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Bank of America has a rescue plan of its own

Bank of America announced a colossal homeowner rescue plan on Monday committing to more than \$8.4 billion dedicated to provide relief to roughly 400,000 homeowners nationwide; homeowners that are struggling to make payments on their subprime loans and other risky mortgages provided to them by Countrywide Home Loans.

Countrywide, once one of California's largest subprime lenders, was acquired by Bank of America in early July of this year for \$4 billion as Countrywide was caving under the burden of loans defaulting and foreclosing.

California's Attorney General Jerry Brown, who assisted in settlement negotiations, said this homeowner rescue plan will "help some families, but the overall economy is in the hands of God at this point."

The \$8.4 billion allotted to aid homeowners will present them with the opportunity to renegotiate their mortgages; an estimated 400,000 Countrywide customers will qualify for such aid.

To be considered as qualifying, customers need to currently be falling behind, or likely to fall behind on their mortgages due to certain aspects of their loan including interest rate resets of payment changes.

Bank of America's rescue plan includes interest rates possibly as low as 2.5%, suspension of foreclosures, reduced interest payments and for select borrowers, reduction of principal balances.