

To: All CHFA Servicers

Bulletin #9  
August 30, 2013



From: Kristin A. Kotler, Administrator, Investor Reporting & Servicing

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Subject: **CHFA Loan Modification Process**

We are pleased to announce CHFA will begin participating in the FHA Home Affordable Modification Program ("FHA-HAMP") beginning September 3, 2013. CHFA has obtained a waiver from HUD that allows us to participate in FHA-HAMP without modifying mortgage interest rates.

We will be changing our process for all modifications also effective September 3, 2013. Going forward we will require all servicers to complete and return to CHFA the attached Loan Modification Form and Certification. Servicers will be responsible for reviewing all modification documents and following all loss mitigation program requirements in accordance with CHFA, insurer and/or guarantor guidelines and ensuring all modification calculations are accurate and complete. For guidance on completing the waterfall spreadsheet for FHA-HAMP please refer to HUD Mortgagee Letter 2012-22. Servicers will also be required to perform title bring down and clear all title issues before sending the Loan Modification Form and Certification to CHFA.

Servicers will send completed Loan Modification Form and Certification to [modifications@chfa.org](mailto:modifications@chfa.org). CHFA will review and complete the modification documents for execution. These documents will be sent to the servicers for execution by the borrowers and then returned to CHFA for signature. There can be no variation to this form, only CHFA's original document will be accepted. CHFA will return executed document to the Servicer for recording. Servicer will be required to send an email to [modifications@chfa.org](mailto:modifications@chfa.org) confirming that the modification has been completed along with the Title Policy Endorsement within 10 days of being sent for recording.

If there is any deviation from CHFA's established modification process the loan will be subject to repurchase.

To allow for processing time, please send all modification requests in to [modifications@chfa.org](mailto:modifications@chfa.org) as you prepare them. Do not hold to batch and send all at once.

Please contact Kristin Kotler at (860) 571-4247 or [kristin.kotler@chfa.org](mailto:kristin.kotler@chfa.org) with any questions.

*Please forward this Bulletin to any effected management or staff within your organization. This Bulletin is also listed on CHFA's website at [www.chfa.org](http://www.chfa.org) under the Lender Documentation Library as Servicing Bulletin #9.*

# LOAN MODIFICATION FORM & CERTIFICATION

all fields with an \* include a drop-down list to chose from when you click in the field

Date Form Completed:	9/1/2013	Insurer Type:*	52-CHFA CT Fam
CHFA Loan #:	997500	Servicer Loan #:	ABC123
CHFA Servicer:*	062-FIRST COUNTY BANK		
Borrowers Name(s):	Sample Borrower #1		
	Sample Co-Borrower #1		
	Sample Co-Borrower #2		
Property Address:	999 West Street		
City:	Rocky Hill	Zip:	06067
Modification Type:*	HAMP STAND ALONE PARTIAL CLAIM		
Does Borrower have a CHFA DAP 2nd mortgage?:*	NO CHFA DAP		

### Current Loan Information:

Current Principal Balance:	
Current P-T-D:	
P&I Amount:	
Original Loan Amount:	
Original Maturity Date:	

### Proposed Loan Data:

Amount to be Capitalized:	
Modified Loan Balance:	
New P&I Amount:	
1st Due Date:	
New Maturity Date:	

Submitted By:	
Printed Name:	
Address to return documents:	
Contact Phone:	
Contact Email:	

### Below for CHFA Use Only:

Prepared By:	
Reviewed By:	
Reviewed By:	

Date:	
Date:	
Date:	



Re: CHFA Loan #: 997500  
 Borrower Name(s): Sample Borrower #1  
                           Sample Co-Borrower #1  
                           Sample Co-Borrower #2  
 Property Address: 999 West Street  
                           Rocky Hill

Date: 9/1/2013

Zip: 06067

### Servicer Certification

The servicer does hereby certify the following to CHFA (or its designee) as to the mortgage modification. All information below must be completed. If not, the mortgage loan will be subject to repurchase.

1. All loss mitigation program requirements are met in accordance with CHFA, insurer and/or guarantor guidelines.
2. Hardship requirements are met.
3. Income requirements are met.
4. Mortgage modification calculations are accurate and complete.
5. Title bring down is complete and any intervening liens have necessary releases or subordination agreements.
  - a. The Down Payment Assistance (DAP) mortgage subordinated if applicable.
  - b. The lien securing the mortgage loan has been perfected by recording and has not been impermissibly satisfied, subordinated, or impaired.
  - c. The mortgage loan creates a valid first mortgage lien on the Property subject only to encumbrances created by, among other things, non-delinquent taxes or assessments, right-of-way, and other easements and encroachments which do not materially affect the security for the mortgage loan.
6. Title endorsement obtained ensuring the priority of recorded modification.

***Servicer also certifies that the recorded modification and title endorsement will be sent to CHFA within 60 days of execution of the modification.***

The undersigned servicer acknowledges that CHFA (or its designee) is relying upon this Certification in the modification of the mortgage loan and would be harmed if this Certification is incomplete or inaccurate.

Dated this \_\_\_\_\_ day of \_\_\_\_\_.

**062-FIRST COUNTY BANK**

(Servicer's Name)

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_