

**Client agrees to and understands the types of loss mitigation services provided as follows:**

We may be able to assist you in saving your home or eliminating debt through a variety of possible loss mitigation options. In order to determine if you are eligible for options A through G listed below, please provide the loss mitigation specialist in our office accurate and complete information. Because the available assistance options vary by loan type and investor approval, they have been itemized below for your convenience.

**A. LOAN MODIFICATION** (Available on a very limited number of VA loans with lender and/or investor approval) **(Recast for FHA)**

If you have incurred a long term financial hardship, our office can assist in supplying the appropriate information to lender/investor to take appropriate measures to modify the term(s) of your mortgage and this could lower the interest and payments. There are costs and fees associated with a modification that you will be responsible for. All property taxes must be current or you must be participation in an approved payment plan with your taxing authority to be eligible for a modification. Any additional liens or mortgagees must agree to be subordinate to the first mortgage. All requests are subject to your investor's approval. Any fees owed to the agent, servicer, lender and/or investor will be deducted at closing of the initial approval and are non-refundable.

**B. VA LOAN MODIFICATION/REFUNDING** (available for VA loans only) (Need at least 30 days to process)

A refunding is when the VA buys your loan from the loan holder. Refunding may give VA the flexibility to consider options to help you save your home that your current loan holder either could not or would not consider. When the VA refunds a loan under 38 U.S.C. 36.4318, the delinquency is added to the principal balance and the loan is re-amortized. Your new loan will be non-transferable without prior approval from the Secretary. If your interest rate was lowered and an assumption is approved, the interest rate will be adjusted back to the previous rate. Any fees owed to the agent, VA, loan servicer, and/or investor will be deducted at closing of the initial approval and are non-refundable.

**C. SHORT PAYOFF (SHORT SALE) (Pre-foreclosure Sale) (Compromise of Sale)**

If you have suffered a long term financial hardship and are unable to maintain your loan or if you need to sell the property to avoid a default loss on the property, it is possible that the investor may be able to accommodate you with a short payoff. A qualified buyer is required. If this is an option you wish to pursue, you must inform the loss mitigation specialist assisting you immediately. There may be tax ramifications associated with any short payoff or foreclosure; therefore, your agent recommends you contact your tax advisor for details. Any fees owed to the agent, loan servicer, insurer and/or guarantor will be deducted at closing of the initial approval and is non-refundable

**D. DEED-IN-LIEU OF FORECLOSURE**

If you have incurred a long term financial hardship and your house has been on the market (at fair market value) for at least 90 days, you may be eligible for a deed-in lieu of foreclosure. To be considered for this option, you must complete a financial package and provide a copy of your recent active listing agreement. Also, there cannot be any additional claims or liens (other than the mortgage) against the property. If you are approved for a deed-in-lieu, you will be giving up all rights to the property and the property will be conveyed to your investor. In exchange for the deed-in-lieu, the loan servicer, investor, insurer and/or guarantor will waive all deficiency judgment rights. You may be asked to participate in our Short Payoff program before a deed-in-lieu of foreclosure is accepted. Any fees owed to the agent, loan servicer, investor, insurer and/or guarantor will be deducted at closing of the initial approval and is non-refundable.

**E. REPAYMENT PLAN**

If you have incurred a short term financial hardship and your loan is two or more months past due, your agent will also consider the possibility of submitting a request for a payment plan to the guarantor, insurer loan servicer and/or investor for approval. Only after reviewing your financial situation will this option be considered. All clients must be able to show that they can afford this plan in order to be submitted to your loan servicer, investor, insurer and/or guarantor. Any fees owed to the agent, loan servicer, investor, insurer and or guarantor will be deducted at closing of the initial approval and are non-refundable.

**F. SPECIAL FOBEARANCE** (FHA loans only) (Type I & II)

If you have incurred a short term financial hardship and your loan is 90 days to 365 days past due, the agent will also consider the possibility of submitting a request of a special forbearance to the guarantor, issuer, loan servicer and/or investor for approval. A special forbearance is designed to provide you with more relief than is possible with a regular repayment plan. Typical approval can result in allowing for a 12 to 18 month repayment of past due payments. Type II - can be utilized in an unemployment situation whereby the promise of future employment is present. We have cases that are VA loans with 27-month repayment plans. Any fees owed to the agent, loan servicer, investor, insurer and/or guarantor will be deducted at closing of the initial approval and are non-refundable.

**G. PARTIAL CLAIM** (FHA mortgages only) (Some Freddie Mac Investor loans)

The agent may assist in requesting a partial claim if you qualify. Eligibility if loans is 120 to 365 days past due. A partial claim is a subordinate mortgage (2<sup>nd</sup> mortgage) between you and the Secretary of Housing Urban Development. The partial claim note will commence payment at the maturity date of the first mortgage and carry no interest and will include the past due payments due on the loan. The partial claim will consist of only 12 months of past due payments. Any fees owed to the agent, loan servicer, investor, insurer and/or guarantor will be deducted at closing of the initial approval and are non-refundable.

**Client requests that the agent submit information for consideration of the above loss mitigation alternatives to appropriate parties in an attempt to rectify mortgage problems if client qualifies for our assistance. Our rate is earned at one hundred twenty-five dollars per hour until the completion of our services.**

I/We \_\_\_\_\_, understand and agree to the information contained in this form. I/WE further acknowledge that information submitted to lender for consideration is accurate to the best of our knowledge.

Executed this \_\_\_\_\_ day or \_\_\_\_\_, 20\_\_\_\_\_.

Client \_\_\_\_\_.

Client \_\_\_\_\_.