



FORBEARANCE/MODIFICATION TIP SHEET

If a customer's calls and is requesting mortgage assistance, due to his/her health and/or employment being directly impacted by the Coronavirus (COVID-19), below are a few talking points.

This is for internal purposes only and not to be sent to borrowers.

- Please direct all calls to SLS at **1-866-392-1860** to initiate the Forbearance Plan and Modification options
- We can not initiate the Forbearance plan at GMFS- It must be done through SLS.
- Forbearance is only a postponement of the payments being due; where there is no negative impact to the customer's credit. Upon the expiration of the forbearance period the entire amount will become due in full.
 - Forbearance plans are available up to a maximum of twelve months. If the plan goes into the 13 month the borrower is not available for the Flex Mod nor the Cap and Extend MOD defined below. We will initially offer between 1-3 months of forbearance and can extend if needed.
- The borrowers payment coupon will show the payments that were not made during the forbearance period as delinquent, as it is currently "contractually" delinquent. This will not be reported to the credit bureau.
- At the end of the forbearance the payments that were not made during Forbearance will be due in full. If the borrower can not repay the full amount of due, modification options will be available. The options are outlined below. These options are for customers who were current or less than 31 days delinquent as of March 13,2020.

Conventional:

- **EXTEND MOD** – Borrower must have contact with SLS, have the ability to make the current PITI payment plus the additional TI payment for the missed payments based on a new Escrow Analysis. The revised escrow payment is based on a new EA after the forbearance has been completed. If the revised PITI payment is able to be made by the borrower the modification will extend the maturity date of the loan by the number of payments missed during forbearance.
- **CAP** and **EXTEND MOD** – Borrower must have contact with SLS, have the ability to maintain the current PITI payment plus the new TI portion based off of the new escrow analysis. The modification will capitalize the missed payments (this increases the unpaid principal balance) and extend the maturity of the loan to point where in the borrower is capable of making the payments.
- **Fannie Mae Flex Mod** – Borrower must have contact with SLS and the borrower is not capable of making the current contractual PITI payment then the borrower must fill out a Residential Mortgage Assistance Application for evaluation of options.

FHA,VA and RD

- The borrower will have to fill out the complete Residential Mortgage Assistance Application to determine which modification he/she qualifies for after forbearance period. Your investor (note holder) may offer a formal loss mitigation option to cure the delinquency. This could potentially require you to complete a Request for Mortgage Assistance package.