You’re on a Forbearance Plan…Now What?

You were recently approved for a forbearance plan on your mortgage loan. We understand you may have many questions about what this means. We are committed to helping you through every step of this process so you will have peace of mind and can continue to focus on the health and well-being of your family.

Please keep in mind that you can easily manage your account and view your forbearance plan details online.

Frequently Asked Questions
Here is a list of frequently asked questions about forbearance plans and your responsibilities:

Question:
What is a forbearance plan?

Answer:
A forbearance plan allows for a temporary pause in your monthly mortgage payments during the forbearance period. It is important to understand that a forbearance is not loan forgiveness – it is only temporary relief. Forbearance does not erase the amount you owe on your mortgage. You will have to repay any missed payments back later. However, you will not be required to make up all of the payments at once at the end of the forbearance. If you are able to make partial payments during the forbearance period, it will help reduce the amount you owe later.

You will not be charged a late fee for any missed payments during the forbearance period, and we will not report any payments missed during the forbearance as “late” to the credit bureaus. If your loan is current at the time of entering into a forbearance plan, then each month you are in the forbearance plan we will report the status of the account to the credit reporting agencies as current. If, however, your loan was delinquent prior to entering into a forbearance plan, we will maintain that delinquency status during the period of the forbearance. If you are able to bring the loan current during the forbearance plan, we will report the account as current.

If you are unable to repay all missed payments at the end of the forbearance period, we will need to evaluate your loan to determine what payment solutions may be available to you. Depending on the investor guidelines applicable to your loan, such payment solutions may include moving the missed payments to the end of your loan term, a loan modification, repayment plan or other approved
options to bring the loan to a current status and avoid negative credit reporting that could occur after your forbearance ends. We will contact you via email prior to the end of your forbearance to help determine available options. You will receive additional correspondence reminding you of next steps approximately 30 days prior to the end of the forbearance period.

Question:
If I don’t request help with my payments now, will assistance be available for me later if I need it?

Answer:
Yes, you can apply for assistance at any time on our website, or you can apply for assistance over the telephone. Note that forbearance assistance under the federal Coronavirus Aid, Relief, and Economic Security (“CARES”) Act is currently only available during the national emergency concerning the COVID-19 pandemic declared by the President on March 13, 2020 under the National Emergencies Act.

Question:
What should I do now that I am on a forbearance plan?

Answer:
It is important that you do the following:

- If you pay your taxes, insurance or HOA/Condo fees separately from your mortgage, then you must continue making those payments during forbearance.
- Make partial payments, when you are able. It will reduce the total amount you will owe at the end of the forbearance period.
- Inform us if your financial circumstances change so that your forbearance period is not unnecessarily prolonged.
- Check your email for updates from us. We will send you periodic updates to keep you informed about your forbearance plan.
- Register your account online if you haven’t already done so to view your account, forbearance plan details and new information as it becomes available.

Question:
Why aren’t my payments being deferred?

Answer:
We understand that the difference between deferment and forbearance can be confusing. Deferment (or payment deferral) typically means "added to the balance of your loan". However, forbearance plans are available and allow you to temporarily stop making your monthly mortgage payments during the forbearance period.
Subject to applicable law and investor guidelines, any unpaid payments will have to be repaid later. If you are unable to repay all missed payments at the end of the forbearance period, we will need to evaluate your loan to determine what payment solutions may be available to you. Depending on the investor guidelines applicable to your loan, such payment solutions may include moving the missed payments to the end of your loan term, a loan modification, repayment plan or other approved options to bring the loan to a current status and avoid negative credit reporting that could occur after your forbearance ends.

Question:
When do I need to contact you about my forbearance plan?

Answer:
You only need to contact us if you wish to cancel your forbearance plan or adjust the duration of the forbearance period. All other questions can be answered by reviewing your account online. We will continue to update our frequently asked questions as new information becomes available.

Question:
Will a forbearance plan negatively affect my credit?

Answer:
Your forbearance will not cause us to make any negative report to the credit reporting agencies. If your loan is current at the time of entering into a forbearance plan, then each month you are in the forbearance plan we will report the status of the account to the credit reporting agencies as current. If, however, your loan was delinquent prior to entering into a forbearance plan, we will maintain that delinquency status during the period of the forbearance. If you are able to bring the loan current during the forbearance plan, we will report the account as current. For more information about credit reporting, please visit the Consumer Financial Protection Bureau’s website at https://www.consumerfinance.gov/coronavirus/.

Question:
If I did not make payments before the forbearance plan started, will those payments be reported as late?

Answer:
If your loan was delinquent prior to entering into a forbearance plan, we will maintain that delinquency status during the period of the forbearance. If you are able to bring the loan current during the forbearance plan, we will report the account as current.

Question:
My forbearance doesn’t start until next month, but I have a payment due for this month. What should I do?
Answer:
You don’t need to do anything right now. Even if the letter you received says the forbearance doesn’t begin for another month, no payment is required for this month. However, you have the option to make a full or partial payment, if you are able. Any full or partial payments will reduce the amount owed at the end of the forbearance period.

Question:
Will I be charged any fees while I’m on forbearance?

Answer:
Late fees will not be charged for any payments during your forbearance period. Phone pay fees and other fees will also be suspended.

Question:
I have auto draft setup on my account. Will monthly payments still be drafted? Should I cancel my auto draft?

Answer:
We will suspend the auto draft when we set up your forbearance. Auto draft must be canceled 3 days prior to the draft date. If you have payments scheduled prior to the setup of your forbearance, those drafts will need to be cancelled.

Question:
Will I still receive letters about the account delinquency status while the account is in forbearance?

Answer:
Yes, due to investor guidelines we must send certain letters which may include statements regarding the account delinquency. However, you will not be required to make payments during the forbearance period and we will not assess late fees.

Question:
How long is the forbearance period?

Answer:
The details of your forbearance plan may be viewed online once you log into your account. Depending on the type of loan you have, you may have the option to forbear, or “pause” your mortgage payments for an initial term of up to 180 days (6 months). You may also be eligible for an extension of the initial term. However, you may shorten or suspend your forbearance period at any time. We will contact you via email toward the end of the initial forbearance period with a questionnaire to determine your next steps.
**Question:**
What happens when the forbearance ends?

**Answer:**
We will send you an email approximately 30 days before the end of your forbearance plan to let you know what we need from you as you prepare to transition to regular monthly payments. We will include information about options that may be available to you if you are not ready to resume your regular payment schedule.

**Question:**
What happens to the payments I didn’t make during the forbearance period?

**Answer:**
Forbearance does not erase the amount you owe on your mortgage. You will have to repay any missed payments, including any payments not made prior to the beginning of your forbearance. If you are able to make partial payments during the forbearance period, it will help reduce the amount you owe later. If you are unable to pay the full amount to bring your loan current when your forbearance plan ends, we will work with you to determine what payment solutions are available to help you get back on track.

**Question:**
What happens if I am unable to repay all the missed payments when my forbearance plan ends?

**Answer:**
If you are unable to resolve your outstanding balance when your forbearance plan ends, we will work with you to determine which programs best fit your financial situation at that time. The options we may offer include extension of the forbearance period, a loan modification, repayment plan or other options approved by Investor, State and Federal agencies.

**Question:**
How do repayment plans and loan modifications work?

**Answer:**
**Repayment Plan** - A repayment plan allows you to pay the accumulated amount during the forbearance plan you owe over monthly installments which are added to your regular monthly payments until the accumulated amount is paid in full.

**Loan Modification** - If you are unable to resolve the outstanding amount with a repayment plan, you may be eligible for a loan modification. If you qualify, this option would permanently change the terms of your mortgage to bring you current. It may involve a reduction in the interest rate, an extension of the length of time for repayment, a reduction in monthly payment or any combination of
the three. When you are near the end of your forbearance, we will provide more information about these and other options approved by Investor, State and Federal agencies.

Question:
How do I cancel or shorten my forbearance plan?

Answer:
Contact us if you wish to cancel or shorten your forbearance plan.

Be Aware of Scams
Scammers often take advantage of vulnerable consumers during disasters and financial shocks. In addition to coronavirus-related scams, be aware of scams that falsely promise financial relief from your mortgage loan, or from foreclosure.

Here’s what to watch for as scammers may:

- Charge a high up-front fee for their services
- Promise to get you a loan modification
- Ask you to sign over the title to your property
- Ask you to sign papers you don’t understand
- Tell you to make payments to someone other than your servicer
- Tell you to stop making payments altogether
- Promise you payments in connection with providing credit card numbers and other personal information

Sourced from the Consumer Financial Protection Bureau (CFPB). For more tips and guidance during these uncertain times, visit the blog on the CFPB’s website.

Stay Connected
We will continue to follow up with you via email as your plan progresses. As news about Coronavirus continues to unfold, additional payment assistance options may become available. We continually monitor these developments. If a new program is created, we will send further information about the guidelines and benefits to you by email.

Sincerely,
Consumer Solutions Department
NMLS ID 2916
If you are currently involved in a bankruptcy proceeding or have previously received a discharge in a bankruptcy proceeding, please notify us immediately and be advised that this notice is for informational purposes only. This notice is not intended to collect, recover, or offset the debt against you personally and should not be considered a demand for payment or indicate that you are personally liable for this debt. Please consult an attorney if you have any questions about your rights under bankruptcy law.