

**Congress of the United States**  
**Washington, DC 20515**

February 15, 2011

Mr. Brian Moynihan  
President and Chief Executive Officer  
Bank of America Corporation  
100 N. Tryon Street  
Charlotte, NC 28255

Dear Mr. Moynihan:

A recent news report indicates that mortgage services in California might be refusing to provide unemployment assistance through the Keep Your Home California Program to eligible homeowners whose mortgage payments are in excess of \$3,000. We believe refusing to accept supplementary payments from homeowners is inexcusable and, if this report is accurate, we strongly urge you to remedy this problem expeditiously.

As you know, the Keep Your Home California Program's Unemployment Mortgage Assistance Program provides up to \$3,000 per month for up to six months for unemployed homeowners to help them make their mortgage payments. However, the *San Francisco Chronicle* reported on Tuesday, February 8<sup>th</sup>, that no servicers aside from the California Housing Finance Agency (CalHFA) itself and CalVet are accepting Unemployment Mortgage Assistance payments through the program for homeowners whose monthly mortgage costs are over \$3,000.

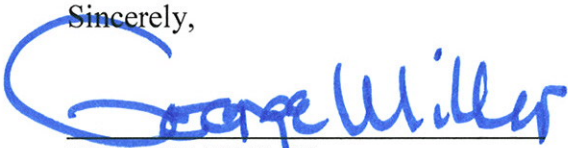
The article reported that CalHFA's program allows servicers to provide assistance to these homeowners in either of two ways—the servicer can either accept dual payments, one from CalHFA and the other from the borrower, or they can forbear the remainder of the loan above \$3,000. Our offices have spoken with CalHFA about this issue and they have confirmed to us that the *Chronicle's* characterization of these opportunities is correct.

It is unacceptable that servicers in California are unwilling or unable to figure out a workable resolution to this problem, particularly given that two viable options to address the issue exist. With unemployment still over 12% statewide, and much higher than that in some areas, it is obvious that many unemployed California homeowners who are struggling to get back on their feet need the assistance that this program provides. Yet, because most servicers are not allowing borrowers with mortgages costing over \$3,000 per month to participate, this lifeline is simply cut off to many of our hardest-hit residents. And passing the blame for the situation on to CalHFA is no excuse—they clearly do not have the infrastructure in place to efficiently process borrower payments for this program, but the nation's leading mortgage servicers must have that infrastructure in place.

As you know, we are concerned about the low overall participation to date by servicers in the Keep Your Home California and we have written to you already about this. For example, the only major servicer participating in the critical Principal Reduction Program, about which we recently wrote you, is GMAC. That simply is not good enough.

But this one particular problem has come to our attention in the meantime and we urge you to quickly remedy the failure to allow homeowners with mortgages costing over \$3,000 per month to take advantage of the Unemployment Mortgage Assistance Program. This is one small, but crucial step that can and should be taken immediately to improve this program and many of our constituents' lives. Thank you for your attention to this issue and please inform us of the steps that you are taking to resolve this problem.

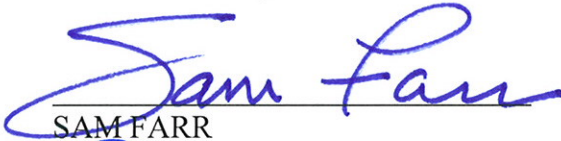
Sincerely,



GEORGE MILLER  
Member of Congress



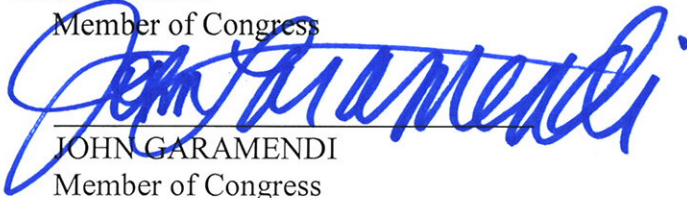
ZOE LOFGREN  
Member of Congress



SAM FARR  
Member of Congress



JACKIE SPEIER  
Member of Congress



JOHN GARAMENDI  
Member of Congress

*Note: Identical copies of this letter have been sent to Ally Financial, Citigroup, JPMorgan Chase, and Wells Fargo.*

(enclosure)