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RIDDLE REALTY

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March 2, 2010

Mr. Kenneth D. Lewis, President
Bank of America Corp.
100 North Tryon Street
Charlotte, NC 28202-4031

Re: Loan #: [REDACTED]
Loan #: [REDACTED]
Borrower: [REDACTED]
Property Address: [REDACTED] Spring Valley 91978

Dear Mr. Lewis:

This letter is regarding the above-referenced matter. I do not believe that Bank of America has been acting in Good Faith. My firm was in this Short Sale Transaction with Bank of America, James McKinley, was the negotiator for Bank of America, and Lauren Hellring was his supervisor. Our company has closed many Short Sales with numerous banks successfully.

The Seller, [REDACTED], has had many hardships. He was going through a divorce, he was losing his job and he was diagnosed with colon cancer. He is currently under treatment for his cancer. He is not a well person. [REDACTED] had excellent credit up to this point, however, the events have not been favorable. [REDACTED] is [REDACTED] primary residence.

On August 3, 2009, a Buyer made an offer for [REDACTED] home of \$130,000 to be funded with a loan from FHA. Mr. McKinley, Bank of America's negotiator, on February 15, 2010 (Six (6) months later), claims that the "Buyer walked." The Buyer did not walk. Mr. McKinley made a Counter Offer of \$140,000 to the FHA Buyer's original offer of \$130,000 almost six months after the Buyer made the offer. Mr. McKinley posted the Counter Offer on Equator, the successor to REO Trans. This was unusual because he had not posted there before, and no notice was given that there was a response. The only direct response to the offer was almost Six (6) months from the date we submitted the original offer. Clearly, this is playing a game.

In fact, Mr. McKinley from his own paperwork and appraisal knows that the property will only appraise for no more than \$125,000. The comparable sales will not support a price of \$140,000. The Short Sale package was originally Faxed to Bank of America on August 12, 2009. On August 18, 2009, Bank of America acknowledged receiving the package and requested additional information. The information was sent. After many calls on or about September 4, 2009, a negotiator was assigned, Angel Lopez, Jr. After many more phone calls, it was determined that Bank of America had lost the file. The package was resubmitted.

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On October 5, 2009, I received a call from Pilar Flores, Supervisor of Bank of America, that REO Trans would be faster and quicker. I objected because I did not want to be a guinea pig for REO Trans. I was forced to use the program or the property would be sold at foreclosure. I had worked with REO Trans in the past and they are terrible. REO Trans is a cesspool. I had to give this firm permission to submit the package by logging onto a very complicated and confusing system of REO Trans. The complete package was finally submitted again under the REO Trans System. This was the Third time this package was submitted.

James McKinley was assigned as negotiator on October 9, 2009. I tried calling him and I emailed him many times, he has never responded. I received one email stating that the appraisal was done on December 12, 2009. The Bank of America's appraisal was actually done on October 21, 2009. I met the appraiser and showed him the unit. The appraiser was not even from San Diego. He did not know that Spring Valley is a depressed part of San Diego County and declining. Nevertheless, REO Trans showed that Mr. McKinley did not enter the information into the system after the appraisal was done. We called, and we emailed both Mr. McKinley and Lauren Helling to find out why Mr. McKinley had not entered the appraisal in the system.

Many many Calls, Escalations, Rushes, etc., were made on the account. There was always an internal task that needed to be completed by Mr. McKinley. The foreclosure sale was set to be on January 6, 2010 and it was postponed. We found out that BACI (Bank of America India) was working on the account as well. Next, we heard that the investors were contacted. Then, we were told to call back, again.

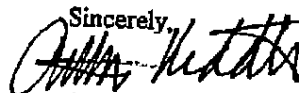
After many calls finally on February 9, 2010, we were told on the phone that the offer was accepted and the escalation was approved. Later that week, it was discovered that the approval was a Counter-Offer on Equator. On February 15, 2010, I spoke to Mr. McKinley for the first time. He clearly came across as not being competent. I explained to him that the Buyer was getting an FHA loan (3.5% down and 5% interest) and could not afford the extra down payment and extra monthly payments. Additionally, I told him that I do not believe that the unit would appraise for \$130,000 and was very unlikely to appraise for his offer of \$140,000. I asked him where he was getting his information. I spoke to his appraiser when they called to appraise the property. Clearly, he is not looking at the appraisals. He just claimed the "Buyer walked." I tried to explain to him that the Buyer did not walk and that he was Countering the Offer to the Buyer. The FHA Buyer could not accept the higher down and higher monthly payment.

On February 22, 2010, another appraiser was sent out. The appraiser from Bank of America was looking for a sales price of \$124,500. This makes no sense? In Six months, only Five units have sold. Many of those were REOs for less than \$130,000. There are Ten (10) Units total for sale. There are Seven units now that are under Short Sale contingency, One unit is pending sale and Two units are actively for Sale, including this unit. This is a very difficult market.

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With Mr. McKinley's attitude, it appeared that Bank of America wants to Foreclose on ~~REO Trans~~ If Bank of America had taken the offer in August 2009, they would have saved the \$10,000 just in payments, fees and negotiator expenses. On a Cost vs. Benefit basis, REO Trans and Equator are losing money. Shareholders are not being served. The Public is not being served. It is believed that Bank of America is just taking the money and supporting incompetents so that the Bank can claim a loss to qualify for more Federal Funding.

Why pretend that you are authorizing a Short Sale, when the actual intention is to Foreclose. Bank of America is not acting in Good Faith. They are wasting time, they are wasting Shareholder Funds, and the Funds of the American People. This is not right.

Sincerely,

Arthur J. Riddle

AJR:ep

- cc: Congressman Barney Frank
2252 Rayburn Building, Washington, D.C. 20515
- cc: Mr. Timothy F. Geithner
Secretary of the Treasury
1500 Pennsylvania Avenue, NW, Washington, D.C. 20220
- cc: Mr. Ben Bernanke, Chairman
The Federal Reserve
20th Street Northwest & C St. NW, Washington, D.C. 20551-0001
- cc: President Barack Obama
1600 Pennsylvania Ave NW, Washington, D.C. 20500
- cc: Senator Dianne Feinstein
United States Senate
331 Hart Senate Office Building, Washington, D.C. 20510
- cc: Office of U.S. Senator Barbara Boxer
112 Hart Senate Office Building, Washington, D.C. 20510
- cc: Representative Duncan Hunter
1429 Longworth Office Building, Washington, D.C. 20515-0552
- cc: Governor Arnold Schwarzenegger
State Capitol Building, Sacramento, CA 95814-4905
- cc: Mr. Jerry Brown, Attorney General
State of California, 1300 I Street, 11th Floor, Sacramento, CA 95814-2919