

Loan Modification Proposal

Loan Number:	123456	Years in Property:	
Borrower Name:	Jake TestClient	1st Loan #:	123456
Property Address:	6232 N. Pulaski Suite 203 Chicago, IL. 60646	2nd Loan #:	234567

We are proposing the following Loan Modification Terms for your favorable decision:

Loan Modification Proposal			Income Analysis		
Loan Number:	123456				
First Mortgage	Current	Proposed	Income Analysis	Current	Proposed
Loan Type:	ARM	Fixed	Gross Monthly House Hold Income	\$5,700.00	\$5,700.00
Principal Balance:	\$300,000.00	\$250,500.00	Net Monthly House Hold Income	\$5,100.00	\$5,100.00
Terms	30 Years	30 Years	Total Monthly Expenses (Non Mortgage Related)	\$3,160.00	\$3,160.00
Interest Rate (APR):	7.00%	2.00%	Total Monthly Housing Taxes and Insurance	\$700.00	\$700.00
Monthly 1st Mortgage Payment (PITIA)	\$2,797.64	\$1,625.90	Total Monthly Expenses (Including Mortgage)	\$6,457.64	\$5,011.36
Housing DTI (Incls. 1st Mortgage)	30.08%	17.48%	Monthly Net Cash Flow	(\$1,357.64)	\$88.64
Amount in Arrears: (Incl in Proposed Principal)	\$500.00	\$500.00	Surplus/defecit % of Income	(26.62%)	1.74%
Escrow Shortage: (Incl in Proposed Principal)	\$0.00	\$0.00	Back End DTI	171.15%	145.77%
Fees & Admin Costs: (Per HUD Guides Waived)	\$0.00	\$0.00			

Loan Modification Proposal			Market Value Analysis	
Loan Number:	234567		Current Market Value:	\$300,000.00
Second Mortgage	Current	Proposed	Balance of First Mortgage:	\$300,000.00
Loan Type:	Fixed	Fixed	Balance of Second Mortgage:	\$60,000.00
Principal Balance:	\$60,000.00	\$60,999.00	Total Mortgage Debt	\$360,000.00
Terms	30 Years	30 Years	Equity Surplus/Deficit	(\$60,000.00)
Interest Rate (APR):	9.00%	2.00%	Current LTV:	120.00%
2nd Mortgage Mo. Payment:	\$500.00	\$225.46	Cost of Foreclosure Analysis	
Amount in Arrears: (Incl in Proposed Principal Bal.)	\$1,000.00	\$1,000.00	Est. months in arrears at time of REO sale:	10
Late Fees & Admin Costs: (Per HUD Guidelines Waived)	\$0.00	\$0.00	Monthly Mortgage Payment (PITIA):	\$1,851.36
The proposed (1st & 2nd) modified new monthly payments:		\$1,151.36	Mortgage Pymts in arrears at sale:	\$27,976.40
The modified payment monthly residual cash flow is:	\$88.64		Attorney's Fees:	\$1,000.00
Requested Principal Reduction Amount for 1st Mortgage		\$50,000.00	Estimated Cost to Secure Property:	\$1,000.00
Requested Principal Reduction Amount for 2nd Mortgage		\$1.00	Estimated Maintenance Costs:	\$1,000.00
			Total Estimated Foreclosure Costs (Does not include any costs to cure property)	\$30,976.40
Asset Liquidation Analysis			Foreclosure Estimated Loss	
Current Market Value:		\$300,000.00	Total Sale Proceeds	\$180,523.60
Foreclosure Estimated Sales Price (75% of CMV)		\$225,000.00	Less: Balance of 1st Mortgage	\$300,000.00
Less: Real Estate Commissions @ 6		\$13,500.00	Less: Balance of 2nd Mortgage	\$60,000.00
Less: Estimated Foreclosure Costs:		\$30,976.40	Estimated Lender Loss from Foreclosure	(\$179,476.40)
Total Sale Proceeds to Lender		\$180,523.60		

