

Homeowner Packet

Welcome

We are a HUD Counseling Agency and a sub-grantee of Kentucky Housing Corporation (Kentucky's state Housing Authority) and provide loss mitigation counseling.

If your loan is with Fannie Mae or Freddie Mac see the attached checklist with forms and a list of required documents your lender will need to evaluate your hardship.

Getting Started

- 1 Complete (in full), sign and return the Uniform Borrower Assistance Form and IRS Form 4506T-EZ sent with this packet. *If you need assistance with the forms, complete as much as you can and work with your housing counselor to finish.*
- 2 Return all the required documents along with copies of your state-issued photo ID (i.e., Drivers License) and Social Security card to your housing counselor using one of the options below.

Fax: Toll Free (859) 431-1298

Email: ejohnson@brightoncenter.com

Mail to: P. O. Box 325

In Person: By appointment only

Note: You must provide copies of your identification documents: a state-issued photo ID (i.e., Drivers License) and your Social Security card.

Know Your Options™

You can also visit www.KnowYourOptions.com for more information on mortgage options as well as helpful homeowner resources, such as calculators to help you understand how different mortgage options work and the Options Finder which shows options that might be right for you.



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Uniform Borrower Assistance Form	Appendix A
<i>Documents your mortgage information and hardship and starts the process for assistance.</i>	
IRS Form 4506T-EZ	Appendix B
<i>Authorizes access to your tax information.</i>	

If you need assistance with these forms, call your housing counselor at (859) 491-8303 ext. 2327

Homeowner Checklist

GET STARTED – Use this checklist to ensure you have completed all required forms and have the right information to meet with your housing counselor.

Step 1 – Required Forms

Completed & Signed!	Document Name/Type
	<i>The following documents will be required by your mortgage company. They must be completed and signed by every person (borrower) on the mortgage.</i>
<input type="checkbox"/>	Uniform Borrower Assistance Form (Fannie Mae/Freddie Mac Form 710)
<input type="checkbox"/>	Income documentation as outlined in Form 710 based on income type
<input type="checkbox"/>	Hardship documentation as outlined in Form 710 based on hardship type
<input type="checkbox"/>	Short Form Request for Individual Tax Return Transcript (IRS Form 4506T-EZ) or a Request for Transcript of Tax Return (IRS Form 4506-T) signed by the borrower

Step 2 – Supporting Documentation

The following documents may be needed during your counseling session. You will want to have the most current/recent version of these documents. Note: This is not a comprehensive list. Your counselor may require additional documents.

Complete!	Homeowner/Mortgage Information
<input type="checkbox"/>	Drivers license (or state-issued photo ID)
<input type="checkbox"/>	Social Security card
<input type="checkbox"/>	Mortgage statement
<input type="checkbox"/>	Second lien mortgage statement (if applicable)
<input type="checkbox"/>	Homeowners Association (HOA) statement (if applicable)
<input type="checkbox"/>	Property/Homeowners/Hazard Insurance Statement
<input type="checkbox"/>	Property tax bill
<input type="checkbox"/>	Utility bill (gas or electric statement)
Complete!	Financial Information for All Borrowers
	① Bank Accounts (include all pages of the statement/s, even blanks)
<input type="checkbox"/>	Checking Account Statement (last 2 months)
<input type="checkbox"/>	Savings Account Statement (last 2 months)
<input type="checkbox"/>	Other Bank Account Statements (last 2 months)—Investments, 401ks, stocks, bonds, etc.
	② Federal Tax Returns
<input type="checkbox"/>	Last 2 years (all filed pages, must be signed)
	③ Income (select the most applicable source[s] of your income)
<input type="checkbox"/>	➔ <i>Are You Employed? If so, provide:</i> Paystubs for the past 30 days.
<input type="checkbox"/>	➔ <i>Do you have supplemental income? (child support or alimony, rental or boarder income, other) If so, provide:</i> 30 days of documentation
<input type="checkbox"/>	➔ <i>Are You Self Employed? If so, provide:</i>
<input type="checkbox"/>	<ul style="list-style-type: none"> • Profit and Loss (P&L) Statement year-to-date (with minimum of 3 previous months) • Personal and/or business bank account statements for all bank or investment accounts (last 4 months)
<input type="checkbox"/>	➔ <i>Are you Retired? If so, provide:</i>
<input type="checkbox"/>	<ul style="list-style-type: none"> • Social Security/Social Security Disability Insurance – Award Letter • Pension – Award Letter

Information on Avoiding Foreclosure

For your information only – Do not return to your housing counselor.

Mortgage Programs Are Available to Help

There are a variety of programs available to help you resolve your delinquency and keep your home. You may be eligible to refinance or modify your mortgage to make your payments and terms more manageable, for instance, lowering your monthly payment to make it more affordable. Or you may qualify for a temporary (or permanent) solution to help you get your finances back on track. Depending on your circumstances, staying in your home may not be possible. However, a short sale or deed-in-lieu of foreclosure may be a better choice than foreclosure – see the table below for more information:

OPTION	OVERVIEW	BENEFIT
Refinance	Receive a new loan with lower interest rate or other favorable terms	Makes your payment or terms more affordable
Reinstatement	Pay the total amount you owe, in a lump sum payment and by a specific date. This may follow a forbearance plan as described below	Allows you to avoid foreclosure by bringing your mortgage current if you can show you have funds that will become available at a specific date in the future
Repayment Plan	Pay back your past-due payments together with your regular payments over an extended period of time	Allows you time to catch up on late payments without having to come up with a lump sum
Forbearance Plan	Make reduced mortgage payments or no mortgage payments for a specific period of time	Have time to improve your financial situation and get back on your feet
Modification	Receive modified terms of your mortgage to make it more affordable or manageable after successfully making the reduced payment during a “trial period” (i.e., completing a three [or four] month trial period plan)	Permanently modifies your mortgage so that your payments or terms are more manageable as a permanent solution to a long-term or permanent hardship
Short Sale	Sell your home and pay off a portion of your mortgage balance when you owe more on the home than it is worth	Allows you to transition out of your home without going through foreclosure. In some cases relocation assistance may be available
Deed-in-Lieu of Foreclosure	Transfer the ownership of your property to us.	Allows you to transition out of your home without going through foreclosure. In some cases relocation assistance may be available. This is useful when there are no other liens on your property

We Want to Help

Take action and gain peace of mind and control of your situation. Complete and return the Uniform Borrower Assistance Form (included) with supporting income and hardship documentation and IRS Form 4506T-EZ and copies of your state-issued photo ID and Social Security card so you can get the help you need. If you have questions or need assistance in better understanding and completing the necessary documents, please call your housing counselor.

Frequently Asked Questions

For your information only – Do not return to your housing counselor.

1. Why Did I Receive This Packet?

You have contacted a housing counselor for help with your mortgage. This packet includes the information needed to help you understand your options and request assistance. When you return the completed and signed Borrower Assistance Form (with supporting income and hardship documentation), and a completed IRS Form 4506T-EZ, along with copies of your state-issued photo ID and Social Security card, your housing counselor can start to work with you to quickly resolve any temporary or long-term financial challenge you face to making all of your mortgage payments.

2. Where Can I Find More Information on Foreclosure Prevention?

Please see the Avoiding Foreclosure attachment in this packet for more information, or visit KnowYourOptions.com.

3. Will I Be Evaluated for the Federal Home Affordable Modification Program (HAMP) When I Submit My Information?

If you are not eligible for a refinance, reinstatement, repayment, or forbearance plan based on the information you provide, we will evaluate you for participation in the Home Affordable Modification Program (HAMP). If you are not eligible for HAMP, you will be evaluated for a non-HAMP Fannie Mae loan modification.

4. Will It Cost Money to Get Help?

There should never be a fee from your servicer or qualified counselor to obtain assistance or information about foreclosure prevention options. However, foreclosure prevention has become a target for scam artists. Be wary of companies or individuals offering to help you for a fee, and never send a mortgage payment to any company other than the one listed on your monthly mortgage statement or one designated to receive your payments under a state assistance program.

5. What Happens Once I Have Sent the Borrower Assistance Form With Supporting Income and Hardship Documentation, and IRS Form 4506T-EZ to My Housing Counselor?

Your housing counselor will review the packet to determine whether it is completed properly and contact you about next steps. Be sure to ask for the name and/or employee number of the mortgage specialist who is helping you and be sure to give them your up-to-date contact information. **Please submit your Borrower Assistance Form with supporting income and hardship documentation and IRS Form 4506T-EZ to your housing counselor as soon as possible.**

6. What Happens to My Mortgage While You Are Evaluating My Information?

You remain obligated to make all mortgage payments as they come due, even while we are evaluating the types of assistance that may be available.

7. What Happens if I Have Waited Too Long and My Property Has Been Referred to an Attorney for Foreclosure? Should I Still Contact My Housing Counselor?

Yes, the sooner the better!

8. Will My Property be Sold at a Foreclosure Sale If I Accept a Foreclosure Alternative?

No. The property will not be sold at a foreclosure sale once you accept a foreclosure alternative, such as a forbearance or repayment plan, and comply with all requirements.

Frequently Asked Questions continued

9. Will My Credit Score Be Affected by My Late Payments or Being in Default?

The delinquency status of your loan will be reported to credit reporting agencies as well as your entry into a Repayment Plan, Forbearance Plan, or Trial Period Plan in accordance with the requirements of the Fair Credit Reporting Act and the Consumer Data Industry Association requirements.

10. Will My Credit Score Be Affected if I Accept a Foreclosure Prevention Option?

While the affect on your credit will depend on your individual credit history, credit scoring companies generally would consider entering into a plan with reduced payments as increasing your credit risk. As a result, entering into a plan with reduced payments may adversely affect your credit score, particularly if you are current on your mortgage or otherwise have a good credit score.

11. Is Foreclosure Prevention Counseling Available?

Yes, HUD-approved counselors are available to provide you with the information and assistance you may need to avoid foreclosure. You can use the search tool at <http://www.hud.gov/offices/hsg/sfh/hcc/fc/> to find a counselor near you.

12. I Have Seen Ads and Flyers From Companies Offering to Help Me Avoid Foreclosure for a Fee. Are These Companies on the Level?

Foreclosure prevention has become a target for scam artists. The HUD website referenced in question 12 can help you to locate a counselor near you. Also, please refer to "Beware of Foreclosure Rescue Scams" for more information.

Beware of Foreclosure Rescue Scams – Tips & Warning Signs

For your information only – Do not return to your housing counselor.

Scam artists are stealing millions of dollars from distressed homeowners by promising immediate relief from foreclosure, or demanding cash for counseling services when 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. Don't let them take advantage of you, your situation, your house or your money. **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 lender to modify, refinance or reinstate your mortgage.
- Guarantees they can stop a foreclosure or get your loan modified.
- Advises you to stop paying your mortgage company 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" loan 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 www.preventloanscams.org and fill out the Loan Modification Scam Prevention Network's (LMSPN) complaint form online and get more information on how to fight back. Note: you can also fill out this form and send to the fax number/e-mail/address (your choice!) on the back of the form.
- Call 1(888)995-HOPE (4673) and tell the counselor about your situation and that you believe you got scammed or know of a scam.

Loan number: <loan_num>

Mortgage Assistance Application

If you are having mortgage payment challenges, please complete and submit this application, along with the required documentation, to [servicer name] via mail: [address], fax: [fax #], or online: [website/email address]. We will contact you within five business days 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 [servicer name] at [phone #].

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.

Borrower Information

Borrower's name: _____

Social Security Number (last 4 digits): _____

E-mail address: _____

Primary phone number: _____ Cell Home Work Other

Alternate phone number: _____ Cell Home Work Other

Co-borrower's name: _____

Social Security Number (last 4 digits): _____

E-mail address: _____

Primary phone number: _____ Cell Home Work Other

Alternate phone number: _____ Cell Home Work Other

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

Property Information

Property Address: _____

Mailing address (if different from property address): _____

- The property is currently: A primary residence A second home An investment property
- The property is (select all that apply): Owner occupied Renter occupied Vacant
- 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, indicate monthly dues: \$ _____

Hardship Information

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

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

TYPE OF HARDSHIP (CHECK ALL THAT APPLY)	REQUIRED HARDSHIP DOCUMENTATION
<input type="checkbox"/> Unemployment	<ul style="list-style-type: none"> ▪ Not required
<input type="checkbox"/> 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)	<ul style="list-style-type: none"> ▪ Not required
<input type="checkbox"/> 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)	<ul style="list-style-type: none"> ▪ Not required
<input type="checkbox"/> Disaster (natural or man-made) impacting the property or borrower's place of employment	<ul style="list-style-type: none"> ▪ Not required
<input type="checkbox"/> Long-term or permanent disability, or serious illness of a borrower/co-borrower or dependent family member	<ul style="list-style-type: none"> ▪ 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
<input type="checkbox"/> Divorce or legal separation	<ul style="list-style-type: none"> ▪ Final divorce decree or final separation agreement OR ▪ Recorded quitclaim deed
<input type="checkbox"/> Separation of borrowers unrelated by marriage, civil union, or similar domestic partnership under applicable law	<ul style="list-style-type: none"> ▪ Recorded quitclaim deed OR ▪ Legally binding agreement evidencing that the non-occupying borrower or co-borrower has relinquished all rights to the property
<input type="checkbox"/> Death of borrower or death of either the primary or secondary wage earner	<ul style="list-style-type: none"> ▪ Death certificate OR ▪ Obituary or newspaper article reporting the death
<input type="checkbox"/> Distant employment transfer/relocation	<ul style="list-style-type: none"> ▪ 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)
<input type="checkbox"/> Other – hardship that is not covered above: _____ _____ _____ _____	<ul style="list-style-type: none"> ▪ Written explanation describing the details of the hardship and any relevant documentation

Borrower Income

Please enter all borrower income amounts in middle column.

MONTHLY TOTAL BORROWER INCOME TYPE & AMOUNT		REQUIRED INCOME DOCUMENTATION
Gross (pre-tax) wages, salaries and overtime pay, commissions, tips, and bonuses	\$	<ul style="list-style-type: none"> ▪ Most recent pay stub and documentation of year-to-date earnings if not on pay stub OR ▪ Two most recent bank statements showing income deposit amounts
Self-employment income	\$	<ul style="list-style-type: none"> ▪ Two most recent bank statements showing self-employed income deposit amounts OR ▪ Most recent signed and dated quarterly or year-to-date profit/loss statement OR ▪ Most recent complete and signed business tax return OR ▪ Most recent complete and signed individual federal income tax return
Unemployment benefit income	\$	<ul style="list-style-type: none"> ▪ No documentation required
Taxable Social Security, pension, disability, death benefits, adoption assistance, housing allowance, and other public assistance	\$	<ul style="list-style-type: none"> ▪ Two most recent bank statements showing deposit amounts OR ▪ Award letters or other documentation showing the amount and frequency of the benefits
Non-taxable Social Security or disability income	\$	<ul style="list-style-type: none"> ▪ Two most recent bank statements showing deposit amounts OR ▪ Award letters or other documentation showing the amount and frequency of the benefits
Rental income (rents received, less expenses other than mortgage expense)	\$	<ul style="list-style-type: none"> ▪ Two most recent bank statements demonstrating receipt of rent OR ▪ Two most recent deposited rent checks
Investment or insurance income	\$	<ul style="list-style-type: none"> ▪ Two most recent investment statements OR ▪ Two most recent bank statements supporting receipt of the income
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)	\$	<ul style="list-style-type: none"> ▪ Two most recent bank statements showing receipt of income OR ▪ Other documentation showing the amount and frequency of the income

Current Borrower Assets

Exclude retirement funds such as a 401(k) or Individual Retirement Account (IRA), and college savings accounts such as a 529 plan.

Checking account(s) and cash on hand	\$
Savings, money market funds, and Certificates of Deposit (CDs)	\$
Stocks and bonds (non-retirement accounts)	\$
Other:	\$

Borrower Certification and Agreement

1. I certify and acknowledge that all of 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 in connection with my request.
4. I consent to the servicer or authorized third party* obtaining a current credit report for the borrower and co-borrower.
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, and (e) my payment history and information about my account balances and activity.
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.

Borrower signature: _____ Date: _____

Co-Borrower signature: _____ Date: _____

Please submit your completed application, together with the required documentation, to [servicer name] via mail: [address], fax: [fax #], or online: [website/email address]. We will contact you within five business days 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.