

You should complete, sign and return all the enclosed documents as soon as possible to see if you qualify.

Philadelphia, PA 19141-1607

Dear [REDACTED]

Loan Number: [REDACTED]

Thank you for contacting us to discuss possible loss mitigation options. We are pleased to let you know you meet the criteria required to apply for one or more loan assistance options. These options may include a modification program under the National Mortgage Settlement.

If you qualify for this home loan modification, any unpaid late fees will be waived, interest and advances that we paid on your behalf will be added to your principal balance, and principal reduction will be applied. Please note that if you qualify for this program, approval from the Bankruptcy Court will also be required.

Here's how this modification works. The example below was created using actual results of this program to demonstrate the potential savings or benefit you could receive if eligible for a modification under this program. These numbers are estimates only and actual savings may vary. **You must apply for this modification to learn whether you qualify.**

Savings Example:

How This Modification Works		Customer Benefit		
Unpaid Principal Balance Before Modification	\$142,000		Before Modification	After Modification
Unpaid Interest and Advances (+)	\$23,000	Total Amount Outstanding	\$165,000	\$98,000 (41% Reduction)
Total Amount Outstanding Before Modification (=)	\$165,000	Days Past Due	690 Days	0 Days (Loan Brought Current)
Principal Reduction (-)	\$67,000	Monthly Principal and Interest Payment	\$1,000	\$650 (35% Reduction)
Modified Loan Balance (=)	\$98,000			

Please note that escrow/impound for taxes and insurance will be required as part of this modification. If you qualify, the escrow payment amount will be added to the new monthly principal and interest payment. We will then pay the taxes and insurance on your behalf from the escrow/impound collected. In some cases an interest rate reduction will also be applied as part of this modification. Please see the enclosed Frequently Asked Questions for more information.

WHAT YOU NEED TO DO

- To help us determine if you qualify for this principal reduction modification program or other loan assistance programs, please send us the requested financial information listed in the enclosed checklist to Bank of America, N.A. 9700 Bissonnet Street, Suite 1500, Houston, Texas 77036 or via fax to 1.866.270.0620 as soon as possible. We have provided a pre-paid envelope for your convenience. Once we have received all required documents, the loan evaluation process should not take more than 30 days.
- Please be sure to promptly respond to any requests you receive from us.
- Please read the enclosed Frequently Asked Questions that include important information on taxes.
- For general information about the settlement, visit bankofamerica.com/principalreduction.