

Concurrent Session

Mortgage Loan Modifications: Proving It's a Win-Win

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MORTGAGE LOAN MODIFICATIONS: PROVING IT'S A WIN-WIN LOAN MODIFICATIONS INSIDE AND OUTSIDE OF BANKRUPTCY

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In 2005 we were all worried about being called “Debt Relief Agents”. We all thought that that was going to be an incredible burden upon us. Today, in order to effectively practice bankruptcy law we have to be “Debt Relief Agents”, accountants, mortgage brokers and psychologists, (oh yeah, occasionally we also practice law.)

The economic landscape is so dramatically different than it was in 2005 that the old way of doing business is no longer the acceptable model. We now must know how to do everything. One of the biggest items on our new agenda that we must be able to do, is understand, assist and process requests for loan modifications of primary and secondary mortgages.

Through the Making Homes Affordable (MHA) Program, the government has provided approximately \$25 billion for the refinancing of loans with incentives, as well as incentives to provide loan modifications and foreclosure alternatives to try and get the economy and housing market back on track.

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As bankruptcy attorneys, we know that our clients and potential clients NEED this assistance, but how can we take advantage of the programs offered and use them to better serve our clients?

In the materials set forth below, I will discuss the current loan modification programs that exist with the support of the government and provide you with strategic practice tips that will assist you in your practice. The practice tips are not a set in stone policy that you must follow; rather they are tips and tricks of the trade that I have learned mainly through trial and error. The materials will also discuss strategies for using loan modifications to assist your client both before and after a Chapter 7 Bankruptcy and what can be done while a client is in a Chapter 13 bankruptcy.

Caveat: just when you think you understand the process, the landscape changes again.

Making Home Affordable (MHA) Program

MHA is \$25 billion for refinancing of loans with incentives and incentives to provide loan modifications and foreclosure alternatives.

Key Components:

1. Home Affordable Modification Program (HAMP)
 2. Second Lien Modification Program (2MP)
 3. Home Affordable Foreclosures Alternatives Program (HAFA)
 4. Home Affordable Refinance Program (HARP)
 5. Home Affordable Unemployment Program (UP)
- HARP and HAMP are the two principal components of MHA that use refinancing and loan modifications respectively, to reduce monthly mortgage payments to affordable levels or move borrowers to more stable mortgage products.

HOME AFFORDABLE MODIFICATION PROGRAM (HAMP)

Designed to help financially struggling homeowners avoid foreclosure by modifying loans to a level that is affordable for borrowers now and sustainable over the long term.

Currently available for conventional mortgages, including those owned by lenders

Mortgage must be a first lien conventional mortgage

Expires December 31, 2012

Eligibility:

1. Property securing loan must be borrower's **primary residence** and currently **occupied**.
2. Loan must be **delinquent** or default is imminent (loan currently in foreclosure is eligible).
3. Loan must be a **first lien** originated on or before January 1, 2009.
4. Unpaid principal balance of loan must be no more than **\$729,750** for one-unit property (higher limits apply to 2-, 3-, and 4-unit properties)
5. Borrower's total monthly mortgage payment (including principal, taxes, insurance and homeowner association or condo dues, but excluding 2nd & 3rd mortgages and mortgage insurance premiums) **exceeds 31% of gross** monthly income
6. Loan must not have previously been modified under HAMP or the subject of a fully executed HAMP Trial Period Plan
7. Borrower is experiencing **financial hardship** and does not have sufficient liquid assets to make contractual mortgage payments
 - a. Hardship can be any number of circumstances – borrowers who are current or less than 60 days delinquent may be screened for imminent default.
 - b. The borrower's financial condition must be evaluated in light of the hardship.
 - c. Must document the basis for "imminent default" and provide any documentation related to it; include information on the borrower's financial condition.

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- To ensure that a borrower currently at risk of foreclosure has the opportunity to apply for a modification under HAMP, participating servicers may not proceed with a foreclosure sale on an eligible loan until the borrower has been evaluated for HAMP and if eligible, a trial modification offer has been made.
- The median savings to borrowers in permanent modifications is more than \$500 each month.

Calculation:

1. Calculate borrower's GROSS monthly income

- Total of the borrower's and all co-borrower's income **before** any payroll deductions, including base pay, commissions, fees, tips, bonuses, housing allowances, and any other compensation
- Alimony and child support are considered only if the borrower chooses to include such income
- Income for wage earners will be verified by the two most recent paystubs
- Income for self-employed borrowers will be verified by the most recent quarterly or YTD profit and loss statement

2. Calculate borrower's monthly mortgage payment

- Principal, interest, taxes, hazard & flood insurance, HOA fees
- NOT mortgage insurance premium or 2nd, 3rd mortgages

3. Calculate mortgage payment ratio

*If the current monthly mortgage payment is calculated as 31% or less of the borrower's income, borrowers is ineligible for HAMP, and should be considered for other foreclosure prevention alternatives.

Calculating the **target monthly mortgage** principal and interest payment:

1. Multiply monthly gross income by 31%
2. Subtract monthly taxes, insurance and HOA fees

*To actually achieve target monthly mortgage payment amount, complete each step listed below (modification waterfall) in order listed and proceed to the next one **only if needed** to reach the target 31%

*****Keep in mind that MCL 600.3205(c) targets a ratio of 38%. However, most lenders seem to follow the HAMP guidelines of 31%.

Modification Waterfall

1. Capitalize accrued interest, escrow advances, and acceptable servicing advances to third parties by adding to loan balance.
2. Reduce interest rate in .125% increments to not less than 2%
3. Extend mortgage term by up to 480 months
4. Provide principal forbearance only if needed to reach 31% target.
 - In this last option, the servicer can forbear or defer a portion of the principal (no more than the greater of (i) 30% of the unpaid principal balance of the loan; or (ii) an amount resulting in a modified interest bearing balance that would create a current mark-to-market loan-to value ratio equal to 100%). The deferred amount does not accrue interest and will result in a balloon payment at the maturity of the loan.
 - At their option, servicers may forgive principal to achieve the target of 31%. The servicer may forgive principal on a standalone basis or before any step in the above process. **Bank of America is currently the only lender offering principal reduction.
 - The “target” monthly mortgage payment according to MCL 600.3205c is 38% of gross monthly income, however, mortgage companies still tend to go with the HAMP 31%.

Three-month Trial Period: ******This is almost ALWAYS longer than three months!!!!*

- Trial payment funds collected from borrowers should be held as unapplied funds (as permitted by applicable loan documents and law) until the amount collected totals at least the oldest full monthly contractual payment due, then applied to the loan as a regular monthly payment.
- Any unapplied funds remaining at the end of the trial which do not constitute full monthly contractual payments should be applied to reduce any amounts that would otherwise be capitalized into the principal balance.

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- Late charges, stop payment fees and other similar fees must be waived upon successful completion of the trial period.
- At the end of the trial period, borrowers must be “current” for their loan modification to be made permanent. For this purpose, “current” is defined as all required trial payments having been received by the last day of the month in which it is due.

******Caution: The debtor should not sign a three-month HAMP Trial Period Plan that provides for high payments based upon erroneous income information. If s/he defaults on that plan, s/he may not be eligible for another HAMP modification.*

Escrow Requirement:

- All loans modified under HAMP must include an escrow account for the payment of future property taxes and insurance.
- If the existing loan does not include an escrow account, one will be established.
- A new escrow account may require collection of a sufficient reserve to pay the taxes and insurance on or before they are next due. The reserve amount cannot be capitalized into the modified loan amount. The servicer may give the borrower the option of paying the reserve amount at the time the loan is modified or spread over a period of months.

Incentives for mortgage servicers:

- For each executed modification: \$1,000
- For each executed modification in which borrowers were current when they entered trial period: additional \$500 ******Amusingly, the program requires the debtor to generally be in default or in imminent danger of default, so it is interesting to note that I constantly hear from clients that the mortgage company told the borrower to fall behind. The mortgage servicer gets a larger incentive when the borrower was current at the time of the trial period.*

- Provided the modified loan remains in “good standing” servicers receive an annual “pay for success” fee of up to \$1000 for up to three years, provided the borrower’s monthly mortgage payment is reduced by at least 6%.

For those servicers who offer principal reduction to achieve an affordable payment will be reimbursed in an amount comparable to the reimbursement the lender/servicer would have earned had it followed the standard modification “waterfall” to achieve affordability.

SECOND LIEN MODIFICATION PROGRAM (2MP)

Offers homeowners a way to modify their second mortgages to make them more affordable when their first mortgage is modified under HAMP

- Treasury recently announced plan to expand MHA to increase affordability for borrowers by providing incentives to servicers to modify second mortgage liens.
- Under 2MP, if a borrower’s servicer is a program participant, the second lien will automatically be eligible for a modification when the first lien is modified under HAMP.
- 2MP coordinates with the first mortgage modification program to lower payments on second liens and offer a comprehensive affordability solution for homeowners.
- Participating servicers: ******Very few actually participate!*
 - Bank of America (including Countrywide)
 - Bayview Loan Servicing
 - Chase (including EMC & WaMu)
 - Citi Mortgage
 - iServe Servicing
 - Servis One dba BSI Financial Services
 - Wells Fargo (including Wachovia)

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Eligibility:

1. Has first lien been modified under HAMP?
2. Was second lien originated on or before January 1, 2009?
3. Is your second lien's unpaid principal balance more than \$5,000 **OR** do you have a pre-modification scheduled monthly payment of more than \$100?
4. Are your second lien payments due while you are still paying your first lien?
5. Is your second lien insured, guaranteed, or held by any agency **OTHER** than a Federal government agency (FHA, HUD, VA, and Rural Development – these loans are not eligible under 2MP)?

For Amortizing Loans:

1. Reduce interest rate to 1% for 5 years, and then increase the rate on the first mortgage at the conclusion of the 5 years.
2. Extend the term to match the term of the first mortgage after modification.
3. Provide principal forbearance in the same proportion as the first mortgage.

For Interest Only Loans:

1. Reduce interest rate to 2% for 5 years, and then increase the rate on the first mortgage at the conclusion of the 5 years.
2. Adjust amortization time period
3. Provide principal forbearance in the same proportion as the first mortgage

******It is important to evaluate 2MP in connection with a Chapter 13 lien strip. Which is more beneficial for your client? Is a lien strip possible? Does your client qualify for Chapter 13? Over the debt-limit? A 100% plan? Evaluate the pros and cons of both.*

HOME AFFORDABLE FORECLOSURES ALTERNATIVES PROGRAM (HAFA)

Provides opportunities for homeowners who can no longer afford to stay in their home but want to avoid foreclosure to transition to more affordable housing through a short-sale or a deed-in-lieu of foreclosure.

All HAFA agreements must be finalized and signed by December 31, 2012.

Designed for homeowners who have applied to HAMP for assistance but have had no success with their loan modification program.

To participate:

1. Must still meet HAMP's eligibility criteria:
 - a. Principal residence
 - b. First lien mortgage
 - c. Serious delinquency
 - d. Unpaid mortgage balance under \$729,750
 - e. Mortgage payment is over 31% of gross income
2. Must be considered for HAFA within 30 days if they cannot meet HAMP's requirements or if there is a specific request made for consideration for HAFA.
3. Homeowner only has 14 days to respond to a written notice that HAFA may be available to them.
4. Lender or loan servicer of the primary mortgage must approve the transaction and conduct an independent appraisal. **Must also** agree to accept the proceeds from the sale as payment in full, waiving the right to collect the balance of the loan.
- Second mortgages/HELOCs/other subordinate liens must be negotiated with either by or through lender or servicer of first lien mortgage or homeowner.
 - May be allowed to keep a limited portion of the proceeds (up to \$3,000 each) of a short-sale with the first-lien lender's approval. These funds are part of an incentive program for subordinate lienholders to waive their right to collect the balance due on their loans. The original lender may not be held responsible if any subordinate lienholders decline to participate and decide to sue the borrower for the amount of their unpaid debt.

HAFA's Short Sale Agreement (SSA):

- Requires that the deadline for the homeowner to find a buyer and complete the transaction be no less than 120 calendar days from the date the SSA is mailed to the homeowner.

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- Lender has the option of extending the deadline another 245 calendar days, for a total term of 12 months.
- The transaction must be “arms-length” and the end buyer must agree to hold the property for at least 90 days after closing.
- Per HAFA requirements – primary lender may not pursue the homeowner, but the secondary lenders do not have to agree to that provision.

Deed-in-Lieu:

- Allows homeowners in default to transfer deed to the property back to the lender in exchange for partial or full payoff of the mortgage.
- Vacancy must be at least 30 days after deed-in-lieu agreement is signed.

CAVEAT: Forgiveness of Indebtedness may result in a taxable event.

Forgiveness of Indebtedness Income Issues:

If a debt is forgiven under HAFA, it may result in a taxable event. The lender will first send the borrower a 1099-C form. This will then be disclosed as income on the borrower's IRS 1040.

There are 3 exceptions to forgiveness of indebtedness income being a taxable event:

- Debt forgiven pursuant to a bankruptcy is not a taxable event.
- If you are insolvent both immediately before and after the forgiveness of the debt, there is no taxable event.
- If forgiveness of indebtedness income relates to mortgage debt, so long as the debt forgiven relates to a) primary residence; b) was used for purchase or improvement of residence (not used to pay bills or college, etc); and c) takes place before 12/31/2010, there is no taxable event due to forgiveness of debt.

HOME AFFORDABLE REFINANCE PROGRAM (HARP)

Gives homeowners with loans owned or guaranteed by Fannie Mae or Freddie Mac an opportunity to refinance into affordable monthly payments.

Currently available only for loans owned or guaranteed by Fannie Mac and Freddie Mac

How to determine if a loan is owned or guaranteed by Fannie Mae or Freddie Mac:

Fannie Mae: (800) 7-FANNIE or www.fanniemae.com/loanlookup

Freddie Mac: (800) FREDDIE or www.freddiemac.com/mymortgage

Eligibility:

1. Loan is owned or guaranteed by Fannie Mae or Freddie Mac
2. Property is a one- to four-unit home
3. Borrower is CURRENT on the mortgage payments (“current” means the borrower has not been more than 30 days late in the last 12 months or, if the loan is less than 12 months old, the borrower has never missed a payment)
4. The unpaid principal balance of the FIRST lien mortgage does not exceed 125% of the current market value of the property. (i.e. property is worth \$200,000, the borrower must owe \$250,000 or less on that first lien mortgage)
5. The borrower has a reasonable ability to pay the new mortgage payment
6. The refinance improves the long-term affordability or stability of the loan. (Must reduce the borrower’s monthly payments or put the borrower into a more stable loan product)

Rates on the refinanced loans vary and will be based on market rates in effect at the time of refinance.

Refinanced loans will have no prepayment penalties or balloon payments.

Expires: June 20, 2011

******Practically speaking, no one really qualifies for this as most homeowner’s in Michigan are SO far under water with their mortgages.*

HOME AFFORDABLE UNEMPLOYMENT PROGRAM (UP)

Offers eligible unemployed borrowers a forbearance plan to temporarily reduce or suspend their mortgage payments

Relief for homeowner's who have lost their jobs

Effective: July 1, 2010

Eligibility:

1. Borrower must meet the HAMP eligibility criteria
2. Unemployed when a request is made
3. Entitled to receive unemployment benefits in the month of the UP forbearance plan effective date (servicers can require, at their discretion, that a borrower has received unemployment for up to three months before commencement of the forbearance plan)
4. Request a forbearance plan before borrower becomes seriously delinquent (i.e., miss three monthly mortgage payments)
 - Borrowers previously determined to be ineligible for a HAMP modification may request a UP forbearance plan if they meet the eligibility requirements.

Forbearance Plan Terms:

1. Term must be three months or upon reemployment (whichever is less). Servicers may extend this period according to their investor/regulatory guidelines.
2. Monthly mortgage payment must be reduced to less than or equal to 31% of the borrower's gross monthly household income and may be suspended in full.
 - Transition to HAMP – borrowers in an UP forbearance plan will be evaluated for HAMP at reemployment or 30 days prior to the UP forbearance period expiring, whichever happens first.
 - For borrowers with trial period plan with effective dates on/after July 21, 2010, unemployment insurance benefits, and other sources of temporary income related to unemployment, will no longer be considered a source of income for HAMP.

UP Protections Against Foreclosure:

Servicer may not refer to foreclosure or conduct a foreclosure sale under these circumstances:

1. Once borrower makes a request for UP
2. While borrower is being evaluated for UP
3. After servicer mails forbearance plan
4. During UP forbearance plan
5. Following UP forbearance plan during evaluation for HAMP or HAFA

******This sounds like a really good solution because HAMP previously did not offer any assistance to individuals who were unemployed BUT practically speaking, who is this really going to help?? The forbearance terms under UP are three months or upon re-employment, whichever is less. How many individuals do you know in Michigan who have lost their jobs and were immediately able to find something else???*

Loan Modifications during Bankruptcy- Chapter 13

Are borrowers in **bankruptcy** eligible under HAMP?

- Borrowers who file for bankruptcy during the trial period remain eligible for a HAMP modification provided they make all of the required payments in a timely fashion, are otherwise in compliance with the trial period plan and the certifications set forth in the Hardship Affidavit or Request for Modification & Affidavit under MHA, as applicable, remain true and correct. The servicer and its bankruptcy counsel must work with the borrower and the borrower's bankruptcy counsel to obtain any required court approval of the modification.
- If a servicer provides an offer under HAMP to a borrower that is involved in an active bankruptcy case, the servicer must work with the borrower or borrower's counsel to obtain all necessary approval from the bankruptcy court.
- Borrowers who are in an active Chapter 13 bankruptcy who are determined to be eligible for HAMP may be converted to a permanent modification without completing a Trial Period Plan under specific eligibility and criteria.

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- Waiver of Trial Period Plan – borrowers in a Chapter 13 case who are determined eligible for HAMP may be converted to a permanent modification without completing the trial period plan if:
 - The borrower makes all post-petition payments on the mortgage to be modified and at least 3 of those payments are equal to or greater than the proposed modified payment;
 - The modification is approved by the bankruptcy court, if required; and
 - The trial period plan waiver is permitted by the applicable investor guidelines (waivers under this policy will not begin until “system capability” and reporting issues have been worked out by Treasury. Moreover, the effectiveness of this policy change is uncertain because SD 10-02 gives servicers discretion to grant these waivers and servicers may also contend that investor guidelines prohibit such waivers).
- Borrowers who have previously received a Chapter 7 bankruptcy discharge in a case involving the first lien mortgage, **who did not reaffirm the mortgage debt under applicable law**, are also eligible.

Supplemental Directive 10-02 effective 6/1/2010:

- **Borrowers in an active Chapter 7 or Chapter 13 bankruptcy case must be considered for HAMP if the borrower, borrower’s counsel or bankruptcy Trustee submits a request to the servicer.**

Advantages of a loan modification while in Chapter 13 bankruptcy:

- Modify the first mortgage
- Strip second (potentially) – we know that HAMP doesn’t consider 2nd mortgage payments in analysis
- Address all unsecured debt
- Substitution of income documents – for borrowers in bankruptcy, the servicer may accept copies of the bankruptcy schedules and tax returns filed in the case in lieu of the financial packet, and Form 4506-T EZ, and may use this information to determine eligibility. If the schedules are more than 90 days old, the borrower must provide updated evidence of income.

Timing:

Loan Modifications take a great deal of time!

The three month trial period is almost never just three months. Therefore, waiting to file bankruptcy until a loan modification has been approved is not always the best case. If done while in a Chapter 13, debtors will have the protection of the bankruptcy stay and a “fall-back” plan in case the loan modification doesn’t go through.

The recommended time to pursue a loan modification would be AFTER confirmation if possible. Otherwise, there could be a delay of confirmation; clogging up the court docket, delaying payment to creditors and increasing the possibility that the debtor’s case won’t survive until confirmation.

- According to SD 10-02, if additional time is needed to obtain necessary court approval, the servicer should extend the trial period plan for up to an additional two months (resulting in a total 5 months trial period).
←we rarely see 3 month trial periods anyway – they always seem to be much longer!
- A Chapter 13 plan can propose to treat the mortgage as current based on Trial Period Payment (TPP) (this is important as the treatment in a plan may conflict with a creditors proof of claim and how an arrearage may be treated in the plan)

Benefits of a Loan Modification under Michigan law: MCL 600.3205 vs. HAMP:

- MCL 600.3205 process is more streamlined.
- Once in the hands of counsel, there is a direct line of communication therefore, the process seems to be more efficient and successful.
- After making a request for a meeting pursuant to MCL600.3205, a financial packet and list of requested documents is promptly provided along with a letter stating the date upon which the foreclosure process will resume.
- After submitting the completed financial packet, a date and time is scheduled for a meeting with a representative from the mortgage company and their counsel. While the mortgage company’s representative is not always fully prepared at the meeting, you are at least given the opportunity to go over

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the borrower's qualifications for HAMP or possible alternatives with a mortgage company's representative and counsel for the mortgage company.

Additional advantages of MCL 600.3205:

- A borrower may try to utilize the process to try and buy time in the home if s/he wants to surrender the property.
- For example, the borrower could be approximately three months behind on mortgage payments before the mortgage company starts the foreclosure process (obviously this may happen sooner, but it is unlikely and often times happens later). At some point, once the mortgage company has initiated the foreclosure process, but prior to holding a sheriff sale, the 600.3205 notice will be sent to the borrower giving the borrower 14 days from the date of the notice to respond and request a meeting. If the borrower responds to the notice and requests a meeting, the borrower will then have an additional 90 days to remain in the property (while not making mortgage payments). The debtor could at the end of those 90 days choose to file a Chapter 7 bankruptcy and surrender the home and then take advantage of the statutory redemption period. Generally, if utilized to the homeowner's full advantage, they can live in their residence for 12-16 months or even longer for free.

Loan Modification prior to filing Chapter 7

The advantages of pursuing a loan modification prior to filing a Chapter 7 are many:

- Client is current on home at time of filing Chapter 7, especially important if they want to keep home.
- Debtor can discharge underlying debt in Chapter 7, but maintain mortgage payments without fear of losing home so long as they stay current.
- In the event debtor chooses to let home go back to bank in future, they have no worry about bank suing for a deficiency.
- There is no need to try to get the bank to put language in a loan modification expressly recognizing that a Chapter 7 bankruptcy has been previously filed and that debtor has no personal liability on the loan.

Loan Modification AFTER filing a Chapter 7

- Some borrowers may have a significant amount of unsecured debt which impacts their ability to make mortgage payments even if the loan has been modified. Further, the mortgage company will ask for as part of a borrower's request for consideration for a loan modification, a breakdown of monthly expenses and specifically, the amount paid monthly for credit card/installment loans. Additionally, the mortgage company will likely pull a credit report to review the revolving debts a borrower is responsible for. Keep in mind, that in considering a borrower for a HAMP modification, the lender will take a look at the modified payment, including a borrower's principal, interest, taxes, insurance (and HOA fees pro-rated, if applicable), plus a borrower's revolving debt and the total must be under 55% of the borrower's gross annual income. If a borrower's total debt to income ratio (modified mortgage payment plus payments on revolving debt) equals or exceeds 55 percent, as a condition of the modification, s/he must agree to participate in a housing counseling program to help them create a sustainable financial plan. Therefore it may be prudent to file Chapter 7 first to eliminate large revolving debt. As mentioned, a borrower can't be denied a HAMP modification for having filed bankruptcy and a borrower can still get a HAMP modification **even if the mortgage was not reaffirmed in the Chapter 7.**
- SD 10-02 also restates the policy contained in SD 09-01 that borrowers who have received a Chapter 7 discharge and did not reaffirm the mortgage debt are eligible for HAMP. The following language (or similar language) should be added to the modification agreement: **"I was discharged in a Chapter 7 bankruptcy proceeding subsequent to the execution of the Loan Documents. Based on this representation, Lender agrees that I will not have personal liability on the debt pursuant to this agreement."**

Why do a Loan Modification while in a Chapter 13 even though no impact may be felt while in bankruptcy?

- Chapter 13 requires that all of a debtor's disposable monthly income be contributed to the Plan. Therefore, a modification of a debtor's mortgage while in a Chapter 13 payment may result in a reduced monthly mortgage payment, but not necessarily a reduced Chapter 13 payment. However, the benefits long-term for

your client may be HUGE! The potential exists to modify the first mortgage to something affordable long-term (possibly eliminate a balloon note or stabilize a variable interest rate). Additionally, if the debtor has a second mortgage, there is the potential to strip the second lien in Chapter 13 and eliminate the mortgage and payment altogether, as well as address all of the debtor's unsecured debt within a 3 to 5 year period of time.

Recommended Timeline:

- It appears that being a debtor in bankruptcy does not preclude an individual from being approved for a loan modification. However, keep in mind some practical things:
 - Before a permanent loan modification can be offered, borrower/debtor must complete a trial period. The HAMP guidelines indicate the trial period shall be three months. However, in many cases, the trial period last much longer. If a request for a loan modification is filed prior to confirmation, you have a couple of issues to address: court approval of the loan modification: will this pending loan modification hold up confirmation? How long will the Trustee and creditors be willing to wait? Also, if the plan proposes mortgage payments through the plan, the trial payments won't get made until the case is confirmed OR unless an adequate protection order is signed. And potentially problematic: Trustee disbursement dates – are they on par with the trial period due dates? What if you have a car being paid through the Chapter 13 plan also? Understand that failure to make timely trial period payments will result in the denial of a HAMP modification.
 - There is mention of a waiver of the Trial Period Plan in SD 10-02, however it's all discretionary, which means it is unlikely to occur.
 - The loan modification process takes time, and it is better to not adjourn confirmation over and over.

With all of these amazing new government programs available to assist borrowers, our economy must be booming again, right? Unfortunately, the complications of dealing with lenders and following all of the rules make this a long and arduous process in which few make it to the finish line. Familiarizing yourself with all

of the loan modification programs available is the first step in improving your clients' chances at not only obtaining a manageable monthly mortgage payment, but also succeeding in any future bankruptcy that they may need to file.

Once you have learned about the available options under the MHA Program, you will be able to determine what programs your clients are eligible for and how these programs can assist your client in managing their debt. Recognizing the best financial choice for your client may be simple for you, but you must be able to present ALL available solutions to your client with comprehensive understanding so that they can make the best choice for them. Failure to disclose all available debt relief options to our clients may be viewed as tantamount to malpractice by some. Bankruptcy alone is not always the best solution.

In this economy, it is imperative that we take full advantage of any debt relief programs currently available to our clients. After all, there are \$25 billion government dollars out there to be had if you know how to play by their rules.

STATISTICS

Predominant Hardship Reasons for Permanent Modifications:

- 60.3% - loss of income
- 10.4% - excessive obligation
- 3.0% - illness of principal borrower

Loan Status Upon Entering Trial Period

- 77.1% - in default at trial start
- 22.9% - at risk of default at trial start

Snapshot of Bank of America (not including BAC):

Estimated eligible 60+ day delinquent borrowers = 478,811

Trial plan offers extended = 403,384

All HAMP trials started = 308,527

Active trial modifications = 142,824

Permanent modifications = 62,969

Detroit-Warren-Livonia, MI is #10 in the 15 Metropolitan Areas with Highest HAMP

Activity with:

9,365 Active Trials

7,080 Permanent Modifications

16,445 Total HAMP activity

2.0% of all HAMP activity

The number of new homeowners entering HAMP dropped 35% to a one year low in June

www.huffingtonpost.com/2010/07/20 ******Is this a good or a bad thing? A sign that things are getting better –OR- people are giving up on HAMP??*

“Somewhere between 70 and 80 percent of the HAMP cancellations are resulting in some other form of saving the home or avoiding foreclosure.” – Michael J. Held, Co-President, Wells Fargo Home Mortgage

A look at 5 major mortgage servicers:

www.theatlantic.com

<u>Bank/Servicer</u>	<u>Total Modifications</u>	<u>HAMP Modifications</u>	<u>HAMP % of Total</u>
Citi	900,000	35,000	4%
Bank of America	630,000	70,000	11%
American Home	135,000	8,800	7%
Wells Fargo	500,000	45,000	9%
<u>Chase</u>	<u>846,000</u>	<u>47,000</u>	<u>6 %</u>
Total	3,011,000	205,800	7%

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Making Home Affordable Program Request For Modification and Affidavit (RMA)



REQUEST FOR MODIFICATION AND AFFIDAVIT (RMA) page 1

COMPLETE ALL THREE PAGES OF THIS FORM

▶ Loan I.D. Number _____ ▶ Servicer _____

BORROWER	CO-BORROWER
Borrower's name	Co-borrower's name
Social Security number Date of birth	Social Security number Date of birth
Home phone number with area code	Home phone number with area code
Cell or work number with area code	Cell or work number with area code

I want to:	<input type="checkbox"/> Keep the Property	<input type="checkbox"/> Sell the Property
The property is my:	<input type="checkbox"/> Primary Residence	<input type="checkbox"/> Second Home <input type="checkbox"/> Investment
The property is:	<input type="checkbox"/> Owner Occupied	<input type="checkbox"/> Renter Occupied <input type="checkbox"/> Vacant

Mailing address _____

Property address (if same as mailing address, just write same) _____ E-mail address _____

<p>Is the property listed for sale? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Have you received an offer on the property? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Date of offer _____ Amount of offer \$ _____</p> <p>Agent's Name: _____</p> <p>Agent's Phone Number: _____</p> <p>For Sale by Owner? <input type="checkbox"/> Yes <input type="checkbox"/> No</p>	<p>Have you contacted a credit-counseling agency for help? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p><i>If yes, please complete the following:</i></p> <p>Counselor's Name: _____</p> <p>Agency Name: _____</p> <p>Counselor's Phone Number: _____</p> <p>Counselor's E-mail: _____</p>
---	--

<p>Who pays the real estate tax bill on your property?</p> <p><input type="checkbox"/> I do <input type="checkbox"/> Lender does <input type="checkbox"/> Paid by condo or HOA</p> <p>Are the taxes current? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Condominium or HOA Fees <input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____</p> <p>Paid to: _____</p>	<p>Who pays the hazard insurance premium for your property?</p> <p><input type="checkbox"/> I do <input type="checkbox"/> Lender does <input type="checkbox"/> Paid by Condo or HOA</p> <p>Is the policy current? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Name of Insurance Co.: _____</p> <p>Insurance Co. Tel #: _____</p>
---	--

Have you filed for bankruptcy? Yes No If yes: Chapter 7 Chapter 13 **Filing Date:** _____

Has your bankruptcy been discharged? Yes No **Bankruptcy case number** _____

Additional Liens/Mortgages or Judgments on this property:

Lien Holder's Name/Servicer	Balance	Contact Number	Loan Number

HARDSHIP AFFIDAVIT

I (We) am/are requesting review under the Making Home Affordable program.
I am having difficulty making my monthly payment because of financial difficulties created by (check all that apply):

<input type="checkbox"/> My household income has been reduced. For example: unemployment, underemployment, reduced pay or hours, decline in business earnings, death, disability or divorce of a borrower or co-borrower.	<input type="checkbox"/> My monthly debt payments are excessive and I am overextended with my creditors. Debt includes credit cards, home equity or other debt.
<input type="checkbox"/> My expenses have increased. For example: monthly mortgage payment reset, high medical or health care costs, uninsured losses, increased utilities or property taxes.	<input type="checkbox"/> My cash reserves, including all liquid assets, are insufficient to maintain my current mortgage payment and cover basic living expenses at the same time.

Other: _____

Explanation (continue on back of page 3 if necessary): _____

INCOME/EXPENSES FOR HOUSEHOLD¹

Number of People in Household:

Monthly Household Income		Monthly Household Expenses/Debt		Household Assets	
Monthly Gross Wages	\$	First Mortgage Payment	\$	Checking Account(s)	\$
Overtime	\$	Second Mortgage Payment	\$	Checking Account(s)	\$
Child Support / Alimony / Separation ²	\$	Insurance	\$	Savings/ Money Market	\$
Social Security/SSDI	\$	Property Taxes	\$	CDs	\$
Other monthly income from pensions, annuities or retirement plans	\$	Credit Cards / Installment Loan(s) (total minimum payment per month)	\$	Stocks / Bonds	\$
Tips, commissions, bonus and self-employed income	\$	Alimony, child support payments	\$	Other Cash on Hand	\$
Rents Received	\$	Net Rental Expenses	\$	Other Real Estate (estimated value)	\$
Unemployment Income	\$	HOA/Condo Fees/Property Maintenance	\$	Other _____	\$
Food Stamps/Welfare	\$	Car Payments	\$	Other _____	\$
Other (investment income, royalties, interest, dividends etc.)	\$	Other _____	\$	Do not include the value of life insurance or retirement plans when calculating assets (401k, pension funds, annuities, IRAs, Keogh plans, etc.)	
Total (Gross Income)	\$	Total Debt/Expenses	\$	Total Assets	\$

INCOME MUST BE DOCUMENTED

¹Include combined income and expenses from the borrower and co-borrower (if any). If you include income and expenses from a household member who is not a borrower, please specify using the back of this form if necessary.

²You are not required to disclose Child Support, Alimony or Separation Maintenance income, unless you choose to have it considered by your servicer.

INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the federal government in order to monitor compliance with federal statutes that prohibit discrimination in housing. **You are not required to furnish this information, but are encouraged to do so. The law provides that a lender or servicer may not discriminate either on the basis of this information, or on whether you choose to furnish it.** If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, the lender or servicer is required to note the information on the basis of visual observation or surname if you have made this request for a loan modification in person. **If you do not wish to furnish the information, please check the box below.**

BORROWER	<input type="checkbox"/> I do not wish to furnish this information	CO-BORROWER	<input type="checkbox"/> I do not wish to furnish this information
Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	Ethnicity:	<input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
Race:	<input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White	Race:	<input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
Sex:	<input type="checkbox"/> Female <input type="checkbox"/> Male	Sex:	<input type="checkbox"/> Female <input type="checkbox"/> Male

To be completed by interviewer

Name/Address of Interviewer's Employer

This request was taken by: <input type="checkbox"/> Face-to-face interview <input type="checkbox"/> Mail <input type="checkbox"/> Telephone <input type="checkbox"/> Internet	Interviewer's Name (print or type) & ID Number
	Interviewer's Signature Date
	Interviewer's Phone Number (include area code)

DETROIT CONSUMER BANKRUPTCY CONFERENCE

ACKNOWLEDGEMENT AND AGREEMENT

In making this request for consideration under the Making Home Affordable Program, I certify under penalty of perjury:

1. That all of the information in this document is truthful and the event(s) identified on page 1 is/are the reason that I need to request a modification of the terms of my mortgage loan, short sale or deed-in-lieu of foreclosure.
2. I understand that the Servicer, the U.S. Department of the Treasury, or their agents may investigate the accuracy of my statements and may require me to provide supporting documentation. I also understand that knowingly submitting false information may violate Federal law.
3. I understand the Servicer will pull a current credit report on all borrowers obligated on the Note.
4. I understand that if I have intentionally defaulted on my existing mortgage, engaged in fraud or misrepresented any fact(s) in connection with this document, the Servicer may cancel any Agreement under Making Home Affordable and may pursue foreclosure on my home.
5. That: my property is owner-occupied; I intend to reside in this property for the next twelve months; I have not received a condemnation notice; and there has been no change in the ownership of the Property since I signed the documents for the mortgage that I want to modify.
6. I am willing to provide all requested documents and to respond to all Servicer questions in a timely manner.
7. I understand that the Servicer will use the information in this document to evaluate my eligibility for a loan modification or short sale or deed-in-lieu of foreclosure, but the Servicer is not obligated to offer me assistance based solely on the statements in this document.
8. I am willing to commit to credit counseling if it is determined that my financial hardship is related to excessive debt.
9. I understand that the Servicer will collect and record personal information, including, but not limited to, my name, address, telephone number, social security number, credit score, income, payment history, government monitoring information, and information about account balances and activity. I understand and consent to the disclosure of my personal information and the terms of any Making Home Affordable Agreement by Servicer to (a) the U.S. Department of the Treasury, (b) Fannie Mae and Freddie Mac in connection with their responsibilities under the Homeowner Affordability and Stability Plan; (c) any investor, insurer, guarantor or servicer that owns, insures, guarantees or services my first lien or subordinate lien (if applicable) mortgage loan(s); (d) companies that perform support services in conjunction with Making Home Affordable; and (e) any HUD-certified housing counselor.

▶ _____ Date
Borrower Signature

▶ _____ Date
Co-Borrower Signature

HOMEOWNER'S HOTLINE

If you have questions about this document or the modification process, please call your servicer.

If you have questions about the program that your servicer cannot answer or need further counseling, you can call the Homeowner's HOPE™ Hotline at 1-888-995-HOPE (4673). The Hotline can help with questions about the program and offers free HUD-certified counseling services in English and Spanish.



NOTICE TO BORROWERS

Be advised that by signing this document you understand that any documents and information you submit to your servicer in connection with the Making Home Affordable Program are under penalty of perjury. Any misstatement of material fact made in the completion of these documents including but not limited to misstatement regarding your occupancy in your home, hardship circumstances, and/or income, expenses, or assets will subject you to potential criminal investigation and prosecution for the following crimes: perjury, false statements, mail fraud, and wire fraud. The information contained in these documents is subject to examination and verification. Any potential misrepresentation will be referred to the appropriate law enforcement authority for investigation and prosecution. By signing this document you certify, represent and agree that: "Under penalty of perjury, all documents and information I have provided to Lender in connection with the Making Home Affordable Program, including the documents and information regarding my eligibility for the program, are true and correct."

If you are aware of fraud, waste, abuse, mismanagement or misrepresentations affiliated with the Troubled Asset Relief Program, please contact the SIGTARP Hotline by calling 1-877-SIG-2009 (toll-free), 202-622-4559 (fax), or www.sig tarp.gov. Mail can be sent to Hotline Office of the Special Inspector General for Troubled Asset Relief Program, 1801 L St. NW, Washington, DC 20220.



**Making Home Affordable Program
Hardship Affidavit**



HARDSHIP AFFIDAVIT page 1

COMPLETE ALL TWO PAGES OF THIS FORM

▶ Loan I.D. Number _____ ▶ Servicer _____

BORROWER		CO-BORROWER	
Borrower's name		Co-borrower's name	
Social Security number	Date of birth	Social Security number	Date of birth

Property address (include city, state and zip): _____

<i>I want to:</i>	<input type="checkbox"/> Keep the Property	<input type="checkbox"/> Sell the Property
<i>The property is my:</i>	<input type="checkbox"/> Primary Residence	<input type="checkbox"/> Second Home <input type="checkbox"/> Investment Property
<i>The property is:</i>	<input type="checkbox"/> Owner Occupied	<input type="checkbox"/> Renter Occupied <input type="checkbox"/> Vacant

HARDSHIP AFFIDAVIT

I (We) am/are requesting review under the Making Home Affordable program.
I am having difficulty making my monthly payment because of financial difficulties created by (check all that apply):

<input type="checkbox"/> My household income has been reduced. For example: unemployment, underemployment, reduced pay or hours, decline in business earnings, death, disability or divorce of a borrower or co-borrower.	<input type="checkbox"/> My monthly debt payments are excessive and I am overextended with my creditors. Debt includes credit cards, home equity or other debt.
<input type="checkbox"/> My expenses have increased. For example: monthly mortgage payment reset, high medical or health care costs, uninsured losses, increased utilities or property taxes.	<input type="checkbox"/> My cash reserves, including all liquid assets, are insufficient to maintain my current mortgage payment and cover basic living expenses at the same time.
<input type="checkbox"/> Other: _____	

Explanation (continue on back of page 2 if necessary): _____

Have you filed for bankruptcy? Yes No If yes: Chapter 7 Chapter 13 *Filing Date:* _____
Has your bankruptcy been discharged? Yes No *Bankruptcy case number* _____

INFORMATION FOR GOVERNMENT MONITORING PURPOSES

The following information is requested by the federal government in order to monitor compliance with federal statutes that prohibit discrimination in housing. **You are not required to furnish this information, but are encouraged to do so. The law provides that a lender or servicer may not discriminate either on the basis of this information, or on whether you choose to furnish it.** If you furnish the information, please provide both ethnicity and race. For race, you may check more than one designation. If you do not furnish ethnicity, race, or sex, the lender or servicer is required to note the information on the basis of visual observation or surname if you have made this request for a loan modification in person. **If you do not wish to furnish the information, please check the box below.**

BORROWER <input type="checkbox"/> I do not wish to furnish this information	CO-BORROWER <input type="checkbox"/> I do not wish to furnish this information
<i>Ethnicity:</i> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino	<i>Ethnicity:</i> <input type="checkbox"/> Hispanic or Latino <input type="checkbox"/> Not Hispanic or Latino
<i>Race:</i> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White	<i>Race:</i> <input type="checkbox"/> American Indian or Alaska Native <input type="checkbox"/> Asian <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Other Pacific Islander <input type="checkbox"/> White
<i>Sex:</i> <input type="checkbox"/> Female <input type="checkbox"/> Male	<i>Sex:</i> <input type="checkbox"/> Female <input type="checkbox"/> Male

To be completed by interviewer		Name/Address of Interviewer's Employer
<i>This request was taken by:</i> <input type="checkbox"/> Face-to-face interview <input type="checkbox"/> Mail <input type="checkbox"/> Telephone <input type="checkbox"/> Internet	<i>Interviewer's Name (print or type) & ID Number</i>	
	<i>Interviewer's Signature</i> <i>Date</i>	
	<i>Interviewer's Phone Number (include area code)</i>	

ACKNOWLEDGEMENT AND AGREEMENT

In making this request for consideration under the Making Home Affordable Program, I certify under penalty of perjury:

1. That all of the information in this document is truthful and the event(s) identified on page 1 is/are the reason that I need to request a modification of the terms of my mortgage loan, short sale or deed-in-lieu of foreclosure.
2. I understand that the Servicer, the U.S. Department of the Treasury, or their agents may investigate the accuracy of my statements, may require me to provide supporting documentation. I also understand that knowingly submitting false information may violate Federal law.
3. I understand the Servicer will pull a current credit report on all borrowers obligated on the Note.
4. I understand that if I have intentionally defaulted on my existing mortgage, engaged in fraud or misrepresented any fact(s) in connection with this document, the Servicer may cancel any Agreement under Making Home Affordable and may pursue foreclosure on my home.
5. That: my property is owner-occupied; I intend to reside in this property for the next twelve months; I have not received a condemnation notice; and there has been no change in the ownership of the Property since I signed the documents for the mortgage that I want to modify.
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7. I understand that the Servicer will use the information in this document to evaluate my eligibility for a loan modification or short sale or deed-in-lieu of foreclosure, but the Servicer is not obligated to offer me assistance based solely on the statements in this document.
8. I am willing to commit to credit counseling if it is determined that my financial hardship is related to excessive debt.
9. I understand that the Servicer will collect and record personal information, including, but not limited to, my name, address, telephone number, social security number, credit score, income, payment history, government monitoring information, and information about account balances and activity. I understand and consent to the disclosure of my personal information and the terms of any Making Home Affordable Agreement by Servicer to (a) the U.S. Department of the Treasury, (b) Fannie Mae and Freddie Mac in connection with their responsibilities under the Homeowner Affordability and Stability Plan; (c) any investor, insurer, guarantor or servicer that owns, insures, guarantees or services my first lien or subordinate lien (if applicable) mortgage loan(s); (d) companies that perform support services in conjunction with Making Home Affordable; and (e) any HUD-certified housing counselor.

Borrower Signature	Date
Co-Borrower Signature	Date

HOMEOWNER'S HOTLINE

*If you have questions about this document or the modification process, please call your servicer.
If you have questions about the program that your servicer cannot answer or need further counseling, you can call the Homeowner's HOPE™ Hotline at 1-888-995-HOPE (4673). The Hotline can help with questions about the program and offers free HUD-certified counseling services in English and Spanish.*



NOTICE TO BORROWERS

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If you are aware of fraud, waste, abuse, mismanagement or misrepresentations affiliated with the Troubled Asset Relief Program, please contact the SIGTARP Hotline by calling 1-877-SIG-2009 (toll-free), 202-622-4559 (fax), or www.sig tarp.gov. Mail can be sent to Hotline Office of the Special Inspector General for Troubled Asset Relief Program, 1801 L St. NW, Washington, DC 20220.



Form **4506-T**
 (Rev. January 2008)
 Department of the Treasury
 Internal Revenue Service

Request for Transcript of Tax Return

- ▶ Do not sign this form unless all applicable lines have been completed. Read the instructions on page 2.
- ▶ Request may be rejected if the form is incomplete, illegible, or any required line was blank at the time of signature.

OMB No. 1545-1872

Tip: Use Form 4506-T to order a transcript or other return information free of charge. See the product list below. You can also call 1-800-829-1040 to order a transcript. If you need a copy of your return, use Form 4506, Request for Copy of Tax Return. There is a fee to get a copy of your return.

1a Name shown on tax return. If a joint return, enter the name shown first.	1b First social security number on tax return or employer identification number (see instructions)
2a If a joint return, enter spouse's name shown on tax return	2b Second social security number if joint tax return
3 Current name, address (including apt., room, or suite no.), city, state, and ZIP code	
4 Previous address shown on the last return filed if different from line 3	
5 If the transcript or tax information is to be mailed to a third party (such as a mortgage company), enter the third party's name, address, and telephone number. The IRS has no control over what the third party does with the tax information.	

Caution: DO NOT SIGN this form if a third party requires you to complete Form 4506-T, and lines 6 and 9 are blank.

6 **Transcript requested.** Enter the tax form number here (1040, 1065, 1120, etc.) and check the appropriate box below. Enter only one tax form number per request. ▶ _____

- a **Return Transcript**, which includes most of the line items of a tax return as filed with the IRS. Transcripts are only available for the following returns: Form 1040 series, Form 1065, Form 1120, Form 1120A, Form 1120H, Form 1120L, and Form 1120S. Return transcripts are available for the current year and returns processed during the prior 3 processing years. Most requests will be processed within 10 business days.
- b **Account Transcript**, which contains information on the financial status of the account, such as payments made on the account, penalty assessments, and adjustments made by you or the IRS after the return was filed. Return information is limited to items such as tax liability and estimated tax payments. Account transcripts are available for most returns. Most requests will be processed within 30 calendar days.
- c **Record of Account**, which is a combination of line item information and later adjustments to the account. Available for current year and 3 prior tax years. Most requests will be processed within 30 calendar days.

7 **Verification of Nonfiling**, which is proof from the IRS that you **did not** file a return for the year. Most requests will be processed within 10 business days.

B **Form W-2, Form 1099 series, Form 1098 series, or Form 5498 series transcript.** The IRS can provide a transcript that includes data from these information returns. State or local information is not included with the Form W-2 information. The IRS may be able to provide this transcript information for up to 10 years. Information for the current year is generally not available until the year after it is filed with the IRS. For example, W-2 information for 2006, filed in 2007, will not be available from the IRS until 2008. If you need W-2 information for retirement purposes, you should contact the Social Security Administration at 1-800-772-1213. Most requests will be processed within 45 days.

Caution: If you need a copy of Form W-2 or Form 1099, you should first contact the payer. To get a copy of the Form W-2 or Form 1099 filed with your return, you must use Form 4506 and request a copy of your return, which includes all attachments.

9 **Year or period requested.** Enter the ending date of the year or period, using the mm/dd/yyyy format. If you are requesting more than four years or periods, you must attach another Form 4506-T. For requests relating to quarterly tax returns, such as Form 941, you must enter each quarter or tax period separately.

_____ / _____ / _____
 _____ / _____ / _____
 _____ / _____ / _____
 _____ / _____ / _____

Signature of taxpayer(s). I declare that I am either the taxpayer whose name is shown on line 1a or 2a, or a person authorized to obtain the tax information requested. If the request applies to a joint return, either husband or wife must sign. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, trustee, or party other than the taxpayer, I certify that I have the authority to execute Form 4506-T on behalf of the taxpayer.

	Telephone number of taxpayer on line 1a or 2a () _____
Sign Here	Signature (see instructions) _____ Date _____
	Title (if line 1a above is a corporation, partnership, estate, or trust) _____
	Spouse's signature _____ Date _____

DETROIT CONSUMER BANKRUPTCY CONFERENCE

Text A+ A- A

Need urgent help? Contact the Homeowner's HOPE™ Hotline (888) 995-HOPE



HELP FOR AMERICA'S HOMEOWNERS

ABOUT | ELIGIBILITY | LOAN LOOK UP | FIND A COUNSELOR | REQUEST A MODIFICATION | RESOURCES | AUDIO AND VIDEO | EN ESPAÑOL



Mortgage Servicer List

Home » Contact Your Mortgage Servicer

To view or print the PDF content on this page, download the free Adobe® Acrobat® Reader®

CONTACT YOUR MORTGAGE SERVICER

Over one hundred mortgage companies have agreed to participate in the Home Affordable Modification Program (HAMP). Below is a list of companies who are participating and the contact information for submitting an application. In addition, all mortgage companies with loans owned by Fannie Mae and Freddie Mac are required to participate. Visit the [Loan Look Up](#) to determine if your loan is held by Fannie Mae or Freddie Mac.

If you have additional questions about the program, please call the Homeowner's HOPE™ Hotline at 1-888-995-HOPE (4673). If you need help working with your mortgage company, or believe that you have been wrongfully denied for a modification, please call the hotline and ask for "MHA Help".

Search for Your Mortgage Servicer: [show all servicers](#)

Name	Web Site	Phone	Service Address	Fax
AgFirst Farm Credit Bank	www.agfirst.com	1-800-236-5756	1401 Hampton Street, Columbia, SC 29201	1-803-256-7353
Allstate Mortgage Loans & Investments, Inc.	http://www.allstateocala.com/	866-351-0200	P.O. 1201, Crystal River, FL 34423	352-351-4557
Amarillo National Bank	www.anb.com	1-806-378-8000	410 S. Taylor, Amarillo, TX 79101	1-806-356-1449
American Finance House LARIBA	www.lariba.com	1-888-522-4221	750 E. Green Street, Suite 210, Pasadena, CA 91101	1-626-449-5319
American Eagle Federal Credit Union	www.americaneagle.org	800-842-0145	Attention: Loss Mitigation 1 Corporate Drive Lake Zurich, IL 60047	847-574-7658
American Financial Resources Inc.	www.afmortgage.com	1-800-316-9508	9 Sylvan Way, Parsippany, NJ 07054	1-973-782-2573
American Home Mortgage Servicing, Inc.	www.ahmsi3.com	877-304-3100	Attn: HAMP Processing 1525 S. Belt Line Road Coppel, TX 75019	866-452-1837
AMS Servicing, LLC	www.ams-servicing.com	866-919-5608	3374 Walden Avenue Buffalo, NY 14043	716-204-3875
Aurora Financial Group, Inc.	https://www.auroalending.com/	1-800-648-0345	9 Eves Drive Marlton, New Jersey 08053	1-856-355-4765
Aurora Loan Services, LLC	https://www.mvaauroraloan.com/	800-550-0508	P.O. Box 1706 2617 College Park Scottsbluff, NE 69363-1706	866-517-7975
Banco Popular de Puerto Rico	www.bancopopular.com	1-787-775-1100	Calle Angel Buonomo 339, San Juan, PR 00918	1-787-706-6121
Bank of America, N.A.	www.bankofamerica.com/mha/	800-720-3758	MHA Escalations Unit PO Box 940070 Simi Valley, CA 93094-0070	866-382-0489
Bank United	http://www.bankunited.com/display.asp?navid=&id=117	866-615-0662	Attn: Modification Department Mail Code: D04-RESALT-560 7815 N.W. 148th Street Miami, FL 33016	877-263-8930
Bay Federal Credit Union	http://www.bayfed.com/lo/mortgage.html	888-422-9333	3333 Clares Street Capitola, CA 95010	831-479-6027
Bay Gulf Credit Union	http://www.baygulf.com	800-275-4229	3202 W. Waters Ave, Tampa, FL 33614 Tampa, FL 33614	813-932-3470
Bayview Loan Servicing, LLC	www.bayviewloanservicing.com	800-457-5105	Attn: Specialized Asset Management 4425 Ponce De Leon Blvd., 5TH Floor Coral Gables, FL 33146	877-360-9593 or 305-646-9943
Bramble Savings Bank	www.bramblesavings.com	1-513-248-1222	954 State Route 28 Cincinnati, Ohio 45150	1-513-965-3953
Capital International Financial, Inc.	N/A	1-305-442-1256	395 Alhembra Circle, Suite 200, Coral Gables, FL 33134	1-305-442-2516
CCO Mortgage	www.ccomortgage.com	877-745-7366	10561 Telegraph Road Glen Allen, VA 23059	888-777-1631
Carrington Mortgage Services, LLC	www.carringtonms.com	888-267-2417	Attention: Home Retention P.O. Box 54285 Irvine, CA 92619-4285	877-267-1331
Central Florida Educators Federal Credit Union	www.mvfe.com	800-771-9411	P.O. Box 958471 Lake Mary, Florida 32795-9814 Attn: Real Estate - HAMP Team	407-893-5727
Central Jersey Federal Credit Union	www.cjfcu.org	732-634-0600	380 Berry St Woodbridge NJ 07095	732-726-8709
Centrue Bank	www.centrue.com	1-888-728-6466	122 West Madison St. Ottawa, IL 61350	1-815-434-7611

American Bankruptcy Institute

Chase Home Finance LLC	http://www.chase.com/myhomep	866-550-5705	Regular Mail: PO Box 469030 Glendale, CO 80246	866-989-1356
			Overnight Mail Attn: Chase Fulfillment Center 4500 Cherry Creek Drive South Suite 410 Glendale, CO 80246	
Citizens Community Bank	www.citizenscommunitybank.com	1-618-539-4704	620 N. State St., Freeburg, IL 62243	1-618-539-4791
Community Bank & Trust Company	www.combk.com		125 N. State Street, Clarks Summit, PA 18411	570-586-0177
Community Credit Union of Florida	www.ccuflorida.org	1-321-690-2328	1030 South US Highway 1, Rockledge, FL 32955	1-321-636-3121
CitiMortgage, Inc.	www.mortgagehelp.citi.com	866-915-9417	Citi Ham Trial Agreements NTSB 1680, 680 Colwell Blvd Irving, TX 75039	
Citizens 1st National Bank	https://www.citizens1st.com/	800-311-7531	606 S. Main Street Princeton, IL 61356	815-872-0247
Citizens First Wholesale Mortgage Co.	https://www.cfwmortgage.com/	800-477-1086	560 Fieldcrest Drive The Villages, FL 32162	352-753-4482
Countrywide Home Loans Servicing LP	http://my.countrywide.com/media/hasp.html	800-720-3758	PO Box 940070, Simi Valley, CA. 93094-0070	866-382-0489
CU Mortgage Services, Inc.	www.cucompanies.com	1-651-631-3111	500 Main Street, New Brighton, MN 55112	1-651-787-9536
CUC Mortgage Corporation	www.cucmortgage.com	800-342-4998	P.O. Box 12670 Albany, NY 12212	N/A
DuPage Credit Union	www.dupagecu.com	800-323-2611	Attn: Alternative Loan Solutions P O Box 3930 Naperville, IL 60567	630-305-6030
EMC Mortgage Corporation	http://www.emcmortgagecorp.com	800-723-3004	Regular Mail Chase/EMC Fulfillment Center PO Box 293150 Lewisville, TX 75029	917-849-2677
			Overnight Mail Chase/EMC Fulfillment Center 2780 Lake Vista Drive Lewisville, TX 75067	
Eaton National Bank & Trust Co	www.enbbank.com	937-456-5544	110 West Main Street, Eaton, OH 45320	937-456-6847
Farmers State Bank	https://farmersstate-oh.com	800-350-2844	11 S. Main St., P.O.Box 801, West Salem, OH 44287	419-853-4730
Fay Servicing, LLC	http://www.fayservicing.com	1-800-495-7166	939 W. North Avenue Chicago, IL 60642	1-312-278-2540
Fidelity Homestead Savings Bank	http://www.fidelityhomestead.com	504-569-3490	201 St. Charles Ave, 20th Floor New Orleans, LA 70170	504-569-3537
First Bank	http://www.firstbanks.com	800-760-2265	1 First Missouri Center St. Louis, MO 63141	314-264-0220
First Federal Bank of Florida	www.ffsb.com	1-386-754-0090	4705 West US Hwy 90, Lake City, FL 32056	1-386-754-7161
First Financial Bank, N.A.	http://www.first-online.com	1-812-238-6311	1 First Financial Plaza Terre Haute, Indiana 47807	1-812-238-6137
First Mortgage Coporation	www.firstmortgage.com	1-800-395-4778	3230 Fallow Field Drive, Diamond Bar, CA 91765	1-909-869-6685
First National Bank of Grant Park	http://www.1st-nationalbank.com/	815-465-2161	119 N Main Street, Grant Park, IL 60940	815-465-6245
First Keystone Bank	http://www.firstkeystonebankonline.com	610-565-6210	22 West State Street Media, PA 19063	610-892-5122
First Safety Bank	www.firstsafetybank.com	1-513-641-1765	4901 Vine St., Cincinnati, OH 45217	1-937-378-3962
Flagstar	www.flagstar.com	1-800-968-7700	5151 Corporate Drive, Troy, MI 48098	1-888-705-1596
Franklin Credit Management Corporation	http://www.franklincredit.com/	800-255-5897	Attn: Loss Mitigation 101 Hudson Street 25th Floor Jersey City, NJ 07302	201-839-4545
Franklin Savings	www.franklinsavings.com	1-513-469-8000	4750 Ashwood Dr., Cincinnati, OH 45241	1-513-469-5360
Fresno County Federal Credit Union	http://www.fresnocfcu.com/	800-613-2328	4979 E. University Ave Fresno, CA 93727	559-451-2496
Gateway Mortgage Group, LLC	www.gatewayloan.com	1-918-712-9000	6910 E. 14th Street, Tulsa, OK 74112	1-918-858-8354
GFA Federal Credit Union	www.gfacu.com	1-978-632-2542	229 Parker Street, Gardner, MA 01440	1-978-632-9025
Glass City Federal Credit Union	www.glasscityfcu.com	800-837-3595	1340 Arrowhead Drive Maumee, OH 43537	419-887-1099
GMAC Mortgage LLC	www.gmacmortgage.com	800-766-4622	2711 North Haskell Ave, Suite 900 Dallas, TX 75204	866-709-4744
Golden Plains Credit Union	www.gpcu.org	877-775-8175	1135 College Drive, Suite C, Garden City, KS 67846	620-276-8072
Grafton Suburban Credit Union	www.graftonsuburban.com	508-839-5493	86 Worcester Street, North Grafton, MA 01536	508-839-5750
Great Lakes Credit Union	www.glcu.com	800-442-3488		
Greater Nevada	http://www.gnms.com/	800-421-6674	4070 Silver Sage Drive, Carson City, NV	775-884-7041

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Mortgage Services		89701		
Green Tree Servicing LLC	www.gtsservicing.com	800-643-0202	7360 S Kyrene Road T214 Tempe, AZ 85283	877-265-9717
Guaranty Bank	www.guarantybanking.com	1-800-235-4636	345 Saint Peter Street, Saint Paul, MN 55102	1-414-410-1400
Hartford Savings Bank	http://www.hartfordsavingsbank.com	800-844-3812	1400 Schauer Drive, Hartford, WI 53027	262-673-0459
Hillsdale County National Bank	www.countynationalbank.com	517-439-6121	One South Howell Street Hillsdale, MI 49242	517-437-3151
HomeEq Servicing	www.homeq.com	877-867-7378	P.O. Box 160248 Sacramento, CA 95816-0248	866-554-5325
HomeStar Bank and Financial Services	www.homestarbank.com	815-468-2265	3 Diversatech Dr., Manteno, IL 60950	815-468-2378
Home Loan Services, Inc.	www.viewmyloan.com	800-622-5035	Loan Services P.O. Box 1838 Pittsburgh, PA 15230-1838	412-499-3400
Horicon Bank	www.horiconbank.com	920-485-3080 ext.7310	326 E Lake Street, PO 126 Horicon, WI 53032	920-485-3059
Horizon Bank, NA	www.accesshorizon.com	888-873-2640	515 Franklin Square, Michigan City, IN 46360	219-874-9374
Iberiabank	www.iberiabank.com	800-968-0801	1680 Fruitville Rd. Sarasota, FL 34236	941-556-5821
IBM Southeast Employees Federal Credit Union	www.ibmsecu.org	800-873-5100	Attn: Mortgage Modifications PO Box 2850 Kennesaw GA 30156	678-797-6329
IC Federal Credit Union	http://www.iccreditunion.org	800-262-1001	Attn: Judy Kaddy 300 Bemis Road Fitchburg, MA 01420	978-343-4949
Idaho Housing and Finance Association	www.ihfa.org		PO Box 7899 Boise, Idaho 83707	208-331-4800
iServe Residential Lending, LLC	http://www.ursending.com	1-888-875-8326	13520 Evening Creek Drive Suite 400, San Diego, CA 92128	1-480-614-6710
iServe Servicing Inc.	http://www.iservecompanies.com/	1-214-496-9500	222 W. Las Colinas Blvd. Suite 1252E, Irving, TX 75039	1-214-496-9501
James B Nutter & Company	www.jamesbnutter.com	1-800-798-3946	4153 Broadway, Kansas City, MO 64111	1-816-751-6971
J.P. Morgan Chase Bank, NA	http://www.chase.com/myhomep	866-550-5705	Regular Mail: PO Box 469030 Glendale, CO 80246	866-989-1356
			Overnight Mail Attn: Chase Fulfillment Center 4500 Cherry Creek Drive South Suite 410 Glendale, CO 80246	
Lake City Bank	www.lakecitybank.com	888-522-2265	ATTN: Candy Little PO BOX 1387 Warsaw, IN 46581-1387	574-267-9128
Lake National Bank	www.lakenationalbank.com	440-205-8100	PO Box 1048 Mentor, Ohio 44061-1048	N/A
IBM Lender Business Processing Services (LBPS)	www.LBPS.com	866-570-5277	PO Box 4121 Beaverton, OR 97076-4121	877-649-0743
Liberty Bank and Trust Co	www.libertybank.net	1-800-883-3943	6600 Plaza Drive, Suite 601, New Orleans, LA 70127	1-504-241-7433
Litton Loan Servicing	www.littonloan.com	800-247-9727	4828 Loop Central Drive Houston, TX 77081	713-793-4923
Los Alamos National Bank	www.lanb.com	800-684-5262	PO Box 60 Los Alamos NM 87544	505-663-4053
M&T Bank	www.mtb.com	1-888-395-1010	1100 Wehrle Drive, Buffalo, NY 14221	1-716-848-7930
Marix Servicing, LLC	www.marixservicing.com	866-406-2749	1925 W. Pinnacle Peak Road Phoenix, AZ 85027	623-249-2070
Magna Bank	www.magnabank.com	1-800-553-0558	6655 Poplar Ave #201, Germantown, TN 38138	1-901-309-6705
Mainstreet Credit Union	www.mainstreetcu.com	1-800-552-3000	13001 W 95th Street, Lexena, KS 66215	1-913-599-2093
Marsh Associates, Inc.	www.marshaassociates.com	1-800-686-3600	2448 Park Road, Charlotte, NC 28203	1-704-347-5754
Midland Mortgage Company	www.mymidlandmortgage.com	1-800-552-3000	999 NW Grand Blvd, Oklahoma City, OK	1-405-767-5500
Midwest Bank and Trust Co.	http://www.midwestbank.com/	708-456-4700	1606 N. Harlem Avenue, Elmwood Park, IL	708-456-9437
Midwest Community Bank	http://www.mwbonline.com	1-815-235-6137	510 Polk Crest Drive, Freeport, IL 61032	1-815-235-1855
Mission Federal Credit Union	www.missionfcu.org	800-500-6328 x2074	PO Box 919023 San Diego, CA 92121	858-546-2058
Metropolitan National Bank	https://www.metbank.com/default.asp	866-796-3876	Attn: Loss Mitigation P.O. Box 8010 Little Rock, AR 72203	501-907-8709
MorEquity, Inc.	www.morequity.com	800-441-3805	1) PO Box 3788 Evansville IN 47736-9984 2) 601 NW Second Street, Evansville IN 47708	812-475-7074
Mortgage Center, LLC	www.mortgagecuso.com	866-856-3750	20300 Civic Center Dr, # 403 Southfield, MI 48076	248-799-8556
Mortgage Clearing Corporation	www.mortgageclearing.com			918-749-2645

American Bankruptcy Institute

National City Bank	www.pncmortgage.com	800-523-8654	3232 Newmark Drive Miamisburg, OH 45342	937-910-4009
Nationstar Mortgage LLC	www.nationstarmtg.com	888-850-9398	Attn: HAMP 350 Highland Drive Lewisville, TX 75067	214-488-1993
Navy Federal Credit Union	www.navyfederal.org	1-888-842-6328	3820 Follin Lane S.E Vienna, VA 22180	703-255-7947
Oakland Municipal Credit Union	www.omcu.com	510-637-6600	250 Frank H. Ogawa Plaza Suite 6301 Oakland, CA 94612	510-238-5227
Ocwen Financial Corporation, Inc.	www.ocwencustomers.com	800-746-2936	1661 Worthington Rd Ste 100 West Palm Beach, FL 33409	407-737-6174
OneWest Bank	www.owb.com/mymortgage	800-781-7399	Indymac - 1, 2900 Esperanza Crossing Austin, TX 78758	866-235-2366
ORNL Federal Credit Union	www.ornlfcu.com/	800-676-5328	Attn: Mortgage Modification Dept 221 S. Rutgers Avenue Oak Ridge, TN 37830	865-481-5810
Park View Federal Savings Bank	www.parkviewfederal.com	440-914-3900	30000 Aurora Road, Solon, OH 44139	440-914-3656
Pathfinder Bank	www.pathfinderbank.com	1-315-343-0057	214 West First Street, Oswego, NY 13126	1-315-207-8035
PennyMac Loan Services, LLC	www.pnmac.com/index.php	866-545-9070	Attn: Karen Denton 27001 Aguora Road, Suite 350 Calabasas, CA 91301 Attn: Karen Denton	818-224-7510
PNC Bank, National Association	www.pncmortgage.com	800-523-8654	3232 Newmark Drive Miamisburg, OH 45342	937-910-4009
Purdue Employees Federal Credit Union	www.purduefcu.org	800-627-3328	P.O. Box 1950 West Layette IN 47996-1950	765-497-7477
Q lending, Inc.	www qlending.com	517-439-6121	1 Corporate Drive, Suite 360 Lake Zurich, IL 60047	847-574-7658
Quantum Servicing Corporation	www.quantum-servicing.com	813-371-0270	6302 E. MLK Blvd., Suite 300 Tampa, FL 33619	N/A
RBC Bank (USA)	www.rbcbankusa.com	1-866-777-2179	3201 Beechleaf Court Raleigh, NC 27604	1-877-530-0765
RG Mortgage Corporation	www.rgmortgage.com/mortgage	888-264-4674	PO Box 362394 San Juan, PR. 00936-2394	787-756-2845
Residential Credit Solutions		800-737-1192	4282 North Freeway Fort Worth TX 76137	888-775-7250
Roebling Bank	http://www.roeblingbank.com/	609-668-6500	Route 130 & Delaware Avenue, Roebling, NJ 08554	609-668-6255
RoundPoint Mortgage Servicing Corporation	www.rpmservicing.com/	877-426-8805	P.O. Box 19409 Charlotte, NC 28219-9409	888-364-5558
Saxon Mortgage Services	www.saxononline.com	800-594-8422	Saxon Attention: Home Preservation HMP Documentation Department 4708 Mercantile Drive North Fort Worth, TX 76137	888-240-1885
Schmidt Mortgage Company	www.encompassfinancialgroup.com	1-800-686-3600	20545 Center Ridge Rd. 250, Rocky River, OH 44116	1-440-895-2181
Schools Financial Credit Union	www.schools.org	800-962-0990	C/O Real Estate Department 1485 Response Rd Suite 126 Sacramento CA, 95815	916-569-2047
SEFCU	www.sefcu.com	866-733-2880	700 Patroon Creek Blvd Albany, NY 12206	518-464-5213
Select Portfolio Servicing	www.spservicing.com	888-818-6032	PO BOX:65250 Salt Lake City, UT 84165-0250 3815 S. West Temple Salt Lake City, UT 84107	801-293-3936
Servis One Inc., dba BSI Financial Services, Inc	www.bsifinancial.com	866-209-4178	Attn: HAMP Department P.O. Box 517, 314 S. Franklin Street, Titusville, PA 16354	814-217-1366
ShoreBank	www.sbk.com	800-905-7725	Attn: Kenisha Davis 3401 South King Drive, Chicago, IL 60466	773-420-4501
Silver State Schools Credit Union	www.silverstatecu.com	800-357-9654	1 Corporate Drive Suite 360 Lake Zurich, IL 60047	847-574-7658
Specialized Loan Servicing, LLC	http://www.sls.net/	800-315-4757	8742 Lucent Blvd., Suite 300, Highlands Ranch, CO 80129	720-241-7526
Spirit of Alaska Federal Credit Union	www.spiritofak.com	907-459-5974	Mortgage Dept 1417 Gillam Way Fairbanks, AK 99701	907-459-5980
Stanford Federal Credit Union	www.sfcu.org	888-723-7328	Attn: Tram Le 1860 Embarcadero Road Palo Alto, CA 94303	866-743-3151
Sterling Savings Bank	www.sterlingsavingsbank.com	800-772-7791	Attn: Tram Le 111 N. Wall, Spokane, WA 99201	509-624-8038
Stockman Bank of Montana	www.stockmanbank.com	1-406-234-8420	700 Main Street, Miles City, MT 59301	1-406-234-8419
Suburban Mortgage Company of New Mexico	smcnm.com	1-505-298-7456	3707 Eubank Blvd. N./E. Albuquerque, NM	1-505-292-4915
Tempe Schools Credit Union	www.tscu.org	480-967-9475	2800 S. Mill Ave., Tempe, AZ 85282	480-776-3729
Technology Credit Union	www.techcu.com	800-553-0880	2010 N First Street San Jose, CA 95131 Attn: LAD	408-453-8742
The Golden 1 Credit Union	http://www.golden1.com/	800-553-0880	8045 Golden Gate Drive San Jose, CA 95131 Attn: LAD	408-453-8742

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The Golden 1 Credit Union	http://www.golden1.com/	800-553-0880	8943 Cal Center Drive Sacramento, CA 95826	916-577-7038
United Bank	http://www.unitedbankwi.com	1-715-835-6865	3625 Gateway Dr. Eau Claire, WI 54701	715-835-6870
United Bank Mortgage Corporation	www.unitedbankofmichigan.com	800-968-1990	900 East Paris SE, Grand Rapids MI 49546	616-559-4631
University First Federal Credit Union	www.uscreditcu.com	1-801-481-8800	3450 South Highland Drive, Salt Lake City, UT 84106	1-801-481-8833
U.S. Bank National Association	www.usbank.com	866-932-0462	P.O. BOX 20005 OWENSBORO, KY 42304-0005	N/A
Vantium Capital, Inc.	http://www.acqura.net	866-660-5804	6500 International Parkway Suite 1500 Plano, TX 75093	972-444-3356
Verity Credit Union	http://www.veritycu.com	800-836-8172	CU Home Mortgage Solutions PO Box 75989 Seattle, WA 98175	206-361-5300
Visit Financial Corp.	www.vistfc.com		1240 Broadcasting Rd. Wyomissing, PA 19605	
Wachovia Mortgage, FSB	www.wachovia.com	800-922-4684	4101 Wiseman Blvd Mailcode TX 1616 San Antonio, TX 78251	866-359-7363
Wachovia Bank, NA	www.wachovia.com	800-922-4684	1000 Blue Gention Road Suite 300 Eagan MN 55121	866-359-7363
Wealthbridge Mortgage Corp.	www.wealthbridge.com	866-702-4865	15455 NW Greenbrier Pkwy, Ste 111, Beaverton, OR 97006	503-597-7518
Wells Fargo Bank, NA	www.wellsfargo.com/homeassist	800-678-7986	HAMP Application Documents 1000 Blue Gention Road Suite 300 X9999-01N Eagan MN 55121	866-359-7363
			Customer Service Correspondence PO Box 10335 MAC: X2302-017 Des Moines, IA 50306	
Wescom Central Credit Union	www.wescom.org	888-493-7266	5601 E. La Palma Avenue Anaheim, CA 92807	626-535-1357
Weststar Mortgage, Inc.	www.westarmortgage.com	1-703-497-3995	3350 Commission Ct, Woodbridge, VA 22192	1-703-643-1002
Wilshire Credit Corporation	https://www.wcc.ml.com	800-720-3758	PO Box 8517 Portland, OR 97207-8517	866-382-0489
Yadkin Valley Bank	www.yadkinvalleybank.com	336-258-6252	PO Box 96 Pfafftown, NC 27040	336-258-6252

We will continue to update this list as additional servicers execute formal participation agreements. If your servicer is not listed, please bookmark this page and check back with us soon. In the interim, you can locate your servicer by reviewing the information on your monthly mortgage statement or find a list of servicers on the [Hope Now Alliance website](#).



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The Obama Administration's Efforts To Stabilize The Housing Market and Help American Homeowners



September 2010

U.S. Department of Housing and Urban Development | U.S. Department of the Treasury

The Administration's goal is to promote stability for both the housing market and homeowners. To meet these objectives in the context of a very challenging market, the Administration developed a broad approach implementing state and local housing agency initiatives, tax credits for homebuyers, neighborhood stabilization and community development programs, mortgage modifications and refinancing, continued Federal Housing Administration (FHA) engagement, and support for Fannie Mae and Freddie Mac. In addition, Federal Reserve and Treasury MBS purchase programs have helped to keep mortgage interest rates at record lows over the past year. More detail on the Administration's efforts can be found in the Appendix.

September 2010 Scorecard on Administration's Comprehensive Housing Initiative

The President's housing market recovery efforts began immediately after taking office in February 2009. The September 2010 housing scorecard includes the following key indicators of market health and results of the Administration's comprehensive response, as outlined above:

- **Families continued to benefit from the lowest rates in history on 30-year fixed mortgages:** Since April of 2009, record low rates have helped more than 7.1 million homeowners to refinance, resulting in more stable home prices and \$12.7 billion in total borrower savings.
- **Existing and new home sales shifted downward in July, though stabilizing housing prices drove improving expectations in some regions:** The latest housing figures paint a mixed picture. As expected with the expiration of the Homebuyer Tax Credit, new and existing home sales showed a dip in July. At the same time, home prices have leveled off in the past year after 30 straight months of decline and homeowners added \$95 billion in home equity in the second quarter.
- **More than twice as many modification arrangements have begun compared to foreclosure completions:** More than 3.35 million modification arrangements were started between April 2009 and the end of July 2010. These included more than 1.3 million trial Home Affordable Modification Program (HAMP) modification starts, more than 510,000 Federal Housing Administration (FHA) loss mitigation and early delinquency interventions, and nearly 1.6 million proprietary

modifications under HOPE Now. The number of agreements offered continued to more than double foreclosure completions for the same period (1.24 million).

- **More than 468,000 permanent modifications granted to homeowners; more than 33,000 homeowners received a HAMP permanent modification in August:** Homeowners in permanent HAMP modifications saw a median monthly payment reduction of 36 percent, or more than \$500 per month. Homeowners in permanent modifications saw their median first-lien housing expenses fall from nearly 45 percent of their monthly household income to 31 percent. Homeowners in active permanent modifications realized a median monthly payment reduction of 36%, or more than \$500 per month. More than 1.3 million homeowners began a trial modification, up more than 26,000 from last month.
- **Backlog of HAMP trial modifications aged six months or longer falls to fewer than 95,000:** Of homeowners whose trial modification was canceled, more than half received alternative modifications or become current. Upfront documentation requirements in place since June 1 are expected to help servicers move more eligible homeowners toward permanent modification. View the latest Making Home Affordable program report at: <http://www.financialstability.gov/docs/AugustMHAPublic2010.pdf>

Data in the scorecard show that the recovery in the housing market continues to remain fragile, with some measures suggesting recovery will take place over time. For example, foreclosure completions continue to move upward as the volume of serious delinquencies continues to work through the pipeline.

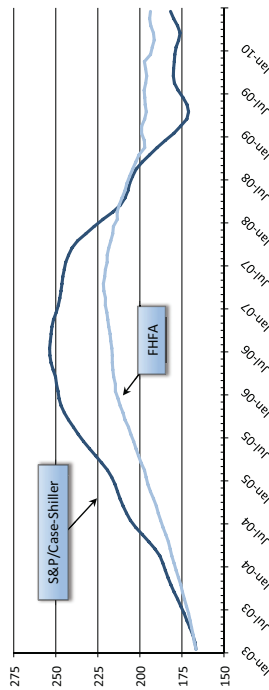
The impact of recent new and expanded resources is expected to contribute to progress captured in future Housing Scorecards. For example, in July the Federal Housing Administration (FHA) announced a short refinance option targeted to help people who owe more on their mortgage than their home is worth because their local markets saw large declines in home values. The option will allow certain underwater non-FHA borrowers – those current on their existing mortgage and whose lenders agree to write off at least 10 percent of the unpaid principal balance of the first mortgage – the opportunity to qualify for a new FHA-insured mortgage.

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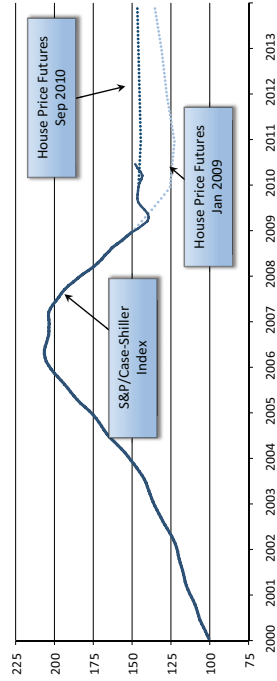
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House Prices Show Signs of Stabilizing
Monthly House Price Trends By Index (\$ Thousands)



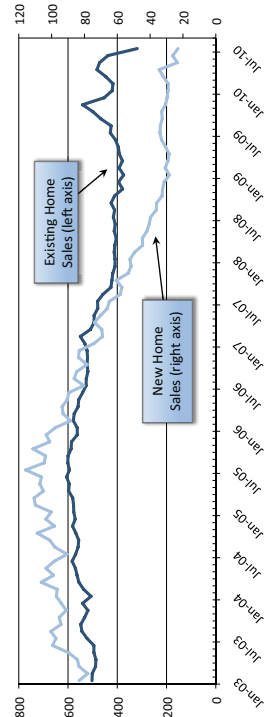
Sources: Standard & Poor's, Federal Housing Finance Agency, and HUD.
See Note 1, Sources and Methodology.

Expectations on House Prices Have Shifted Up from 2009
S&P/Case-Shiller, House Price Futures Index (Jan 2000 = 100)



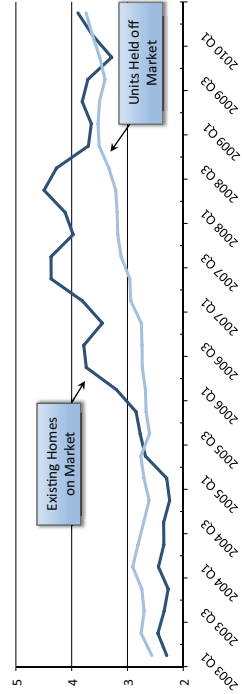
Sources: Standard and Poor's and Radar Logic.
See Note 2, Sources and Methodology.

Existing and New Home Sales
Monthly Sales (Thousands)



Seasonally Adjusted
Source: National Association of Realtors®, Census Bureau, and HUD.
See Note 3, Sources and Methodology.

Existing Homes on the Market Below Peak, But Number of Units Held Off the Market Has Increased
Existing Homes Available for Sale (End of Period) and Total Vacant Housing Units (Year Round) Off Market (Millions)



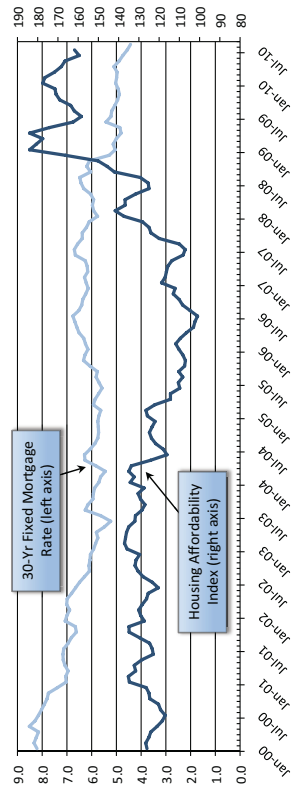
Sources: National Association of Realtors® and Census Bureau.



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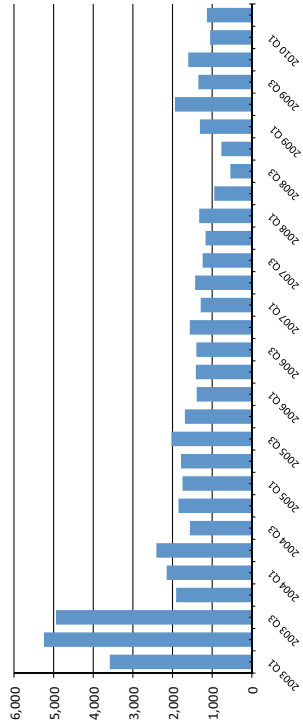
Mortgage Rates Fall to Record Low and Affordability Index Remains High

Percentage Rates (left axis) and Index Values



Sources: Freddie Mac and National Association of Realtors.®

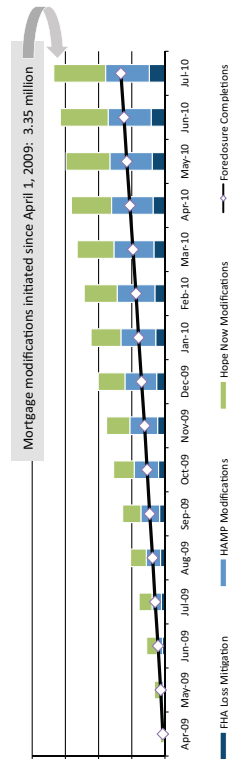
7.1 Million Homeowners Have Refinanced Since April 1, 2009
Quarterly Refinance Mortgage Originations (Thousands)



Sources: Mortgage Bankers Association and HUD.
See Note 4, Sources and Methodology.

Mortgage Aid Has Been Extended More Than 3 Million Times, Outpacing Foreclosures

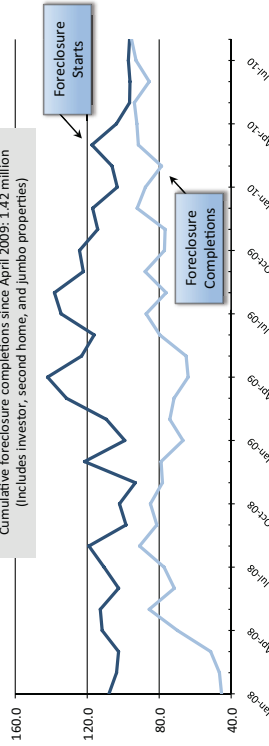
Cumulative Mortgages Offered Aid or Foreclosed Since April 1, 2009 (Millions)



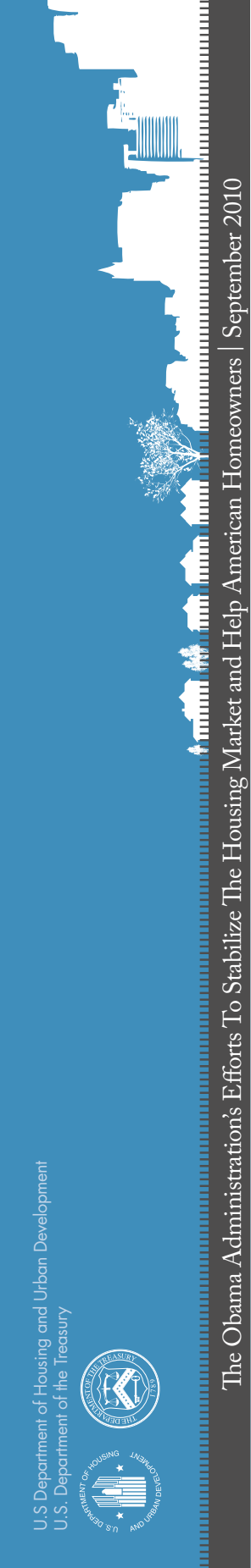
Sources: HUD, Dept. of Treasury, Hope Now Alliance, and Realty Trac.
See Note 5, Sources and Methodology.

Foreclosure Starts and Completions Remain Elevated
Monthly Foreclosure Actions (Thousands)

Cumulative foreclosure completions since April 2009: 1.42 million (Includes investor, second home, and jumbo properties)



Source: Realty Trac.
See Note 6, Sources and Methodology.



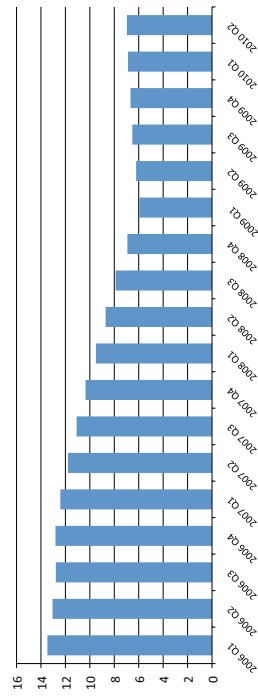
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Home Equity Up More than \$1 Trillion Since First Quarter 2009

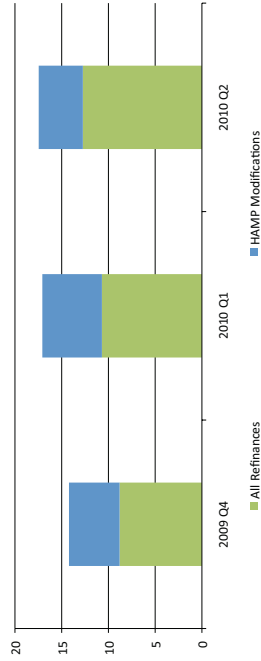
Owners' Equity in Household Real Estate at End of Period (\$ Trillions)



Source: Federal Reserve Board.

Homeowners Save From Reduced Mortgage Payments

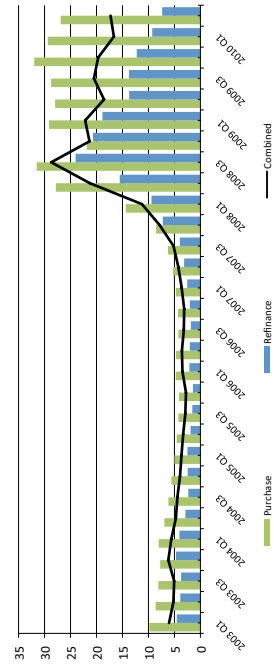
Annualized Savings from Payment Reductions (\$ Billions)



Aggregate annual reduction in mortgage payments on refinances and loan modifications since April 1, 2009.
Sources: MBA, Treasury, Freddie Mac, and HUD.
See Note 7, Sources and Methodology.

FHA Supports Mortgage Lending During Crisis

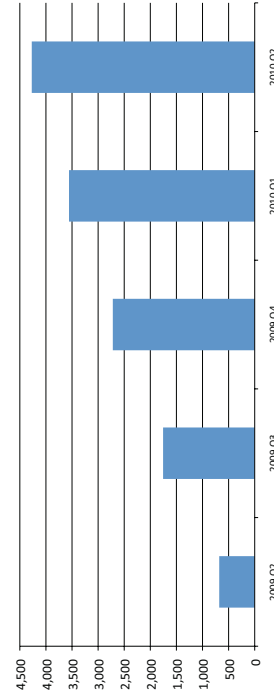
FHA as Share of Quarterly Mortgage Originations by Type (Percent)



Sources: MBA and HUD.
See Note 8, Sources and Methodology.

Housing Counselors Serve Millions of Families

Cumulative Households Counselored Since Apr 1, 2009 (Thousands)



Source: HUD.

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HOUSING ASSISTANCE AND STABILIZATION PERFORMANCE METRICS				
Indicator	This Period	Last Period	Cumulative From Apr 1, 2009	Latest Release
Distressed Homeowners Assisted (thousands)				
HAMP Trial Modifications	26.6	24.6	1,334.1	August-10
HAMP Permanent Modifications	33.3	36.7	468.1	August-10
FHA Loss Mitigation Interventions	39.2	56.1	511.8	August-10
HOPE Now Modifications	120.4	120.8	1,559.8	July-10
Counseled Borrowers (thousands)	713.5	839.4	4,272	2nd Q 10
Borrower Annual Savings (\$ millions)				
HAMP Trial Modifications	-	-	2,313.3	2nd Q 10
HAMP Permanent Modifications	-	-	2,407.5	2nd Q 10
All Refinances	-	-	12,737.3	2nd Q 10
Activities Completed Under NSP (housing units)				
New Construction or Residential Rehab	3,033	2,537	9,249 [36,292] (b)	2nd Q 10
Demolition or Clearance	1,041	667	2,987 [8,252] (b)	2nd Q 10
Direct Homeownership Assistance	1,147	1,094	3,768 [18,000] (b)	2nd Q 10
Change in Aggregate Home Equity (\$ billions)	95.4	201.1	1,020.3	2nd Q 10

HOUSING MARKET FACT SHEET					
Indicator	This Period	Last Period	Year Ago	As of Dec 2008	Latest Release
Mortgage Rates (30-Yr FRM, percent)	4.37	4.35	5.04	5.1	16-Sep-10
Housing Affordability (index)	161.8	159.5	158.4	166.3	July-10
Home Prices (indices)					
Case Shiller (NSA)	148.0	146.5	142.0	150.5	June-10
FHFA (SA)	195.2	195.7	198.6	198.9	June-10
Home Sales (thousands, SA)					
New	23.0	26.3	34.0	31.4	July-10
Existing	319.2	438.3	428.3	395.0	July-10
First Time Buyers	160.8 (p)	218.4	217.3	174.8	July-10
Housing Supply					
Existing Homes for Sale (thousands, NSA)	3,984	3,887	4,062	3,700	July-10
Existing Homes - Months' Supply (months)	12.5	8.9	9.5	9.4	July-10
New Homes for Sale (thousands, SA)	210	210	270	353	July-10
New Homes for Sale - Months' Supply (months, SA)	9.1	8.0	7.9	11.2	July-10
Vacant Units Held Off Market (thousands)	3,743	3,628	3,501	3,508	2nd Q 10
Mortgage Originations (thousands)					
Refinance Originations	1,132.7	1,050.9	1,941.0	767.2	2nd Q 10
Purchase Originations	925.0	614.7	992.4 (r)	986.4	2nd Q 10
FHA Originations (thousands)					
Refinance Originations	48.4 (p)	37.2 (r)	57.7	62.9	August-10
Purchase Originations	70.8 (p)	65.3 (r)	101.1	72.7	August-10
Purchases by First Time Buyers	53.1 (p)	43.7 (r)	81.1	56.2	August-10
Mortgage Delinquency Rates (percent)					
Prime	5.2	5.4	5.6	4.4	August-10
Subprime	36.2	36.4 (r)	35.2	34.1	August-10
FHA	12.4	12.5	14.7	14.3	August-10
Seriously Delinquent Mortgages (thousands)					
Prime	1,782.3	1,832.8 (r)	1,645.1	912.8	August-10
Subprime	1,960.6	1,963.8 (r)	1,879.3	1,642.1	August-10
FHA	558.0	559.6	453.0	333.1	August-10
Underwater Borrowers (thousands)	10,971.2	11,276.9	10,155.6 (a)	-	2nd Q 10
Foreclosure Actions (thousands)					
Foreclosure Starts	96.5	97.1	138.2	121.5	August-10
Notice of Foreclosure Sale	147.0	135.2	144.1	103.0	August-10
Foreclosure Completions	95.4	92.9	76.1	78.9	August-10

SA = seasonally adjusted, NSA = not SA, p = preliminary, a = adjusted for methodology change, r = revised, b = brackets include units in process.

DETROIT CONSUMER BANKRUPTCY CONFERENCE

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SOURCES AND METHODOLOGY

A. Items in Tables

Description	Frequency	Sources	Notes on Methodology
Distressed Homeowners Assisted HAMP Trial Modifications HAMP Permanent Modifications FHA Loss Mitigation Interventions HOPE Now Modifications	Monthly Monthly Monthly Monthly	Treasury Treasury HUD Hope Now Alliance	As reported. As reported. All FHA loss mitigation and early delinquency interventions. All proprietary modifications completed.
Counseled Borrowers (thousands)	Quarterly	HUD	Housing counseling activity reported by all HUD-approved housing counselors.
Borrower Annual Savings HAMP Trial Modifications HAMP Permanent Modifications All Refinances	Quarterly Quarterly Quarterly	HUD, Treasury, and Freddie Mac HUD and Treasury HUD, and MBA	HUD estimate of annualized savings based on Treasury reported active HAMP trial modifications and Freddie Mac monthly savings estimates. HUD estimate of annualized savings based on Treasury reported active HAMP permanent modifications and median monthly savings estimates. Refinance originations (see below) multiplied by HUD estimate of annualized savings per refinance.
Completed Activities under NSP (housing units) New Construction or Residential Rehab Demolition or Clearance Direct Homeownership Assistance	Quarterly Quarterly Quarterly	HUD HUD HUD	Housing units constructed/rehabilitated using Neighborhood Stabilization Program. Bracketed numbers include units in process, to be completed by 3/2013. Housing units demolished/cleared using Neighborhood Stabilization Program. Bracketed numbers as above. Completed downpayment assistance or non-amortizing second mortgages by grantee to make purchase of NSP unit affordable. Bracketed numbers as above.
Change in Aggregate Home Equity	Quarterly	Federal Reserve Board	Difference in aggregate household owners' equity in real estate as reported in the Federal Reserve Board's Flow of Funds Accounts of the United States for stated time period.
Mortgage Rates (30-Yr FRM)	Weekly	Freddie Mac	Primary Mortgage Market Survey, as reported for 30-Year Fixed Rate Mortgages (FRM).
Housing Affordability	Monthly	National Association of Realtors®	NAR's composite housing affordability index as reported. A value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that family earning the median income has more than enough income to qualify.
Home Prices Case-Shiller (NSA) FHFA (SA)	Monthly Monthly	Standard and Poor's Federal Housing Finance Agency	Case-Shiller 20-metro composite index, January 2000 = 100. Standard and Poor's recommends use of not seasonally adjusted index when making monthly comparisons. FHFA monthly (purchase-only) index for US, January 1991 = 100.
Home Sales (SA) New Existing First Time Buyers	Monthly Monthly Monthly	HUD and Census Bureau National Association of Realtors® NAR, Census Bureau, and HUD	Seasonally adjusted annual rates divided by 12. A newly constructed house is considered sold when either a sales contract has been signed or a deposit accepted, even if this occurs before construction has actually started. Seasonally adjusted annual rates divided by 12. Existing-home sales, which include single-family, townhomes, condominiums and co-ops, are based on transaction closings. This differs from the U.S. Census Bureau's series on new single-family home sales, which are based on contracts or the acceptance of a deposit. Sum of seasonally adjusted new and existing home sales (above) multiplied by National Association of Realtors® annual estimate of first time buyer share of existing home sales.
Housing Supply Existing Homes for Sale (NSA) Existing Homes - Months' Supply New Homes for Sale (SA) New Homes for Sale - Months' Supply (SA) Vacant Units Held Off Market	Monthly Monthly Monthly Monthly Quarterly	National Association of Realtors® National Association of Realtors® HUD and Census Bureau HUD and Census Bureau Census Bureau	As reported. As reported. As reported. As reported. As reported.
Mortgage Originations Refinance Originations Purchase Originations	Quarterly Quarterly	Mortgage Bankers Association and HUD Mortgage Bankers Association and HUD	HUD estimate of refinance originations based on MBA estimate of dollar volume of refinance originations. HUD estimate of home purchase originations based on MBA estimate of dollar volume of home purchase originations.
FHA Originations Refinance Originations Purchase Originations Purchases by First Time Buyers	Monthly Monthly Monthly	HUD HUD HUD	FHA originations reported as of date of loan closing. Estimate for current month scaled upward due to normal reporting lag and shown as preliminary.
Mortgage Delinquency Rates (NSA) Prime Subprime FHA	Monthly Monthly Monthly	LPS-McDash Analytics LPS-McDash Analytics HUD	Total mortgages past due (30+ days) but not in foreclosure, divided by mortgages actively serviced. Total mortgages past due (30+ days) but not in foreclosure, divided by mortgages actively serviced. Total FHA mortgages past due (30+ days) but not in foreclosure, divided by FHA's insurance in force.
Seriously Delinquent Mortgages Prime Subprime FHA	Monthly Monthly Monthly	LPS-McDash, MBA, and HUD LPS-McDash, MBA, and HUD HUD	Mortgages 90+ days delinquent or in foreclosure, scaled up to market. Mortgages 90+ days delinquent or in foreclosure, scaled up to market. Mortgages 90+ days delinquent or in foreclosure.
Underwater Borrowers	Quarterly	First American CoreLogic	As reported. Due to change in reporting methodology, underwater borrower estimates prior to the third quarter of 2009 are adjusted to be compatible with current estimates.
Foreclosure Actions Foreclosure Starts Notice of Foreclosure Sale Foreclosure Completions	Monthly Monthly Monthly	Realty Trac Realty Trac Realty Trac	Notice of default plus <i>lis pendens</i> . Notice of sale (auctions). Real Estate Owned (REO).

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SOURCES AND METHODOLOGY

B. Notes on Charts.

1. Monthly house price trends shown as changes in respective house price indices applied to a common base price set equal to the median price of an existing home sold in January 2003 as reported by the National Association of Realtors. Indices shown: S&P/Case Shiller 20-metro composite index (NSA), January 2000 = 100, and FHFA monthly (purchase-only) index for US (SA), January 1991 = 100.
2. S&P/Case-Shiller 20 metro composite index (SA) as reported monthly. Futures index figures report forward expectations of the level of the S&P/Cash Shiller index as of the date indicated, estimated from prices of futures contracts reported by Radar Logic.
3. Reported seasonally adjusted annual rates for new and existing home sales divided by 12.
4. HUD estimate of refinance originations based on MBA estimate of dollar volume of refinance originations.
5. Cumulative HAMP modifications started, FHA loss mitigation and early delinquency interventions, plus proprietary modifications completed as reported by Hope Now Alliance. Foreclosure completions are properties entering Real Estate Owned (REO) as reported by Realty Trac.
6. Foreclosure starts include notice of default and *lis pendens*, completions are properties entering REO. Both as reported by Realty Trac.
7. See "Borrower Annual Savings" above.
8. FHA market shares as FHA purchase and refinance originations divided by HUD estimates of purchase and refinance mortgage originations as noted in "Mortgage Originations" above.



Appendix

The Administration has taken a broad set of actions to stabilize the housing market and help American homeowners. A year ago, stress in the financial system had severely reduced the supply of mortgage credit, limiting the ability of Americans to buy homes or refinance mortgages. Millions of responsible families who had made their monthly payments and had fulfilled their obligations saw their property values fall. They also found themselves unable to refinance at lower mortgage rates.

In February 2009, less than one month after taking office, President Obama announced the Homeowner Affordability and Stability Plan. As part of this plan and through other housing initiatives, the Administration has taken the following actions to strengthen the housing market:

- Supported Fannie Mae and Freddie Mac to ensure continued access to affordable mortgage credit;
- The Federal Reserve and the U.S. Treasury purchased more than \$1.4 trillion in agency mortgage backed securities through independent MBS purchase programs, helping to keep mortgage rates at historic lows;
- Launched a modification initiative to help homeowners reduce mortgage payments to affordable levels and to prevent avoidable foreclosures;
- Launched a \$23.5 billion Housing Finance Agencies Initiative to increase sustainable homeownership and rental resources;
- Supported the First Time Homebuyer Tax Credit, which has helped 2.5 million American families purchase homes;
- Provided more than \$5 billion in support for affordable rental housing through low income housing tax credit programs and \$6.92 billion in support for the Neighborhood Stabilization Program to restore neighborhoods hardest hit by the concentrated foreclosures;
- Created the \$4.1 billion HFA Hardest Hit Fund for innovative foreclosure prevention programs in the nation's hardest hit housing markets.
- Supported home purchase and refinance activity through the FHA to provide access to affordable mortgage capital and help homeowners prevent foreclosures.

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REVISED JUDICATURE ACT OF 1961 (EXCERPT)
Act 236 of 1961

***** 600.3205c THIS SECTION IS REPEALED BY ACT 31 OF 2009 EFFECTIVE JULY 5, 2011 *****

600.3205c Loan modification.

Sec. 3205c. (1) If a borrower has contacted a housing counselor under section 3205b but the process has not resulted in an agreement to modify the mortgage loan, the person designated under section 3205a(1)(c) shall work with the borrower to determine whether the borrower qualifies for a loan modification. Unless the loan is described in subsection (2) or (3), in making the determination under this subsection, the person designated under section 3205a(1)(c) shall use a loan modification program or process that includes all of the following features:

(a) The loan modification program or process targets a ratio of the borrower's housing-related debt to the borrower's gross income of 38% or less, on an aggregate basis. Housing-related debt under this subdivision includes mortgage principal and interest, property taxes, insurance, and homeowner's fees.

(b) To reach the 38% target specified in subdivision (a), 1 or more of the following features:

(i) An interest rate reduction, as needed, subject to a floor of 3%, for a fixed term of at least 5 years.

(ii) An extension of the amortization period for the loan term, to 40 years or less from the date of the loan modification.

(iii) Deferral of some portion of the amount of the unpaid principal balance of 20% or less, until maturity, refinancing of the loan, or sale of the property.

(iv) Reduction or elimination of late fees.

(2) In making the determination under subsection (1), if the mortgage loan is pooled for sale to an investor that is a governmental entity, the person designated under section 3205a(1)(c) shall follow the modification guidelines dictated by the governmental entity.

(3) In making the determination under subsection (1), if the mortgage loan has been sold to a government-sponsored enterprise, the person designated under section 3205a(1)(c) shall follow the modification guidelines dictated by the government-sponsored enterprise.

(4) This section does not prohibit a loan modification on other terms or another loss mitigation strategy instead of modification if the other modification or strategy is agreed to by the borrower and the person designated under section 3205a(1)(c).

(5) The person designated under section 3205a(1)(c) shall provide the borrower with both of the following:

(a) A copy of any calculations made by the person under this section.

(b) If requested by the borrower, a copy of the program, process, or guidelines under which the determination under subsection (1) was made.

(6) Subject to subsection (7), if the results of the calculation under subsection (1) are that the borrower is eligible for a modification, the mortgage holder or mortgage servicer shall not foreclose the mortgage under this chapter but may proceed under chapter 31. If the results of the calculation under subsection (1) are that the borrower is not eligible for a modification or if subsection (7) applies, the mortgage holder or mortgage lender may foreclose the mortgage under this chapter.

(7) If the determination under subsection (1) is that the borrower is eligible for a modification, the mortgage holder or mortgage servicer may proceed to foreclose the mortgage under this chapter if both of the following apply:

(a) The person designated under section 3205a(1)(c) has in good faith offered the borrower a modification agreement prepared in accordance with the modification determination.

(b) For reasons not related to any action or inaction of the mortgage holder or mortgage servicer, the borrower has not executed and returned the modification agreement within 14 days after the borrower received the agreement.

(8) If a mortgage holder or mortgage servicer begins foreclosure proceedings under this chapter in violation of this section, the borrower may file an action in the circuit court for the county where the mortgaged property is situated to convert the foreclosure proceeding to a judicial foreclosure. If a borrower files an action under this section and the court determines that the borrower participated in the process under section 3205b, a modification agreement was not reached, and the borrower is eligible for modification under subsection (1), and subsection (7) does not apply, the court shall enjoin foreclosure of the mortgage by advertisement and order that the foreclosure proceed under chapter 31.

History: Add. 2009, Act 31, Eff. July 5, 2009.