

Information on Avoiding Foreclosure

These options may be available to you depending on your hardship. There are options to help you stay in your home and bring your mortgage current, and options that allow you to leave your home while avoiding foreclosure. We can answer any questions you may have about these options, including the general eligibility requirements.

OPTIONS TO STAY IN YOUR HOME	OVERVIEW	BENEFIT
Reinstatement	▪ Pay all past due amounts in a single lump-sum payment. ▪ Available if you have the funds to pay now.	▪ Allows you to bring your mortgage current immediately.
Repayment Plan	▪ Pay all past due amounts together with your regular monthly payments over an extended period of time. ▪ Available if you have sufficient income to cover more than your regular monthly payment.	▪ Allows you time to bring your mortgage current without having to make a single lump-sum payment.
Payment Deferral	▪ Defer repayment of one or two past-due principal and interest payments, which will be due and payable at the maturity of the mortgage loan or earlier upon the sale or transfer of the property, refinance of the mortgage loan, or payoff of the interest-bearing unpaid principal balance.	▪ Allows you to bring your mortgage current by delaying repayment of past-due principal and interest amounts without changing other terms of your mortgage.
Forbearance Plan	▪ Make reduced payments or no payments for a specific period of time (for example, six months). During this time your mortgage will become increasingly delinquent.	▪ Allows you time to improve your financial situation and possibly qualify for another option, such as a modification, upon completion of the forbearance plan.
Modification	▪ Make modified payments based on new terms. ▪ Requires your successful completion of a three-month trial period plan.	▪ Allows you to bring your mortgage current by permanently modifying your mortgage. ▪ Intended to make your payments or terms more manageable; typically results in a lower monthly payment.
OPTIONS TO LEAVE YOUR HOME	OVERVIEW	BENEFIT
Traditional Sale (Sale with Equity)	▪ Sell your property. ▪ Proceeds from the sale are used to pay off the mortgage debt and any other debts secured by the property.	▪ Allows you to transition out of your home to avoid foreclosure. ▪ Keep the excess proceeds from the sale once all debts and closing costs are paid.
Short Sale	▪ Sell your property. ▪ Proceeds from the sale are used to pay off a portion of your mortgage balance when you owe more on your mortgage than the home is worth.	▪ Allows you to transition out of your home to avoid foreclosure. ▪ Relocation funds may be available. ▪ The remainder of your mortgage debt after the transfer of ownership may be forgiven, but there may be tax consequences – consult a tax advisor.
Mortgage Release (Deed-in-Lieu of Foreclosure)	▪ Transfer ownership of your property to us in exchange for relief from some or all of the mortgage debt.	▪ Allows you to transition out of your home if you are unable to sell your home to avoid foreclosure. ▪ Relocation funds may be available. ▪ The remainder of your mortgage debt after the transfer of ownership may be forgiven, but there may be tax consequences—consult a tax advisor.

Frequently Asked Questions

Q1. Will it cost money to get help?

- No. There should never be a fee to obtain assistance or information about foreclosure prevention options from your mortgage servicer or a qualified housing finance agency.
- Never send a mortgage payment to a company except the one listed on your monthly mortgage statement.
- Beware of scams and anyone offering to help you for a fee (see **Beware of Foreclosure Rescue Scams!** for additional information).

Q2. What is foreclosure?

- Foreclosure is the loss of your home through a legal process where your mortgage servicer or a third party acquires the property at a foreclosure sale.

Q3. What are the consequences of foreclosure?

- You must move or you will be evicted from the property.
- It may be as long as seven years before you are eligible for another Fannie Mae or Freddie Mac mortgage.
- You and any additional borrower listed on the mortgage may experience negative credit implications.

Q4. Will the foreclosure process begin if I do not respond to my mortgage servicer's notices regarding missed payments?

- If you disregard your mortgage servicer's notices, your mortgage servicer may refer your mortgage to foreclosure as authorized by your mortgage documents and applicable law.

Q5. Should I still contact my mortgage servicer if I have waited too long and my property has been referred to foreclosure?

- Yes, the sooner the better! If you wish to keep your home, contact your mortgage servicer immediately.
- You may also contact a HUD-approved housing counselor (see **Additional Resources** on page 1) and request a three-way call that would include you, the HUD-approved housing counselor, and your mortgage servicer to discuss your hardship.
- A HUD-approved housing counselor can also provide free advice on debt management.

Q6. Can I still be evaluated for mortgage assistance if my property is scheduled for a foreclosure sale?

- Yes, but it is important that you reach out to your servicer as soon as possible to discuss potential options. If your mortgage servicer receives your complete Mortgage Assistance Application with only 37 or fewer calendar days before the scheduled foreclosure sale, there is no guarantee that your servicer will be able to evaluate you for mortgage assistance in time to stop the foreclosure sale.
- Even if your mortgage servicer approves you for a foreclosure alternative prior to a sale, a court with jurisdiction over the foreclosure proceeding (if any) or public official charged with carrying out the sale may not be able to halt the scheduled sale.

Q7. Will my property be sold at a foreclosure sale if I accept a foreclosure alternative?

- No. Your property will not be sold at a foreclosure sale if you accept a foreclosure avoidance option and comply with its requirements.

Q8. What if I acquired an ownership interest in the property, such as through death, divorce, or legal separation?

- You should contact us as soon as possible. We are here to help you adjust to these events and provide you with information on where to send the mortgage payments. Please contact us to obtain a list of documentation that is needed to confirm your identity and ownership interest in the property, and to discuss next steps.

Beware of Foreclosure Rescue Scams!

Scam artists have stolen millions of dollars from distressed homeowners by promising immediate relief from foreclosure, or demanding cash for counseling services. HUD-approved counseling agencies provide the same services for FREE. If you receive an offer, information, or advice that sounds too good to be true, it probably is. If you have any doubts, contact your mortgage servicer. Don't let scammers take advantage of you, your situation, your house, or your money. Keep in mind, your mortgage servicer is not responsible for paying damages resulting from a scam. **Remember, help is FREE.**

How to Spot a Scam - beware of a company or person who:

- Asks for a fee in advance to work with your mortgage servicer to modify, refinance, or reinstate your mortgage.
- Guarantees they can stop a foreclosure or get your mortgage modified.
- Advises you to stop paying your mortgage servicer and pay them instead.
- Pressures you to sign over the deed to your home or sign any paperwork that you haven't had a chance to read, and you don't fully understand.
- Claims to offer "government-approved" or "official government" mortgage modifications.
- Asks you to release personal financial information online or over the phone and you have not been working with this person and/or do not know them.

How to Report a Scam - do one of the following:

- Go to <http://www.consumerfinance.gov/complaint/> to submit a complaint and get information on how to fight back.
- Call (888) 995-HOPE (4673) and tell the counselor about your situation and that you believe you were scammed or know of a scam.

Mortgage Assistance Application Checklist

Important: All documents listed on this form are required.

Documents indicated with an asterisk * will be required, if applicable.

We will be unable to review your request for assistance until all required documents are received. Use the checklist below prior to submission to ensure all documents are included with submission.

☐ **Copies of all Core Documents Listed Below**

- ☐ Completed, signed, and dated Mortgage Assistance Application
- ☐ Signed and Dated hardship letter
- ☐ Most recent, signed, dated, and completed tax returns
*Only if required by investor
- ☐ Last 2 months bank statements for all accounts, Checking, Savings, CD, etc. (ALL PAGES or will not be accepted)
*Transaction history is unacceptable; actual statements are needed
Copies of Bills and Receipts for all Additional Living Expenses under Section 5B
- ☐ Copy of Previous Year W-2 form

☐ **Hardship Information and Copies of documentation Section 3 (refer to your specific hardship for document details)**

☐ **Proof of Income Section 4**

☐ **Signed and Dated 4506-C, if requested by investor** (available for download via your online account at lower.servicingdivision.com or by request)

☐ ***Pre-foreclosure Sale Information, if applicable**

☐ ***Third Party Authorization, if applicable** (available for download via your online account at lower.servicingdivision.com or by request)

☐ ***Non-Borrower Authorization Form, if applicable** (available for download via your online account at lower.servicingdivision.com or by request)

To submit your completed application, you may use one of the methods below:

- Mail: 3138 E. Elwood St, Phoenix, AZ 85034
- Upload via portal at lower.servicingdivision.com

We are here to help. If you have any questions, please reach out to us at 888-509-8301

Mortgage Assistance Application

If you are having mortgage payment challenges, please complete and submit this application, along with the required documentation. We will contact you within three business days, or fewer, according to applicable state law, to acknowledge receipt and let you know if you need to send additional information or documents.

We will use the information you provide to help us identify the assistance you may be eligible to receive. If you need help completing this application, please contact 888-509-8301.

For a list of HUD-approved housing counseling agencies that can provide foreclosure prevention information, contact one of the following federal government agencies:

- The U.S. Department of Housing and Urban Development (HUD) at (800) 569-4287 or www.hud.gov/counseling
- The Consumer Financial Protection Bureau (CFPB) at (855) 411-2372 or www.consumerfinance.gov/mortgagehelp

If you need assistance with translation or other language assistance, HUD-approved housing counseling agencies may be able to assist you. These services are provided without charge.

I. Borrower Information

Borrower's name _____ Social Security Number _____

Date of Birth: mm/dd/yyyy ____/____/____

E-mail address: _____

Primary phone number: _____ Best time to call _____

Cell phone number: _____ Best time to call _____

Property Address: _____

Mailing address (if different from property address): _____

Marital Status: ☐ Married ☐ Divorced ☐ Separated ☐ Single ☐ Widowed

Spouse's Name if not on Note (if applicable): _____

Employer Name: _____ Employer Name: _____

Hire Date: mm/dd/yyyy ____/____/____ Hire Date: mm/dd/yyyy ____/____/____

Co-Borrower's name _____ Social Security Number _____

Date of Birth: mm/dd/yyyy ____/____/____

E-mail address: _____

Primary phone number: _____ Best time to call _____

Cell phone number: _____ Best time to call _____

Property Address: _____

Mailing address (if different from property address): _____

Marital Status: ☐ Married ☐ Divorced ☐ Separated ☐ Single ☐ Widowed

Spouse's Name if not on Note (if applicable): _____

Employer Name: _____ Employer Name: _____

Hire Date: mm/dd/yyyy ____/____/____ Hire Date: mm/dd/yyyy ____/____/____

Total Number of People Living in Household: _____

Preferred contact method (choose all that apply): ☐ Cell phone ☐ Home phone ☐ Work phone

☐ Email ☐ Text (checking this box indicates your consent for text messaging)

Is either borrower on active duty with the military (including the National Guard and Reserves), the dependent of a borrower on active duty, or the surviving spouse of a member of the military who was on active duty at the time of death? ☐ Yes ☐ No

2. Property Information

The property is currently: ☐ A primary residence ☐ A second home ☐ An investment property

Occupancy Status: ☐ Owner Occupied ☐ Renter Occupied ☐ Vacant ☐ Abandoned

I want to: ☐ Keep the property ☐ Sell the property ☐ Transfer ownership of the property to my servicer ☐ Undecided

Is the property listed for sale? ☐ Yes ☐ No

– If yes, provide the listing agent's name and phone number or indicate “for sale by owner” if applicable: _____

Is the property subject to condominium or homeowners' association (HOA) fees? ☐ Yes ☐ No

– If yes, Dues Amount and Frequency _____ ☐ Monthly ☐ Quarterly ☐ Semi-Annually ☐ Annually

3. Hardship Information

The hardship causing mortgage payment challenges began on approximately (date) _____ and is believed to be:

- ☐ Short-term (up to 6 months) - Resolved as of (date) _____
☐ Long-term or permanent (greater than 6 months) - Resolved as of (date) _____

The hardship has been resolved and I can resume making on-time payments: ☐ Yes ☐ No

I can afford my existing payment: ☐ Yes ☐ No, I need a reduced payment.

TYPE OF HARDSHIP (CHECK ALL THAT APPLY)	REQUIRED HARDSHIP DOCUMENTATION
☐ Unemployment	Termination letter, unemployment award letter etc.
☐ Reduction in income: a hardship that has caused a decrease in your income due to circumstances outside your control (e.g., elimination of overtime, reduction in regular working hours, a reduction in base pay).	Not required
☐ Increase in housing-related expenses: a hardship that has caused an increase in your housing expenses due to circumstances outside your control (e.g., uninsured losses, increased property taxes, HOA special assessment).	Not required
☐ Disaster (natural or man-made) impacting the property or borrower's place of employment	Include signed dated hardship letter indicating property or place of employment has been affected by disaster.
☐ Divorce or legal separation	Final recorded divorce decree or separation agreement and recorded quit claim deed if applicable.
☐ Separation of borrowers unrelated my marriage, civil union, or similar domestic partnership under applicable law	Recorded quit claim deed or legally binding agreement evidencing that the non-occupying borrower or co-borrower has relinquished all rights to property.
☐ Long-term or permanent disability, or serious illness of a borrower/co-borrower or dependent family member	Written statement from the borrower, or other documentation verifying disability or illness. Note: Detailed medical information is not required, and information from a medical provider is not required.
☐ Death of borrower or death of either the primary or secondary wage earner	Death certificate OR Obituary or newspaper article reporting the death.
☐ Distant employment transfer/relocation	- For active-duty service members: Permanent Change of Station (PCS) orders or letter showing transfer. - For employment transfers/new employment: Copy of signed offer letter or notice from employer showing transfer to a new location or written explanation if employer documentation not applicable, AND Documentation that reflects the amount of any relocation assistance provided (not required for those with PCS orders).

4. Income Information

TYPE OF INCOME (CHECK ALL THAT APPLY)	Amount	REQUIRED INCOME DOCUMENTATION
☐ Gross (pre-tax) wages, salaries and overtime pay, commissions, tips, and bonuses ☐ Teacher/Educator income ☐ 12 Month Pay Schedule ☐ 11 Month Pay Schedule ☐ 10 Month Pay Schedule ☐ 9 Month Pay Schedule	\$	- Most recent 30 days consecutive paystubs including year to date earnings. - Weekly Pay = 4 Paystubs - Bi-Weekly/Semi-Monthly = 2 Paystubs - Monthly = 1 Paystub
☐ Self-employment income	\$	- Most recent signed and dated quarterly or year-to-date profit/loss statement. - Most recent executed tax return.
☐ Unemployment income	\$	Termination letter, unemployment award letter etc.

☐ Social Security, pension, disability, death benefits, adoption assistance, housing allowance, and other public assistance	\$	- Award letters or other documentation showing the amount and frequency of the benefits OR - Two most recent bank statements showing deposit amounts
☐ Rental income (rents Received, less expenses other than mortgage expense)	\$	- Current lease agreement (Not Expired) AND - Two most recent bank statements showing deposit amounts
☐ Investment or insurance income	\$	- Two most recent investment statements OR - Two most recent bank statements showing deposit amounts
☐ Other sources of income not listed above (Note: only include alimony, child support, or separate maintenance income if you choose to have it considered for repaying this loan)	\$	- Copy of recorded divorce decree or court order AND - Two most recent bank statements showing deposit amounts

A. Assets	
Savings, money market funds, and Certificates of Deposit (CDs)	\$
Stocks and bonds (non-retirement accounts)	\$
Checking Accounts cash on hand	\$

5. Borrower Current Monthly Expenses			
A. Liabilities			
First Mortgage Payment	\$	Car Lease/Payment 2	\$
Second Mortgage Payment	\$	Credit Cards (total minimum payment per month)	\$
Car Lease/Payment 1	\$	Installment Loan(s) (Please Specify):	\$

B. Additional Living Expenses (Monthly Amounts)			
Groceries/Dining Out	\$	Tuition/School	\$
Vehicle Insurance	\$	Health/Life Insurance	\$
Vehicle Gas, Maintenance, Parking	\$	Condo/HOA Fees	\$
Water, Sewage & Garbage	\$	Alimony/Child Support Payments	\$
Utilities-Electric	\$	Childcare/Daycare	\$
Utilities-Gas	\$	Entertainment	\$
Cellular & Home Phone(s)	\$	Other (Please Specify):	\$
Cable, Satellite & Internet	\$	Other (Please Specify):	\$

6. Required Pre-foreclosure Sale Information	
Listing Agreement	Listing agreement must be signed and dated by the listing agent and seller. It must be valid and not expired at the time the contract is signed. The property must be listed on MLS.
Pre-foreclosure Sale Contract	- The purchase contract must be signed and dated by all parties and must include verbiage that the closing will occur within 45 days or more of lender Pre-foreclosure sale approval. - Add other documents as needed depending on condition.
Pre-foreclosure Sale Affidavit	The Pre-foreclosure sale affidavit must be signed and dated by all parties including buyer(s), seller(s), buyer's agent, and seller's agent.
Pre-foreclosure Sale or Deed in Lieu	- Include 3 months of all bank and investment statements. - If self-employed, most recent quarterly profit/loss statement must be completed by a CPA.

Bankruptcy

- Has any borrower filed for bankruptcy?
- ☐ Chapter 7 ☐ Chapter 11 ☐ Chapter 12 ☐ Chapter 13

☐ No

Filing Date: _____ Case Number: _____

- Has your bankruptcy been discharged?

☐ No

Service Members Civil Relief Act (SCRA)

- Is any Borrower an active-duty service member?
- Is any Borrower receiving hostile pay?
- Have you recently been deployed away from your principal residence or recently received a permanent change of station order?
- Is any borrower the surviving spouse of a deceased service member who was on active duty at the time of death?

☐ No☐ No☐ No☐ No

Credit Counseling

- Have you contacted a credit counseling agency for help?

☐ No

Counselors Name: _____

Agency's Name: _____

Counselors Phone Number: _____

Counselors Email Address: _____

[illegible]

9. Borrower Certification and Agreement

1. I certify and acknowledge that all the information in this Mortgage Assistance Application is truthful, and the hardship I identified contributed to my need for mortgage relief. Knowingly submitting false information may violate Federal and other applicable law.
2. I agree to provide my servicer with all required documents, including any additional supporting documentation as requested, and will respond in a timely manner to all servicer or authorized third party* communications.
3. I acknowledge and agree that my servicer is not obligated to offer me assistance based solely on the representations in this document or other documentation submitted about my request.
4. I consent to the servicer or authorized third party* obtaining a current credit report for the borrower and co-borrower. (All active credit freezes must be lifted.)
5. I consent to the disclosure by my servicer, authorized third party,* or any investor/guarantor of my mortgage loan(s), of any personal information collected during the mortgage assistance process and of any information about any relief I receive, to any third party that deals with my first lien or subordinate lien (if applicable) mortgage loan(s), including Fannie Mae, Freddie Mac, or any investor, insurer, guarantor, or servicer of my mortgage loan(s) or any companies that provide support services to them, for purposes permitted by applicable law. Personal information may include but is not limited to: (a) my name, address, telephone number, (b) my Social Security number, (c) my credit score, (d) my income, (e) my payment history and information about my account balances and activity, and (f) my tax return and the information contained therein.
6. I agree that the terms of this borrower certification and agreement will apply to any modification trial period plan, repayment plan, or forbearance plan that I may be offered based on this application. If I receive an offer for a modification trial period plan or repayment plan, I agree that my first timely payment under the plan will serve as acceptance of the plan.
7. I consent to being contacted concerning this application for mortgage assistance at any telephone number, including mobile telephone number, or email address I have provided to the lender, servicer, or authorized third party.

*An authorized third party may include, but is not limited to, a housing counseling agency, Housing Finance Agency (HFA) or other similar entity that is assisting me in obtaining a foreclosure prevention alternative.

PLEASE NOTE: This application must be wet signed. Digital signatures will be rejected and cause a delay in processing your request.

Borrower signature: _____ Date: _____

Co-Borrower signature: _____ Date: _____

Please submit your completed application, together with the required documentation in one of the following ways:

- **Mail: 3138 E. Elwood St, Phoenix, AZ 85034**
- **Upload via online account at lower.servicingdivision.com**

We are here to help. If you have any questions, please reach out to us at 888-509-8301.

We will contact you within three business days, or fewer, according to applicable state law to acknowledge receipt and let you know if you need to send additional information or documents.

We will use the information you provided to help us identify the assistance you may be eligible to receive.