



Bank of America
475 CrossPoint Parkway
PO Box 9000
Getzville, NY 14068-9000

July 12, 2008

[REDACTED]
[REDACTED]
[REDACTED]

Aliso Viejo CA 92656

Loan Number [REDACTED]

Dear Bank of America Customer:

This letter constitutes our offer to modify the Mortgage identified above, subject to the terms and conditions agreement. When signed by you, this letter will also constitute your acceptance and agreement to these terms and conditions.

Your mortgage is currently in default. Collection activities, which may include foreclosure, may continue. If you sign the attached acceptance and perform as required in this commitment, we will cease any collection activity when the mortgage is modified.

Indicate your acceptance of this offer for a Modified Mortgage under the terms and conditions outlined on pages 2 and 3 by signing the attached acceptance, which must be signed by each borrower and returned according to the document due date in the cover letter. If we do not receive this signed acceptance letter, this offer will expire automatically without further notice.

Automatic mortgage payments provide convenience and peace of mind. Enclosed you will find information on mortgage payment options including our Automatic Payment Program. If you are interested, and it is not a condition of the modification, to participate in the Automatic Payment Program or any of the other programs offered, please complete the enclosed form and return it with your signed acceptance letter.

Sincerely,

Loss Mitigation

LM613 032
JHM

Loan Number [REDACTED]

Terms and Conditions Agreement

Section A. Terms of Modification

- * The new principal balance will be \$ 457,594.10.
- * The interest rate(s), and the resulting principal and interest (P&I) payment(s), are set according to the following table. The last rate and payment amount listed will be in effect until the maturity of the Modified Mortgage.
- * 5.25000% (P&I \$ 2,526.85) effective with the 10/01/08 payment.
- * The Modified Mortgage will require the establishment and on-going maintenance of an escrow account for real estate taxes and/or insurance, if such an account does not currently exist.
- * The monthly escrow is \$ 597.29. Your new payment will be \$3,124.14. This is subject to change after completion of the modification and your escrow is analyzed.
- * The maturity date of the Modified Mortgage is September 1, 2038.
- * All other terms and conditions of the mortgage will remain the same for the Modified Mortgage, including but not limited to provisions for late fees and the right of Bank of America to pursue collection for default, including foreclosure.

Section B. Amounts to be Paid in Certified Funds

- * A mortgagor contribution of \$ 958.84 is due by the document due date in the cover letter, which includes a non refundable modification fee of \$150.00 and any required escrow funds. These fees are estimates and may change. Should the title and attorney fees be less than the estimated figures, Bank of America will apply the overage accordingly. If they are more than stated, we will ask you to send us certified funds to cover the shortages.

Section C. Contingencies

- * We may obtain a lender's title insurance policy or endorsement insuring the Modified Mortgage as a first lien. If you have any other encumbrances to the property, you may be required to obtain subordination agreements from other secured creditors.
- * If your loan contains mortgage insurance, the modification is contingent upon approval from the mortgage insurer.