



P.O. Box 514387
Los Angeles, CA 90051-4387

Notice Date: February 25, 2020

Loan Number: [REDACTED]
Property Address:
[REDACTED]

[REDACTED]

[REDACTED]

REGARDING YOUR LOAN

Congratulations! You are approved for the loan modification program below:

✓	Federal Housing Administration (FHA) Home Affordable Modification Program (HAMP) with Partial Claim	You have qualified for a loan modification "Trial Plan" under: Federal Housing Administration (FHA) Home Affordable Modification Program (HAMP) with Partial Claim
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This letter will provide you IMPORTANT directions and information on the steps to accept and complete this program.

The Trial Payment Plan Agreement is a written agreement that **MUST BE** signed by all parties on the original note, all parties on the FHA-insured mortgage, and all parties that will be subject to the modified mortgage and/or partial claim.

1. To accept this offer, you must contact us at 866-545-9070 or in writing at the address provided below no later than March 10, 2020 to indicate your intent to accept this offer.
2. Sign and fax the signed Trial Payment Plan Agreement using fax cover sheet provided or mail using the pre-addressed envelope provided.
3. **Under FHA guidelines, you will be deemed to have failed the Trial Payment Plan if you do not return an executed copy of the Trial Payment Plan by 4/30/2020.**

Trial Payment Plan Failure

A Trial Payment Plan is considered to have failed when any **one** of the following actions occurs:

- The signed Trial Payment Plan is not returned by 4/30/2020.
- A scheduled trial payment is not made by the last day of the month in which it was due
- The property is vacant or abandoned.

Please see Exhibit A for additional important information.

<p>Toll Free: (866) 629-4570 M – F 6:00AM – 6:00PM PT SAT 7:00AM – 11:00AM PT Modification Fax: (800) 947-1421</p>	<p>Website: www.PennyMacUSA.com Secure Messaging Online: Create an account and/or log in to http://www.PennyMacUSA.com, then look for the Message Center to communicate with us securely. Once logged in, visit the "Modification Center" to view important documentations.</p>	<p>Payments: Standard Address: P.O. Box 30597 Los Angeles, CA 90030-0597 Overnight Address: Attn: Lockbox Operations 20500 Belshaw Ave. Carson, CA 90746 (Please do not send correspondence)</p>	<p>Correspondence: Attn: Correspondence Unit P.O. Box 514387 Los Angeles, CA 90051-4387 (Please do not send payments)</p>
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WHAT THIS MEANS

During your modification review, we gathered information on your income, your expenses, your current loan including past due amounts and allowable fees. We compared this information against guidelines set by the investor on your loan to determine the best option available to you.

FHA requires that any loan modification results in a specific housing expense ratio. This ratio is defined as your total modified mortgage payment (principal and interest, plus applicable insurance, tax, and homeowner's association fees) divided by your gross monthly income.

We calculated your modified mortgage payment as \$2918.40 and your total gross monthly income as [REDACTED]. This currently results in a housing expense ratio within FHA guidelines.

If you choose not to accept this offer and wish to apply again in the future, there is a risk you may not qualify as your housing expense ratio may increase. In addition:

- You may have to provide income and expense documentation again
- Your loan balance may increase as the result of additional missed payments
- Your modification review will be based on current market interest rate at that time
- **Any increase in loan balance or interest rate will cause your new modified payment offer to increase**

While you were approved for the Modification program identified in this letter, you are not eligible for the modification program(s) listed below.

You did not qualify for the loan programs below. Please see <u>Exhibit B</u> for more details.	
Federal Housing Administration (FHA) Home Affordable Modification Program (HAMP)	After carefully reviewing the information you've provided, we are unable to adjust the terms of your mortgage through the guidelines established by FHA HAMP. Reasons for the program denial include: <ul style="list-style-type: none">• Insufficient Net Cash Flow• Debt-to-Income (DTI) Outside of Acceptable Range
Federal Housing Administration (FHA) Home Affordable Modification Program (HAMP) Partial Claim Only	After carefully reviewing the information you've provided, we are unable to adjust the terms of your mortgage through the guidelines established by FHA HAMP. Reasons for the program denial include: <ul style="list-style-type: none">• Insufficient Net Cash Flow• Ineligible Mortgage
FHA Special Forbearance Plan	Since you qualified for the most beneficial program offered, it was not necessary to see if you qualified for this program.

ACTION REQUIRED

Please see your trial payment schedule below:


Trial Payment	Trial Payment Due Date	Monthly Principal & Interest Payment	Estimated Monthly Escrow Payment	Total Monthly Payment	Interest Rate
1st payment	by 4/1/2020	\$2,179.00	\$739.40	\$2,918.40	3.750 %
2nd payment	by 5/1/2020	\$2,179.00	\$739.40	\$2,918.40	3.750 %
3rd payment	by 6/1/2020	\$2,179.00	\$739.40	\$2,918.40	3.750 %

Under the Trial Payment Plan, you will be required to make monthly "Trial Payments," instead of your regular mortgage payments. These trial payments must be made, in full, by the monthly due date. If you fail to make a Trial Payment during the month in which it is due, your Trial Payment Plan may be canceled, and your loan will not be permanently modified. As a reminder, you must also sign and return your Trial Payment Plan Agreement by 4/30/2020.

Payments can be made by logging onto <http://www.pennymacusa.com/> and scheduling your payment through the modification portal, calling PennyMac or by mailing in your payment.

QUESTIONS? CONTACT US

Should you have questions or would like to discuss the information contained in this letter, please call me at (866) 629-4570, Monday-Friday between the hours of 7AM - 4PM PST.


PennyMac Loan Services, LLC

IMPORTANT INFORMATION

You have the right to appeal PennyMac's loan modification decision. You have until **3/10/2020** to submit your appeal. All appeals must be submitted in writing either by fax to (800) 947-1421 or you may submit by mail to the following address: PennyMac Loan Services, LLC Attn: Loan Modification Escalation Unit, P.O. Box 514387, Los Angeles, CA 90051-4387. PennyMac will send you a written acknowledgment indicating we have received your request and will provide a substantive response within 30 days of receipt of your written appeal.

For Washington Customers only: You have until **3/26/2020** to submit your appeal. All other requirements above will apply.

For Hawaii Customers only: If you believe your loss mitigation option request has been wrongly denied, you may file a complaint with the Hawaii State Division of Financial Institutions at **(808) 586-2820**.

For New York Customers only: If you believe the loss mitigation request has been wrongly denied, you may file a complaint with the New York State Department of Financial Services at **1-800-342-3736** or www.dfs.ny.gov.

For North Carolina Customers only: If you believe the loss mitigation request has been wrongly denied, you may file a complaint with the North Carolina Office of the Commissioner of Banks website, www.nccob.gov.

For Oregon Customers only: There are government agencies and nonprofit organizations that can give you information about foreclosure and help you decide what to do. For the name and telephone number of an organization near you, please call 211 or visit www.oregonhomeownersupport.gov. If you need help finding a lawyer, call the Oregon State Bar's Lawyer Referral Service online at www.oregonstatebar.org or by calling **(503) 684-3763** (in the Portland metropolitan area) or toll-free elsewhere in Oregon at **(800) 452-7636**. Free legal assistance may be available if you are very low income. For more information and a directory of legal aid programs, go to www.oregonlawhelp.org.

Additional assistance is available: If your non-mortgage monthly expenses are creating part of your financial strain, we encourage you to contact a HUD-approved, non-profit, community-based Credit Counseling agency who can work with you, at no charge, to lower your monthly payments. You can find a local agency by calling **(800) 569-4287** or call the HOPE Hotline Number at **(888) 995-HOPE**. A counselor will work closely with you. By asking for help, the counselor will take your financial circumstances into consideration, create a budget plan that may work for you and provide assistance in understanding this Notice.

By accepting and applying less than the total amount you owe, PennyMac has not waived its rights under the terms of your Mortgage Note and Security Instrument. In addition, the acceptance of these funds does not waive our right to either apply or return future payments if they are less than the total amount due.

You agree to cooperate fully with PennyMac in obtaining any title endorsement(s), or similar title insurance product(s), and/or subordination agreement(s) that are necessary or required by PennyMac's procedures to ensure that the modified mortgage loan is in first lien position and/or is fully enforceable upon modification. If PennyMac does not receive such title endorsement(s), title insurance product(s) and/or subordination agreement(s), then the loan will not be permanently modified.

Important Partial Claim Mortgage Assistance

After you successfully complete your trial plan, you may receive a modification with a Partial Claim or a Partial Claim only. A Partial Claim may be part of your permanent modification after you successfully complete your trial plan. A Partial Claim is used by the U.S. Department of Housing and Urban Development (HUD) to help bring your loan current. HUD will advance past-due amounts ("Partial Claim Amount") on your behalf to the owner of your first mortgage. In return, to enable HUD to eventually recover that amount, you must sign a zero-interest subordinate promissory note and subordinate security instrument (Partial Claim Mortgage) in favor of the Secretary of HUD. The Partial Claim Mortgage will be recorded as a subordinate lien against your property. You will need to repay this amount only when your first mortgage term ends, when you refinance or payoff your mortgage loan, when you sell your home, when the property is no longer your primary residence, when the first mortgage has been accelerated, or when the first mortgage is no longer insured by HUD.

Credit Reporting:

We will continue to report the delinquency status of your loan to credit reporting agencies as well as your entry into a Trial Period Plan 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 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 <https://www.consumerfinance.gov/consumer-tools/credit-reports-and-scores/>.

Property Valuation

We may order an appraisal or other forms of valuations to determine the property's value in the course of reviewing your application. If we do order any valuations in connection with the application in determining whether your loan qualifies for a loan modification, a copy of the valuation(s) will be enclosed with this notice, if applicable.

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law concerning this creditor is Bureau of Consumer Financial Protection, 1700 G Street NW., Washington DC 20006.

Regarding FHA loans:

Your mortgage loan may be included in a Single Family Loan Sale or the subject of foreclosure proceedings if loss mitigation is unsuccessful, denied, or unable to be considered due to failure to provide a complete package for review.



Trial Payment Plan Agreement



By signing this document, you are indicating your acceptance of this Trial Payment Plan. All customers are required to sign the Agreement. Please sign below and return the Agreement by **4/30/2020**. Upon completing your Trial Payment Plan, you must continue making payments in accordance with the terms of this Trial Payment Plan until we notify you your loan has been permanently modified.

Sign and fax the Trial Payment Plan Agreement using fax cover sheet provided or mail using the pre-addressed envelope provided.

Agreed:



Date

Date

Date

Date

Exhibit A

To qualify for a permanent modification, you must return your signed Trial Payment Plan and make your trial payment before the end of the month of the first trial payment due date. After all trial payments are made and you have submitted all the required documents, your mortgage will be permanently modified. NOTE: Your existing loan and loan requirements remain in effect and unchanged during the trial period. If each payment is not received by PennyMac in the month in which it is due, this offer will end and your loan will not be modified under the terms described in this offer.

After you have completed your trial period, PennyMac will send you two copies of the "Modification Agreement," which will include the final modified loan payment amount and the terms of your modified loan. All customers will be required to sign and notarize two copies of the modification agreement and attest that all of the information you are providing to PennyMac is true and accurate. Misrepresenting any required information is a violation of federal law and has serious legal consequences.

Upon completing your, Trial Payment Plan, you must continue making payments in accordance with the terms of this Trial Payment Plan until we notify you your loan has been permanently modified.

NOTE: The trial period is temporary, and your existing loan and loan requirements remain in effect and unchanged during the trial period. Once your loan is permanently modified, your new monthly payments could be slightly higher or lower than your Trial Payment Plan payments. If your original loan payment doesn't include a portion of your property taxes and homeowners insurance, those amounts will be added to your monthly payment and will be held in an escrow account for payment by PennyMac.

Any past due balance, as of the end of the trial period, including: unpaid interest, escrow or fees may be added to your mortgage loan balance. If you fulfill the terms of the trial period including, but not limited to, making the trial period payments on-time and in-full each month, we will waive ALL unpaid late charges at the end of the trial period.

If you're unable to successfully complete the trial period to get a permanent modification of your mortgage, you may need to consider options that involve finding a more affordable home. If your home is currently worth less than the amount remaining on your loan, you may be able to sell your house in a short sale, or you can deed the property to your lender through a deed in lieu of foreclosure. Both programs relieve you of your obligations to make further payments on your loan. These programs also may include financial assistance to help you with relocation.

Exhibit B

During your modification review you were reviewed for several options. While you were approved for the Modification program identified in this letter, you are not eligible for other modification program(s) for the reasons listed below.

- Debt-to-Income (DTI) Outside of Acceptable Range: We are unable to offer you a Modification because in performing our underwriting of a potential modification, the proposed modified monthly payment we could offer you, which includes a modified monthly principal and interest payment on your first lien mortgage loan plus property taxes, hazard insurance premiums, and homeowners dues (if any) along with other credit expenses was greater than 40% of your monthly gross income.
- Ineligible Mortgage: We are unable to offer you a Modification because borrower's current rate is greater than the current market rate set by FHA HAMP.
- Insufficient Net Cash Flow: We are unable to offer you a Modification because, in performing our underwriting of a potential modification, the proposed modified monthly payment we could offer you, which includes a modified monthly principal and interest payment on your first lien mortgage loan plus property taxes, hazard insurance premiums, and homeowners dues (if any), would result in an insufficient net cash flow: Borrower's current payment is greater than the target payment set by FHA HAMP.
- Insufficient Net Cash Flow: We are unable to offer you a Modification because, in performing our underwriting of a potential modification, the proposed modified monthly payment we could offer you, which includes a modified monthly principal and interest payment on your first lien mortgage loan plus property taxes, hazard insurance premiums, and homeowners dues (if any), would result in an insufficient net cash flow: Borrower's modified payment is greater than the target payment set by FHA HAMP without the use of partial claim.

In accordance with the Fair Debt Collection Practices Act, 15 U.S.C. section 1692 et seq., debt collectors are prohibited from engaging in abusive, deceptive, and unfair debt collection efforts, including but not limited to: (i) the use or threat of violence; (ii) the use of obscene or profane language; and (iii) repeated phone calls made with the intent to annoy, abuse, or harass.

NEW YORK - If a creditor or debt collector receives a money judgment against you in court, state and federal laws prevent the following types of income from being taken to pay the debt: 1) Supplemental security income (SSI); 2) Social security; 3) Public assistance (welfare); 4) Spousal support, maintenance (alimony) or child support; 5) Unemployment benefits; 6) Disability benefits; 7) Workers' compensation benefits; 8) Public or private pensions; 9) Veterans' benefits; 10) Federal student loans, federal student grants, and federal work study funds; and 11) Ninety percent of your wages or salary earned in the last sixty days. PennyMac Loan Services, LLC is registered with the Superintendent of the New York State Department of Financial Services (Department). You may obtain further information or file a complaint by calling the Department's Consumer Assistance Unit at 1-800-342-3736 or by visiting www.dfs.ny.gov.

NORTH CAROLINA - Licensed by the North Carolina Department of Insurance. Permit No. 104753 - 6101 Condor Dr., Suite 200, Moorpark, CA 93021. Permit No. 112228 - 14800 Trinity Blvd., Fort Worth, TX 76155. Permit No. 112874 - 3043 Townsgate Rd., Suite 200, Westlake Village, CA 91361. Permit No. 112877 - 2201 West Plano Parkway, Suites 150 and 300, Plano, TX 75075. Permit No. 113746 - 10550 West Charleston Blvd., Suite A, Las Vegas, NV 89135.

OREGON - Residential mortgage loan servicers are regulated by the Oregon Division of Financial Regulation. To file a complaint, call (888) 877-4894 or visit <http://dfr.oregon.gov>.

This is an attempt by a debt collector to collect a debt and any information obtained will be used for that purpose. However, if your account is subject to pending bankruptcy proceedings or if you have received a discharge in bankruptcy, this statement is for informational purposes only and is not an attempt to collect a debt against you personally.

Licensing Information



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