

Proposal/Offer

Borrower Name: John Doe-Test **1st Loan #:** 565432
Property Address: 10 main st
 Hollywood, FL. 330212

We are proposing the following Short Sale Terms for your favorable decision:

Current Mortgage Information

Loan Number:	565432
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First Mortgage	Current
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Loan Type:	30 Year Fix
Principal Balance:	\$545,678.00
Terms	Interest Only
Interest Rate (APR):	9.000%
Monthly 1st Mortgage Payment (PITIA)	\$6,566.00
Housing DTI (Incls. 1st Mortgage)	77.25%
Amount Past Due	\$12,000.00

Income Analysis

Income Analysis	Current
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Gross Monthly Household Income	\$8,500.00
Net Monthly Household Income	\$7,100.00
Total Monthly Expenses (Non Mortgage Related)	\$1,600.00
Total Monthly Housing Taxes and Insurance	\$888.00
Total Monthly Expenses (Including Mortgage)	\$8,166.00
Monthly Net Cash Flow	(\$1,066.00)
Surplus/deficit % of Income	(15.01%)
Back End DTI	84.01%

Income Analysis

Est. months in arrears at time of REO sale:	10
Current Monthly Mortgage Payments (P+I Only):	\$5,678.00

Market Value Analysis

Current Market Value:	\$456,000.00
Balance of First Mortgage:	\$545,678.00
Total Mortgage Debt	\$545,678.00
Equity Surplus/Deficit	(\$89,678.00)
Current LTV:	119.67%

Asset Liquidation Analysis

Current Market Value:	\$456,000.00
Foreclosure Estimated Sales Price (75% of CMV)	\$342,000.00
Less: Real Estate Commissions @ 5%:	\$17,100.00
Less: Estimated Foreclosure Costs:	\$59,780.00



Loan # 1: 565432
Client Name: John Doe-Test
Address: 10 main st, Hollywood, FL. 330212

Mortgage Pymts in arrears at sale:	<u>\$56,780.00</u>	Total Sale Proceeds to Lender	<u>\$265,120.00</u>
Attorney's Fees:	<u>\$1,000.00</u>	Foreclosure Estimated Loss	
Estimated Cost to Secure Property:	<u>\$1,000.00</u>	Total Sale Proceeds	<u>\$265,120.00</u>
Estimated Maintenance Costs:	<u>\$1,000.00</u>	Less: Balance of 1st Mortgage	<u>\$545,678.00</u>
Total Estimated Foreclosure Costs (Does not include any costs to cure property)	<u>\$59,780.00</u>	Estimated Lender Loss from Foreclosure	<u>(\$280,558.00)</u>

Short Sale Offer Analysis

Original Par Amount	<u>\$678,909.00</u>
Cure Rate	<u>10.000%</u>
Current Property Value (BPO)	<u>\$456,000.00</u>
Home Price Forecasted Depreciation	<u>9.000%</u>
REO Stigma Discount	<u>20.000%</u>
Liquidation Value	<u>\$278,160.00</u>
Past Due Interest, Advanced Escrows & Accumulated Fees	<u>\$12,000.00</u>
Expected REO Disposition Value	<u>\$266,160.00</u>
REO Value	<u>\$307,434.90</u>
Short Sale Offer	<u>\$250,000.00</u>
Investor Benefit by Accepting Short Sale	<u>(\$57,434.90)</u>

Short Sale Proposal

Borrower Name: John Doe-Test **1st Loan #:** 565432
Property Address: 10 main st
Hollywood, FL. 330212

We have a buyer offering \$0.00, closing in 45 days, and asking for no inspection period. Based on the comparables and the amount of damage to the property, you can see that the buyer's offer is more than fair. Upon our inspection of 10 main st, Hollywood FL. 330212, we found that the property needs major work to bring it up to current market standards. Our buyer has based the offer on the market values as well as the necessary repairs. In addition, after inputting the variables on our internal model, which corresponds to FDIC Guidelines, it would be beneficial for the investor to accept the proposed short sale offer due to the \$307,434.90 in savings over a foreclosure. The borrower has experienced a legitimate hardship which is permanent. Given the income and expenses, there is no question the borrower will continue to default. The property was listed with a realtor since ; however there have been no offers to cover the amount the borrower owes. Please review the attached documents and respond at your earliest convenience. I urge you to accept our buyer's proposal and move for a quick closing on this property. Thank you for your cooperation and we look forward to working with you.

Sincerely,

Demo Back Office
Phone (925) 207 - 5889
Fax (888) 870 - 4662

Loan Modification Proposal

Borrower Name: John Doe-Test **1st Loan #:** 565432
Property Address: 10 main st
 Hollywood, FL. 330212

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

Loan Modification Proposal			Income Analysis		
Loan Number:	565432				
First Mortgage	Current	Proposed	Income Analysis	Current	Proposed
Loan Type:	30 Year Fix	Fixed	Gross Monthly House Hold Income	\$8,500.00	\$8,500.00
Principal Balance:	\$545,678.00	\$557,678.00	Net Monthly House Hold Income	\$7,100.00	\$7,100.00
Terms	Interest Only	40/30 Years	Total Monthly Expenses (Non Mortgage Related)	\$1,600.00	\$1,600.00
Interest Rate (APR):	9.000%	2.125%	Total Monthly Housing Taxes and Insurance	\$888.00	\$888.00
Monthly 1st Mortgage Payment (PITIA)	\$6,566.00	\$2,613.70	Total Monthly Expenses (Including Mortgage)	\$8,166.00	\$4,213.70
Housing DTI (Incls. 1st Mortgage)	77.25%	30.75%	Monthly Net Cash Flow	(\$1,066.00)	\$2,886.30
Amount Past Due	\$12,000.00	\$12,000.00	Surplus/deficit % of Income	(15.01%)	40.65%
Escrow Shortage: (Incl in Proposed Principal)		\$0.00	Back End DTI	84.01%	37.51%
Fees & Admin Costs: (Per HUD Guides Waived)		\$0.00			

Loan Modification Proposal

The proposed modified new monthly payments for 1st and 2nd(not including taxes, insurance, or association) \$1,725.70

The modified payment monthly residual cash flow is: \$2,886.30

Requested Principal Reduction Amount for 1st Mortgage \$0.00

Market Value Analysis

Current Market Value: \$456,000.00

Balance of First Mortgage: \$545,678.00

Total Mortgage Debt \$545,678.00

Equity Surplus/Deficit (\$89,678.00)

Current LTV: 119.67%

Cost of Foreclosure Analysis

Est. months in arrears at time of REO sale: 10

Current Monthly Mortgage Payments (P+I Only): \$5,678.00

Mortgage Pymts in arrears at sale: \$56,780.00

Attorney's Fees: \$1,000.00

Estimated Cost to Secure Property: \$1,000.00

Estimated Maintenance Costs: \$1,000.00

Total Estimated Foreclosure Costs (Does not include any costs to cure property) \$59,780.00

Asset Liquidation Analysis

Current Market Value: \$456,000.00

Foreclosure Estimated Sales Price (75% of CMV) \$342,000.00

Less: Real Estate Commissions @ 5%: \$17,100.00

Less: Estimated Foreclosure Costs: \$59,780.00

Total Sale Proceeds to Lender \$265,120.00

Foreclosure Estimated Loss

Total Sale Proceeds \$265,120.00

Less: Balance of 1st Mortgage \$545,678.00

Estimated Lender Loss from Foreclosure (\$280,558.00)

