



Loss Mitigation Borrower Response Package - Modification

Instructions and Disclosures

Member Name: _____ Loan Number(s): _____

In an effort to help achieve your goal of staying in your home and securing more affordable terms, please complete, sign, and return the entire attached Loss Mitigation Borrower Response Package, along with all applicable documentation listed below. Desert Schools Federal Credit Union will conduct a thorough review of your current financial situation and the hardship that you are experiencing. The Credit Union will work with you to identify a feasible and sustainable loan workout solution. If it is determined that you do not qualify for a loan workout, you will be notified in writing.

**If you need assistance completing the Borrower Response Package you may contact a HUD-Approved Counselor for assistance. You can find a counselor if you visit the HUD Website at www.hud.gov/offices/hsg/sfh/hcc/fc/*

Borrower Response Package Consists of:

- Signed copy of Instructions and Disclosures
- A completed and signed Uniform Borrower Assistance Form (UBAF)
- income/Asset documentation
- Hardship documentation
- IRS Form 4506-T Request for Transcript of Tax Return(s) signed by the borrower(s).

Instructions:

1. Read and sign the "Disclosures" section of the Instructions & Disclosures.
2. Read and sign the 'Borrower/Co-Borrower Acknowledgement and Agreement' section of the Uniform Borrower Assistance Form.
3. All parties on the Note must complete all sections of the Uniform Borrower Assistance Form. Additionally, all parties on the Note must provide required documentation and execute all required disclosures, agreements, and other documents which may be required.
4. Review the list of required documentation and submit all that apply in your specific situation.
5. Complete the IRS Form 4506-T.
6. Return the completed Borrower Response Package including UBAF, 4506T and all required income/asset and hardship documentation to the Loss Mitigation Department at Desert Schools Federal Credit Union using on the following methods:

US MAIL: 148 North 48th Street, Phoenix, AZ 85034
FAX: 602.634.2993
EMAIL: Loss.MitigationUser@desertschools.org

Required Documentation: All of the following that apply must be submitted with your completed Borrower Response Package.

1. Hardship Affidavit: a written explanation describing the specific nature of your hardship.
2. Most recent paystubs reflecting at least 30 days of income and Year to Date earnings.
3. Most recent two years' IRS W-2 forms.
4. Most recent two years' Federal Tax Returns with all schedules (signed copies).
5. Homeowners' insurance declarations page verifying current insurance coverage and annual premium amount.
6. Homeowners' Association Statement.
7. Most recent retirement/401K statement.
8. Most recent two months' bank statements for all deposit accounts (checking, savings, money market, mutual funds, equities, etc.)
9. Current lease agreement(s) (for rental properties) with either bank statements or cancelled rent checks demonstrating receipt of rent.
10. Divorce or separation agreement including order of child support (if applicable).
11. Unemployment benefit award letter (if unemployed).
12. Notice of layoff, termination or, furlough from employer (if unemployed).
13. Most recent Social Security (SSI, SSDI) and/or pension/retirement benefit award letter(s) indicating the amount and duration of the monthly benefit. (if applicable)
14. Most recent Social Security Disability and/or private-pay benefit award letter(s), indicating the amount and duration of the monthly benefit. (if applicable)

Self Employed members are required to provide the following additional documents:

15. A signed copy of the most recent two years' corporate or partnership tax returns, including all schedules and forms including K-1 forms if applicable, or a Transcript of Tax Return resulting from an executed IRS Form 4506-T.
16. The most recent signed and dated quarterly or year-to-date profit/loss statement.
17. Copies of bank statements for the business account(s) for the last two months evidencing continuation of business activity.

Disclosures:

1. I understand that the U.S. Treasury's Making Home Affordable Program applies only to certain mortgages secured by owner-occupied principal residences.
2. I understand that if the type of real estate loan that I have is not eligible under the Making Home Affordable Program, or I do not occupy the property that secures the loan for which I am seeking assistance, Desert Schools Federal Credit Union may offer other loan workout options for which I may be eligible.
3. I agree that it is my sole obligation and responsibility to provide all of the necessary required documentation. Failure to do so may cause a delay in the processing of my request or may prevent Desert Schools Federal Credit Union from processing it altogether, as incomplete files will not be evaluated.
4. I understand I may be contacted during the course of the review of my Borrower Response Package if there are questions that must be addressed or additional documentation is required to evaluate my request.

5. I understand that it is my responsibility to continue making my regularly scheduled monthly payments while my request is in line to be evaluated. I further understand that if I fail to make such monthly payments, normal collection activity, including telephone calls and late notices, will continue.
6. If it has been determined that your package is incomplete, a notice listing the required missing documents will be mailed within 5 business days. Once a completed package has been received, your case will be evaluated within 30 business days and an Evaluation Notice will be mailed to you with the details of the decision related to a possible foreclosure prevention alternative.
7. Failure to submit all the required documentation or information may result in ineligibility for a foreclosure prevention alternative and the foreclosure proceedings will continue, including referral to foreclosure if the mortgage loan was not previously referred. If the necessary information or documentation is not received within a timely manner there is no guarantee of an evaluation for a foreclosure prevention alternative and/or suspension of foreclosure proceedings.
8. Desert Schools Federal Credit Union is not required to evaluate cases if they have been submitted to the Loss Mitigation Department less than 37 days prior to a scheduled foreclosure sale however may expedite a decision if the case is complete and there is sufficient time before the sale.
9. **Credit Reporting:** DSFCU will continue to report the delinquency status of your loan to credit reporting agencies. If approved for workout assistance DSFCU will report your entry into a Trial Period Plan and/ or modification in accordance with the requirements of the Fair Credit Reporting Act and the Consumer Data Industry Association requirements. **Credit scoring companies generally consider the entry into a plan with reduced payments as an increased credit risk as a result; entering into a trial period plan/modification may adversely affect your credit score, particularly if you are current on your mortgage or otherwise have a good credit score.** For more information about your credit score, go to ftc.gov/bcp/edu/pubs/consumer/credit/cre24.shtm.

By signing the Instructions and Disclosures, I/we acknowledge that I/we understand the Loss Mitigation process and that all information submitted is true and accurate. Further, I/we agree to cooperate with any subsequent requests for additional documentation that may be necessary to complete the evaluation of my/our Borrower Response Package.

Member (Borrower) Signature

Co-Member (Co-Borrower) Signature

Date

Date