209 CMR 56.00 FORECLOSURE PREVENTION OPTIONS

Section

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56.01: Purpose and Scope

Purpose and Scope: The purpose of 209 CMR 56.00 *et seq.* is to define the Right to Cure notification process for lenders and mortgage servicers to be followed in notifying borrowers of a mortgage default, and in disclosing repayment options available to the borrower in order to prevent a foreclosure. 209 CMR 56.00 also implements standards and requirements for the mortgage loan modification process for loans qualifying as Certain Mortgage Loans in order to avoid unnecessary foreclosures.

56.02: Definitions

For purposes of 209 CMR 56.00, the following definitions apply:

Affordable Monthly Payment: monthly payments on a mortgage loan, which, taking into account the borrower's current circumstances, including verifiable gross monthly income, debts, assets and obligations enable a borrower to make the payments in accordance with the affordability guidelines and standards set forth under at least one of the defined Modified Mortgage Loan programs.

Borrower: a mortgagor of a mortgage loan.

Borrower's Representative: an employee or contractor of a nonprofit organization certified by Housing and Urban Development, an employee or contractor of a foreclosure education center pursuant to St. 2007, c. 206 § 16 or an employee or contractor of a counseling agency receiving a Collaborative Seal of Approval from the Massachusetts Homeownership Collaborative administered by the Citizens' Housing and Planning Association.

Certain Mortgage Loan: a loan to a natural person made primarily for personal, family or household purposes secured wholly or partially by a mortgage on an owner-occupied residential property with 1 or more of the following loan features:

(a) an introductory interest rate granted for a period of 3 years or less and such introductory rate is at least 2 per cent lower than the fully indexed rate;

(b) interest-only payments for any period of time, except in the case where the mortgage loan is an open-end home equity line of credit or is a construction loan;

(c) a payment option feature, where any 1 of the payment options is less than principal and interest fully amortized over the life of the loan;

(d) the loan did not require full documentation of income or assets;

(e) prepayment penalties that exceed M.G.L. c. 183, § 56 or applicable federal law;

(f) the loan was underwritten with a loan-to-value ratio at or above 90 per cent and the ratio of the borrower's debt, including all housing-related and recurring monthly debt, to the borrower's income exceeded 38 per cent; or

(g) the loan was underwritten as a component of a loan transaction, in which the combined loan-to-value ratio exceeded 95 per cent;

provided, however, that a loan shall be a certain mortgage loan if, after the performance of reasonable due diligence, a creditor is unable to determine whether the loan has 1 or more of the loan features in (a) to (g), inclusive; and provided, further, that loans financed by the Massachusetts Housing Finance Agency, established in Chapter 708 of the Acts of 1966 and loans originated through programs administered by the Massachusetts Housing Partnership Fund board established in section 35 of Chapter 405 of the Acts of 1985 shall not be certain mortgage loans.

Creditor: a person or entity that holds or controls, partially, wholly, indirectly, directly, or in a nominee capacity, a mortgage loan securing a residential property, including, without limitation, an originator, holder, investor, assignee, successor, trust, trustee, nominee holder, Mortgage Electronic Registration System or mortgage servicer, including the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation. "Creditor" shall also include any servant, employee or agent of a creditor.

Creditor's Representative: a person who has the authority to negotiate and approve the terms of and modify a mortgage loan, or a person who, under a servicing agreement, has the authority to negotiate and approve the terms of and modify a mortgage loan.

Full Documentation: a mortgage program requiring verifiable documentation of borrower's income, assets and financial obligations to perform an analysis of borrower eligibility for a mortgage loan. Notwithstanding the documentation standards provided under a full documentation loan, a 'streamlined refinance loan' of a mortgage loan insured by the Federal Housing Administration, or originated in accordance with guidelines published by Freddie Mac or Fannie Mae, shall meet the definition of Full Documentation.

Fully Indexed Rate: a fully indexed rate equals the index rate prevailing at origination plus the margin to be added to it after the expiration of an introductory interest rate.

Good Faith Effort to Negotiate a Commercially Reasonable Alternative to Foreclosure: the creditor must consider: (i) an assessment of the borrower's current circumstances including, without limitation, the borrower's current income, debts, assets and obligations; (ii) the net present value of receiving payments pursuant to a modified mortgage loan as compared to the anticipated net recovery following foreclosure; and (iii) the interests of the creditor; provided however, that a creditor shall not be prohibited from considering other factors.

Modified Mortgage Loan: a mortgage modified from its original terms including, but not limited to, a loan modified pursuant to one of the following: (i) the Home Affordable Modification Program; (ii) the Federal Deposit Insurance Corporation's Loan Modification Program; (iii) for any modification program that a lender uses which is based on accepted principles and the safety and soundness of the institution and recognized by the National Credit Union Administration, the Division of Banks or any other instrumentality of the Commonwealth; (iv) the Federal Housing Agency; or (v) a similar federal refinance plan.

Mortgagee: an entity to whom property is mortgaged, the mortgage creditor or lender including, but not limited to, mortgage servicers, lenders in a mortgage agreement and any agent, servant or employee of the mortgagee or any successor in interest or assignee of the mortgagee's rights, interests or obligations under the mortgage agreement.

Mortgage Loan: a loan to a natural person made primarily for personal, family or household purposes secured wholly or partially by a mortgage on residential property.

Mortgage Servicer: an entity which administers or at any point administered the mortgage; provided, however that such administration shall include, but not be limited to, calculating principal and interest, collecting payments from the mortgagor, acting as escrow agent or foreclosing in the event of a default.

Net Present Value: the present net value of a residential property based on a calculation using 1 of the following: (a) the federal Home Affordable Modification Program base net present value model; (b) the Federal Deposit Insurance Corporation's Loan Modification Program; (c) the Massachusetts Housing Finance Agency's loan program used solely by the agency to compare the expected economic outcome of a loan with or without a modified mortgage loan; or (d) any model approved by the Division of Banks to consider the total present value of a series of future cash flows relative to a mortgage loan.

Residential Property: real property located in the Commonwealth having thereon a dwelling house with accommodations for four or less separate households and occupied, or to be occupied, in whole or in part by the obligor on the mortgage debt; provided, however, that residential property shall be limited to the principal residence of a person; provided further, that residential property shall not include an investment property or residence other than a primary residence; and provided further, that residential property shall not include residential property taken in whole or in part as collateral for a commercial loan; and provided further, that for the purpose of determining whether a loan is a Certain Mortgage Loan, residential property shall not include a property subject to condemnation or receivership.

56.03: Right to Cure Notice: Content Requirements

(1) 150 Day Right to Cure Notice. A mortgagee must send a 150 Day Right to Cure Notice that strictly conforms to the "(150 Day) Right to Cure Your Mortgage Default" form, under 209 CMR 56.04, unless it has met the requirements for a Right to Cure Notice lasting less than 150 days, described under 209 CMR 56.03(2).

(2) 90 Day Right to Cure Notice. In accordance with M.G.L c. 244 § 35A(b), a mortgagee may send a 90 Day Right to Cure Notice that strictly conforms to the "(90 Day) Right to Cure Your Mortgage Default" form, provided under 56.04, if it meets the following requirements:

(a) demonstrates a good faith effort to resolve the mortgage default by certifying:
(i) it has engaged in a good faith effort to negotiate a commercially reasonable alternative to foreclosure;
(ii) it has been involved in at least one meeting, either in person or by telephone, between a creditor's representative and the borrower, the borrower's attorney or the borrower's representative and the creditor has provided the borrower by first class and certified mail with documentation of a good faith effort 10 days prior to said meeting; and
(iii) after such meeting, described under (ii), the creditor must be able to evidence that the borrower and the creditor were not successful in resolving their dispute; or

(b) demonstrates the borrower's failure to respond within 30 days to any mailed communications offering to negotiate a commercially reasonable alternative to foreclosure, as set forth under 209 CMR 56.03(2)(a). Such failure to respond by the borrower shall result in the borrower forfeiting his right to a 150 day right to cure period and shall be subject to a right to cure period lasting 90 days.

(c) A mortgagee must demonstrate compliance with 209 CMR 56.03(2)(a) or (b), when opting to send a right to cure notice lasting less than 150 days, by including a copy of the compliance affidavit, required under M.G.L. c. 244 § 35A (f), with said notice to borrower.

(3) Borrower eligibility. The right to cure a default shall be granted to a borrower once during any three (3) year period, regardless of mortgage holder.

(4) Delivery. Pursuant to M.G.L. c. 244 §35A(g), the mortgagee or mortgage servicer shall deliver the Right to Cure Notice to the mortgagor by:

(a) hand-delivery; or
(b) by first-class and certified mail or similar service provided by a private carrier to the mortgagor at the address last known to the mortgagee or anyone holding thereunder.

(5) Authorization to Send the Right to Cure Notice. A mortgagee may not send the Right to Cure Notice under 209 CMR 56.03 (1) or (2), unless it has been authorized to collect on the default.

(6) Authorization to Accelerate, Foreclose or Seize the Home through Foreclosure. The mortgagee or anyone holding thereunder, may take steps to terminate the mortgagor's ownership in the property by acceleration of the mortgage, a foreclosure proceeding or other action to seize the home, if the mortgagor does not cure the default by the date specified on the Right to Cure Notice. Furthermore, in accordance with M.G.L. c. 244 § 35A, subsection (j), the mortgagee, or anyone holding thereunder, shall file a copy of the Right to Cure notice and an affidavit demonstrating compliance with M.G.L. c. 244 s.35A, in any action or proceeding to foreclose on such residential property.

56.04: Right to Cure Notice

In accordance with 209 CMR 56.03, the (150 / 90 Day)"Right to Cure Your Mortgage Default" notice must strictly conform to the following:

- ***This is an important notice concerning your right to live in your home. Have it translated at once.***
- **Esta carta explica sus derechos legales para permanecer en su propiedad de vivienda. Por favor traduzca esta notificacion inmediatamente.**
- **Este é um aviso importante em relação ao seu dereito de morar na sua residência. Por favor, tem tradizido imediatamente.**
- **C'est une notification importante concernant votre droit de vivre chez vous. Faites-la traduire immédiatement.**
- 这是一则关於您居住权的重要通知，请儘快安排翻译。

[150 / 90 Day] Right to Cure Your Mortgage Default

[Date]

[POSTAL DELIVERY METHOD]

[**Recipient Name**]
[**Street Address**]
[**City, ST ZIP Code**]

RE: [PROPERTY ADDRESS]; loan [ACCOUNT NO.] with [MORTGAGEE]; [MORTGAGE BROKER/LOAN ORIGINATOR, if applicable]

To [NAME OF BORROWER/S]:

We are contacting you because you did not make your monthly loan payment[s] due on [MORTGAGE PAYMENT DUE DATE/S] to [MORTGAGEE]. You must pay the past due amount of [PAYABLE AMOUNT] on or before [150 / 90 DAY EXPIRATION DATE], which is [NUMBER OF CURING DAYS] days from the date of this notice. The past due amount on the date of this notice is specified below:

- [UNPAID MORTGAGE PAYMENTS AND DELINQUENCY DATES]
- [INTEREST ACCRUED/PER DIEM INTEREST]
- [APPLICABLE UNPAID ESCROW CONTRIBUTIONS]
- [OTHER LATE CHARGES OR FEES]

If you pay the past due amount, and any additional monthly payments, late charges or fees that may become due between the date of this notice and the date when you make your payment, your account will be considered up-to-date and you can continue to make your regular monthly payments.

Make your payment directly to:

[INCLUDE THE NAME OF PAYMENT CONTACT, DEPARTMENT AND ADDRESS at the MORTGAGEE'S LOCATION].

Please consider the following:

- you should contact the Homeownership Preservation Foundation (888-995-HOPE) to speak with counselors who can provide assistance and may be able to help you work with your lender to avoid foreclosure. There may be other homeownership assistance available through your lender or servicer;
- you may also contact the Division of Banks (617-956-1500) or visit www.mass.gov/foreclosures to find a foreclosure prevention program near you;
- after [150 / 90 DAY: EXPIRATION DATE], you can still avoid foreclosure by paying the total past due amount before a foreclosure sale takes place. Depending on the terms of the loan, there may also be other ways to avoid foreclosure, such as selling your property, refinancing your loan, or voluntarily transferring ownership of the property to [MORTGAGEE].

If you do not pay the total past due amount of [PAYABLE AMOUNT] and any additional payments that may become due by [150 / 90 DAY: EXPIRATION DATE], you may be evicted from your home after a foreclosure sale. If [MORTGAGEE] forecloses on this property, it means the mortgagee or a new buyer will take over the ownership of your home.

If you have questions, or disagree with the calculation of your past due balance, please contact [MORTGAGEE] at [LOCAL OR TOLL FREE TELEPHONE NUMBER, EXTENSION NUMBER] or [ADDRESS].

Sincerely,

[**Your Name**]

Enclosed with this notice, there may be additional important disclosures related to applicable laws and requirements that you should carefully review.

56.05: Right to Request a Modified Mortgage Loan Process

(1) Right to Request a Modified Mortgage Loan Notice.
   (a) A creditor must send a Right to Request a Modified Mortgage Loan notice which conforms to the form of notice under 209 CMR 56.09 to a borrower who has a certain mortgage loan concurrently with the Right to Cure Notice required under 209 CMR 56.03.
   (b) A creditor shall request a statement of the borrower's income and a complete list of debts and obligations concurrently with the Right to Request a Modified Mortgage Loan notice. A creditor may use the Required Documents for Loan Modification Application form under 209 CMR 56.10 or other form consistent with 209 CMR 56.06(2) or (3).
   (c) A copy of the Right to Request a Modified Mortgage Loan notice shall be filed with the attorney general's office concurrent with its delivery to the borrower.

(2) Borrower Eligibility. The right to request a mortgage loan modification shall be granted to a borrower once during any three year period, regardless of mortgage holder.

(3) Delivery. The creditor shall deliver the Right to Request a Modified Mortgage Loan notice to the mortgagor by:

   (a) hand-delivery; or
   (b) first class and certified mail, or similar service provided by a private carrier, to the mortgagor at the address last known to the creditor or anyone holding thereunder.

(4) Authorization to Send the Notice. A creditor may not send the Right to Request a Modified Mortgage Loan notice under 209 CMR 56.05(1)(a) unless it has been authorized to collect on the default.

(5) Borrower's Response to Notice.

   (a) A borrower shall notify the creditor of the borrower's intent to request a mortgage loan modification not more than 30 days following delivery of the notice to the borrower, in compliance with 209 CMR 56.06.
   (b) A borrower who holds a certain mortgage loan and fails to respond to the creditor within 30 days of delivery of the Right to Request a Modified Mortgage Loan notice shall be considered to have forfeited the 150 day right to cure period and shall be subject to a right to cure period of 90 days.

(6) Creditor's Response to Borrower's Request for Modification. Not more than 30 days following receipt of a borrower's notification that the borrower intends to request a mortgage loan modification, a creditor shall provide the borrower with a written assessment of the borrower's ability to make an affordable monthly payment. This assessment shall include the following:

   (a) a written statement of the borrower's income, debts, assets and obligations as determined by the creditor;
   (b) the creditor's net present value analysis of a modified mortgage loan;
   (c) the creditor's anticipated net recovery at foreclosure;
   (d) a statement of the interests of the creditor; and
   (e) a modified mortgage loan offer or a notice that no modified mortgage loan will be offered.

(7) Modified Mortgage Loan Offer. If a creditor offers a modified mortgage loan, the creditor shall provide the borrower with the first and last names and contact phone numbers of not more than 2 creditor's representatives responsible for implementing the modified mortgage loan offer. A creditor shall be presumed to have provided the written assessment to the borrower if the creditor provides proof of delivery through the United States Postal Service or similar carrier.

(8) Response to Modified Mortgage Loan Offer. A borrower who receives a modified mortgage loan offer from a creditor shall respond within 30 days from the receipt of the modified mortgage loan offer.

   (a) The borrower may:
      (1) accept the offer of a loan modification;
      (2) make a reasonable counteroffer; or
      (3) waive the borrower's rights and proceed to foreclosure.

(b) The borrower's response shall be in writing, and, if a counteroffer is proposed, shall include substantiating documentation in support of the counteroffer.
(c) A borrower who fails to respond to creditor within 30 days of a modified mortgage loan offer shall be deemed to have forfeited the 150 day right to cure period and shall be subject to a cure period of 90 days.
(d) Where a counteroffer is proposed by a borrower, a creditor shall accept, reject or propose a counteroffer to the borrower within 30 days of receipt of the counteroffer.

(9) A creditor shall report, on a semi-annual basis, to the Division of Banks the final outcome of each mortgage loan modification on all mortgage loans for which the creditor sent to a borrower a notice of the right to request a modified mortgage loan.

(10) Enforcement of the Mandatory Right to Request a Modified Mortgage Loan. The Right to Request a Modified Mortgage Loan notice set forth in 209 CMR 56.09 may be used on a voluntary basis until September 17, 2013. The notice will become mandatory on September 18, 2013 and must conform with 209 CMR 56.09.

56.06: Borrower's Good Faith Response to the Notice

A borrower shall be deemed to have made a good faith effort to respond to a creditor's notice of the borrower's right to request a mortgage loan modification if, within 30 days of the creditor's notice being sent, the borrower provides the creditor with the following:

(1) A completed Mortgage Modification Options form and elects one of the following options:
(a) I would like to request a loan modification. I am attaching a completed statement listing my income, assets, total debts and obligations;
(b) I would like to request a different foreclosure alternative such as a short sale or voluntary deed surrender (deed-in-lieu of foreclosure);
(c) I do not want to request a loan modification or any foreclosure alternative; or
(d) I would like to waive the right to cure period and proceed to foreclosure.

(2) If a borrower requests a loan modification, a borrower shall also provide the documentation requested by the creditor in accordance with 209 CMR 56.10, or the following, as applicable:
(a) a complete list of monthly income and expenses, if required by the creditor;
(b) income tax documentation:
1. a signed Internal Revenue Service Form 4506-T (Individual Tax Return Transcript Form) or Internal Revenue Service Form 4506T-EZ (Short Form for Individual Tax Return Transcript); and
2. a copy of the most recent federal income tax return, with all schedules including Schedule E, if applicable;
(c) proof of income by providing a copy of most recent pay stubs reflecting at least 30 days of year-to-date income of borrower or co-borrower;
(d) if self-employed, a copy of the most recent signed and dated quarterly or year-to-date profit and loss statement;
(e) proof of other income, if applicable:
1. documentation of tips, commissions, bonuses, housing allowance or overtime;
2. documentation of unemployment income, alimony, child support, separation payments, disability and/or social security income, death benefits, pension, public assistance, or adoption assistance, provided the requisite disclosures have been given to the borrower pursuant to 12 CFR 1002;
3. documentation of income from rental properties;
(f) proof of savings or checking accounts, including copies of bank account statements for the prior 2 months;
(g) proof of expenses and monthly obligations:
1. copies of utility bills showing homeowner name and property address;
2. copies of credit card statements showing payments due on all balances, if applicable;
3. copies of mortgage statements for other mortgages on the property, if applicable; and
4. the borrower may also include a letter to the creditor describing the cause for income to be reduced or expenses to be increased to assist the creditor's review process.

(3) As an alternative to 209 CMR 56.06(2), a borrower's submission to a creditor of financial documentation consistent with eligibility requirements under the Making Home Affordable (MHA) federal program or the Home Affordable Modification Program (HAMP), or a similar federal loan modification program will be considered a good faith response.

(4) Delivery of Mortgage Modification Options. A borrower shall deliver the completed Mortgage Modification Options form and documentation to the creditor by:
(a) hand-delivery; or
(b) first class and certified mail or similar service provided by a private carrier.

(5) Alternate Methods of Delivery of Mortgage Modification Options. A borrower may deliver the Mortgage Modification Options form and documentation to the creditor by methods other than those set forth in 209 CMR 56.06(4); however, use of any such alternate delivery method is not presumed to notify the creditor absent actual receipt by the creditor.

56.07: Good Faith Effort by Creditor to Avoid Foreclosure

Creditor's Good Faith Effort to Avoid Foreclosure. A creditor shall be presumed to have acted in good faith to avoid foreclosure if, prior to causing publication of notice of a foreclosure sale, the creditor satisfies the provisions of M.G.L. c. 244, §35B(b)(2) and further completes the following:

(1) Determination of Affordable Monthly Payment. Determines a borrower's current ability to make an affordable monthly payment in accordance with the affordability guidelines and standards set forth under at least one of the defined modified mortgage loan programs;

(2) Determination of Borrower Eligibility. Identifies each of the loan modification program(s) for which the borrower may be eligible to obtain a modified mortgage loan;

(3) Delivery of Written Notice. Delivers a written notice to the borrower, concurrently with the notice required under 209 CMR 56.03(1), of the borrower's right to request a modified mortgage loan in compliance with 209 CMR 56.05(1)(a);

(a) The notice provided must notify the borrower that if the borrower fails to respond to the creditor within 30 days of delivery of the notice from the creditor, the borrower shall be considered to have forfeited the 150 day right to cure period and shall be subject to a right to cure period of 90 days.

(b) Such written notice from the creditor must clearly identify the documents and information the creditor will require the borrower to submit with any modified mortgage loan request for the creditor to consider such request complete and to permit the creditor to deliver the written assessment requirement under 209 CMR 56.05(6) within 30 days of notice of the borrower's intent to request a modified mortgage loan.

(4) Borrower Access to Submitted Documents. Creditor provides prompt access to the borrower, upon request, to all documents and information submitted in connection with a modified mortgage loan request;

(5) Determination of Completion of Borrower's Response. Promptly reviews the documents and information submitted by the borrower in connection with a modified mortgage loan request, identifies any missing or incomplete information, and within five business days following receipt of the borrower's request for a modified mortgage loan, the creditor shall provide the borrower with written notice informing the borrower of the following:

(a) the creditor has received the borrower's response, deemed the response complete, and the date by which the creditor will be required to provide the borrower with its assessment, in writing, pursuant to 209 CMR 56.05(6); or
(b) the additional information that is required from the borrower for the creditor to complete its assessment within the applicable 30 day period and the date by which the information must be submitted to the creditor;

(6) Net Present Value Analysis Results. In all circumstances where the net present value of the modified mortgage loan exceeds the anticipated net recovery at foreclosure, the creditor agrees to modify the loan in a manner that provides for the affordable monthly payment. In circumstances where the net present value of the modified mortgage loan is less than the anticipated net recovery of the foreclosure, or does not meet the borrower's affordable monthly payment, the creditor notifies the borrower that no modified mortgage loan will be offered and provides a written summary of the creditor's net present value analysis and the borrower's current ability to make monthly payments.

(7) Investigation of Alleged Errors. Maintains policies and procedures designed to timely investigate, respond to, and, as appropriate, correct any errors alleged by the borrower in the creditor's preparation of the written assessment in calculating the following:

(a) the determination of the borrower's income, debts, assets and obligations; or
(b) the creditor's net present value analysis of the borrower's mortgage loan;

(8) Access to Creditor's Representative. Provides access by telephone to the creditor's representative assigned to implement the modified mortgage loan offer. If a borrower attempts to contact the creditor's representative at the number included in the creditor's written assessment and does not receive a live response from the assigned representative, the borrower must be able to record their contact information for a returned response from the creditor. The creditor must respond within a

reasonable time to permit the borrower to submit a written response to the creditor's modified mortgage loan offer within the prescribed 30 day period; and

(9) Counteroffer Process. Clearly identifies any substantiating documentation the creditor will require the borrower to submit to support a counteroffer to the creditor's modified mortgage loan offer and defines a reasonable period in which the borrower will be required to provide such substantiating documentation.

56.08: Safe Harbor for Compliance

Safe Harbor. A creditor satisfies the requirements of M.G.L. c. 244, §35B(b) for a certain mortgage loan, without issuing the required notice and written assessment, if the creditor can demonstrate one of the following:

(1) At any time within the prior 36 months preceding delivery of the Right to Cure Notice pursuant to 209 CMR 56.03, the borrower accepted a permanent loan modification of the certain mortgage loan which provided for an affordable monthly payment;

(2) At any time within the 36 months preceding delivery of the Right to Cure Notice pursuant to 209 CMR 56.03, the creditor notified the borrower, in writing in accordance with 209 CMR 56.05(6)(e), that the borrower was not eligible for a modified mortgage; or

(3) The creditor is eligible to send the 90 Day Right to Cure notice pursuant to 209 CMR 56.03(2) because the creditor either attempted a good faith effort to resolve the mortgage default in accordance with 209 CMR 56.03(2)(a) and was unable to resolve the dispute or can demonstrate that the borrower failed to respond within 30 days to a mailed communication offering to negotiate a commercially reasonable alternative to foreclosure under 209 CMR 56.03(2)(b).

56.09: Right to Request a Modified Mortgage Loan Notice

In accordance with 209 CMR 56.05, the Right to Request a Modified Mortgage Loan notice must conform to the following:

- **This is an important notice concerning your right to live in your home. Have it translated at once.**
- **Esta carta explica sus derechos legales para permanecer en su propiedad de vivienda. Por favor traduzca esta notificacion inmediatamente.**
- **Este é um aviso importante em relação ao seu dereito de morar na sua residência. Por favor, tem tradizido imediatamente.**
- **C'est une notification importante concernant votre droit de vivre chez vous. Faites-la traduire immédiatement.**
- 这是一则关於您居住权的重要通知, 请儘快安排翻译

RIGHT TO REQUEST A MODIFIED MORTGAGE LOAN

[Date]

[POSTAL DELIVERY METHOD]

[Borrower Name(s)]
[Street Address]
[City, ST ZIP Code]

RE: [PROPERTY ADDRESS]; loan [ACCOUNT NO.] with [CREDITOR]:

To [NAME OF BORROWER/S]:

We are contacting you because our records indicate that you are eligible to request a modification of your mortgage with [CREDITOR]. If you want to request a loan modification or other foreclosure alternative option, you must complete and return the enclosed Mortgage Modification Options form along with any supporting information no later than [30 DAYS FROM DATE THIS NOTICE WAS SENT]. The Mortgage Modification Options form and any supporting documents must be returned by certified mail or similar service to [CREDITOR]. We will respond to your request within 30 days of its receipt.

Please be aware this notice of Right to Request a Modified Mortgage Loan is different from the Right to Cure Your Mortgage Default notice that you may have already received. *The enclosed Mortgage Modification Options form provides you with four choices. These choices impact the options under the Right to Cure notice and should be carefully considered.* If you do not want to request a loan modification, you must still return the enclosed Mortgage Modification Options form. Please keep a copy of everything you send to us and keep proof of mailing the materials to us.

If you do not return the enclosed Mortgage Modification Options form by [30 DAYS FROM DATE THIS NOTICE WAS SENT] your right to cure your mortgage default will be reduced from 150 days to 90 days and your right to cure period would end on [90 days from the date the Right to Cure notice was sent].

If you have questions, please contact [CREDITOR] at [LOCAL OR TOLL FREE TELEPHONE NUMBER, EXTENSION NUMBER] or [ADDRESS]. If you would like assistance from the Attorney General's Office, you may contact the HomeCorps hotline at 617-573-5333 to speak with a loan modification specialist who can assist you. We suggest you mention this notice when you call.

Sincerely,

[Name of Signer]
[Title of Signer]

Enclosed with this notice, there may be additional important disclosures related to applicable laws and requirements that you should carefully review.

Enclosures:

- Mortgage Modification Options form
- Request for Modification Assistance Form or [CREDITOR]'s current loan modification application
- Required Documents For Loan Modification Application [Creditor may use the form in 209 CMR 56.10 or similar form]

MORTGAGE MODIFICATION OPTIONS

You must return this form in the enclosed envelope by [30 DAYS FROM DATE NOTICE WAS SENT]

[Borrower Name(s)]
[Street Address]
[City, ST ZIP Code]

RE: [PROPERTY ADDRESS]; loan [ACCOUNT NO.] with [CREDITOR]

To [NAME OF BORROWER/S]:

You must check one of the following boxes to notify [CREDITOR] of how you would like to proceed.

☐ I would like to request a loan modification. I have attached a complete statement of my income and list of assets, total debts and obligations as requested by the creditor in the form(s) which accompanied the Right to Request a Mortgage Loan Modification notice. I maintain my right to a 150 day period to cure my mortgage default.

☐ I would like to request a different foreclosure alternative such as a short sale or deed-in-lieu of foreclosure. I maintain my right to a 150 day period to cure my mortgage default.

☐ I do not want to request a loan modification or any foreclosure alternative. I maintain my right to a 150 day period to cure my mortgage default.

☐ I want to waive my right to cure the default on my mortgage loan and proceed to foreclosure. I understand that by choosing this option I waive my right to any cure period.

IF YOU DO NOT RETURN THE ENCLOSED MORTGAGE MODIFICATION OPTIONS FORM BY [30 DAYS FROM DATE THE NOTICE WAS SENT] YOUR RIGHT TO CURE YOUR MORTGAGE DEFAULT WILL BE REDUCED FROM 150 DAYS TO 90 DAYS AND YOUR RIGHT TO CURE PERIOD WOULD END ON [90 DAYS FROM THE DATE THE RIGHT TO CURE NOTICE WAS SENT].

_____ _____
Borrower Name Date

_____
Borrower Telephone Number

56.10: Model Form - Required Documents for Loan Modification Application

REQUIRED DOCUMENTS FOR LOAN MODIFICATION APPLICATION

☐ **All Borrowers**	☐ An application that includes a complete list of monthly income and expenses, and assets, if required by the creditor ☐ Provide signed Internal Revenue Service Form 4506-T (Individual Tax Return Transcript Form) or Internal Revenue Service Form 4506T-EZ (Short Form for Individual Tax Return Transcript) ☐ Provide copy of most recent federal income tax return, with all schedules including Schedule E, if applicable ☐ Provide copy of 2 most recent bank account statements ☐ Provide proof of expenses and monthly obligations ☐ Provide copy of utility bill showing homeowner name and property address ☐ Provide copy of credit card statements showing payments due on all balances ☐ Provide copy of mortgage statements for other mortgages on the property, if applicable
☐ **For people who earn a wage**	☐ Provide a copy of most recent pay stubs reflecting at least 30 days of year-to-date income of borrower or co-borrower
☐ **For people who are self-employed**	☐ Provide a copy of the most recent signed and dated quarterly or year-to-date profit and loss statement
☐ **For people who receive alimony, child support, or separation maintenance payments**	☐ Provide documentation of alimony, child support, and/or separation maintenance payments *Notice: Alimony, child support or separation maintenance payments need not be disclosed if you do not choose to have it considered for repaying your mortgage debt.*
☐ **For people who receive income from other sources**	☐ Provide documentation of tips, commissions, bonuses, housing allowance or overtime; and/or ☐ Provide documentation of unemployment income and/or social security income, death benefits, pension, public assistance, or adoption assistance; and/or ☐ Provide documentation of income from rental properties, including copy of any lease agreement

REGULATORY AUTHORITY

209 CMR 56.00: M.G.L. c. 244, §§ 35A and 35B.