

Second Lien Loan Modification Request

Dear Member(s),

We understand that you are experiencing financial difficulties, and Kinecta Federal Credit Union ("Kinecta") would like to assist you in avoiding a potential foreclosure. Depending on your situation, we may be able to consider your loan for a workout alternative.

In order to do this, servicing guidelines require that we obtain detailed information about your current financial situation so that we may properly evaluate your loan for a potential workout option. Please provide us with the information requested on the enclosed documents within seven (7) days of receiving this letter.

It is important to note that the initiation of a workout review does not waive any remedies available to Kinecta under the terms of your loan documents. The terms of your loan may only be modified in writing signed by an authorized representative of Kinecta. Please be advised that while we are evaluating your loan for a possible workout alternative, our collection activity will continue. This could include foreclosure proceedings, which may cause the assessment of applicable fees as they are incurred by Kinecta. You will be responsible for all fees incurred by Kinecta. If a workout alternative is approved, all such fees incurred through the date of such agreement will be included therein. In the event a workout alternative cannot be approved, collections and/or foreclosure proceedings will continue.

After we have completed our review process, a Mortgage Workout Specialist will contact you regarding our final decision.

We look forward to your response and working with you in an attempt to develop a workout alternative to assist you during this time. If you have any questions, please contact us Monday through Friday from 8:00 am to 5:00 pm, Pacific Time at (855) 840-8649.

Sincerely,

Loan Servicing

Please Note: This is an attempt to collect upon a debt. Any information obtained will be used for that purpose. In the event that the underlying debt has been discharged as a result of prior bankruptcy proceeding, KINECTA FEDERAL CREDIT UNION hereby acknowledges that it is not assessing personal liability for the debt to the borrower(s) and that its recourse in collection matters shall be limited to the collateral described in the security instrument. If you have previously received a discharge in bankruptcy, this correspondence is not and should not be construed to be an attempt to collect a debt, but only enforcement of a lien against the real property.

DOCUMENT CHECKLIST

LOAN NUMBER: _____

Please submit the following information to be considered for a **Loss Mitigation Alternative Program**.

- **Signed Hardship Letter**
 - A detailed letter explaining what caused your financial hardship situation.
 - Letter must be signed and dated by all members.
- **Signed Financial Statement Form (*form enclosed*)**
 - Signed and dated by all members.
 - Please make sure the Asset & Liability box is also completed.
- **Verification of ALL income you have listed on the Financial Statement Form**
 - Wages (Last 2 Paycheck Stubs or 1 month most recent for all members)
 - Unemployment, Social Security, Disability, Child/Alimony income, etc ... (1 month)
 - **Self-Employed Members ***if applicable:**
 - Up to Date Profit & Loss Statement for all businesses owned & partnerships.
 - 3 months most recent business bank statements (**ALL PAGES**)
- **Personal Bank Statements (ALL OPEN ACCOUNTS)**
 - 2 months of your most recent bank statements (**ALL PAGES**)
- **Federal Tax Returns**
 - Last 2 years/extension paperwork. (**All Forms, All Schedules, All Pages**)
- **Property Tax Statement (*current*)- non escrowed loans only**
- **Homeowners Insurance Statement (*current*)- non escrowed loans only**
- **HOA monthly dues statement (*if applicable*)**

Additional documents may be requested upon underwriting review. Examples of these may include; investment accounts and information regarding additional properties.

If you currently have a Short Sale/Purchase offer, please send the following items in addition to all items listed above.

- Net Sheet or Proposed Settlement Statement (Loan Estimate)
- Listing agreement (***signed and dated***)
- Written authorization for third party (***signed and dated***)
- Complete purchase agreement (offer) signed by all parties
- Buyer's proof of funds
- Buyer's prequalification letter

Upon receiving all of the required items above you will be contacted by a Loss Mitigation Representative regarding your case. For all short sale offers presented to Kinecta you may be required to schedule an appointment for an Appraiser to conduct an inspection of your property. Please provide the name and phone number of a contact person who can schedule the appointment and accompany the Appraiser:

Name: _____

Phone # (____) _____

Company: _____

Alt # (____) _____

Please send all the required information and documentation at the same time, if possible. After reviewing the completed package, in order to determine the best possible course of action, we may need to request additional information and documentation. Please be advised that a credit report will be pulled in order to verify information stated on the financial statement form.

BORROWER INFORMATION (To avoid delays please make sure all pages are complete and accurate.)

BORROWER		CO BORROWER	
Borrower's Name:		Co-Borrower's Name:	
Social Security Number:	Date of Birth:	Social Security Number:	Date of Birth:
Home phone number with area code:		Home phone number with area code:	
Cell or work number with area code:		Cell or work number with area code:	
Email address:		Email address:	

I want to:	<input type="checkbox"/> Keep the property	<input type="checkbox"/> Sell the property
The property is my:	<input type="checkbox"/> Primary residence	<input type="checkbox"/> Second Home <input type="checkbox"/> Investment
The property is:	<input type="checkbox"/> Owner Occupied	<input type="checkbox"/> Renter Occupied <input type="checkbox"/> Vacant

Number of People in Household:

Mailing Address:	
Property address (if same as mailing address, write "same"):	
Is the property listed for sale? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what was the listing date? _____ Have you received an offer on the property? <input type="checkbox"/> Yes <input type="checkbox"/> No Date of Offer: _____ Amount of Offer: _____ Agent's Name: _____ Agent's Phone Number: _____ For Sale by Owner? <input type="checkbox"/> Yes <input type="checkbox"/> No	Have you contacted a credit counseling agency for help? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please complete the following: Counselor's Name: _____ Agency Name: _____ Counselor's Phone Number: _____ Counselor's email: _____

Who pays the real estate tax bill on your property? <input type="checkbox"/> I do <input type="checkbox"/> Lender <input type="checkbox"/> Condo or HOA Are the taxes current? <input type="checkbox"/> Yes <input type="checkbox"/> No Condo or HOA Fees? <input type="checkbox"/> Yes <input type="checkbox"/> No \$ _____ per month	Who pays the hazard insurance premium for your property? <input type="checkbox"/> I do <input type="checkbox"/> Lender <input type="checkbox"/> Condo or HOA Is the policy current? <input type="checkbox"/> Yes <input type="checkbox"/> No Name of Insurance Co.: _____ Insurance Co. Phone Number: _____		
Have you filed for bankruptcy? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes: <input type="checkbox"/> Chapter 7 <input type="checkbox"/> Chapter 13 Filing Date: _____	Has your bankruptcy been discharged? <input type="checkbox"/> Yes <input type="checkbox"/> No Bankruptcy case number: _____		
Additional Liens/Mortgages or Judgments on this property (If not applicable write "None"):			
Lien Holder's Name/Service	Balance	Phone Number	Loan Number

HARDSHIP AFFIDAVIT (Provide a written explanation describing the specific nature of your hardship.)

I am requesting review of my current situation to determine whether I qualify for temporary or permanent mortgage relief options.

Date Hardship Began:

I believe that my situation is:

- ☐ Short-term (under 6 months)
- ☐ Medium-term (6-12) months
- ☐ Long-term or Permanent Hardship (greater than 12 months)

I am having difficulty making my monthly payment because of the reason set forth below: (Please check all that apply and submit required documentation demonstrating your hardship). Please note that all required hardship documentation is required in addition to the documents set forth on the document checklist.

If your hardship is:	Then the Required Hardship Documentation is:
<input type="radio"/> Unemployment	<ul style="list-style-type: none"> ▪ A copy of your benefits statement or letter detailing the amount, frequency and duration of your unemployment benefits.
<input type="radio"/> Underemployment	<ul style="list-style-type: none"> ▪ Documentation is listed on Document Checklist
<input type="radio"/> Income reduction (e.g., elimination of overtime, reduction in regular working hours, or a reduction in base pay)	<ul style="list-style-type: none"> ▪ Documentation is listed on Document Checklist
<input type="radio"/> Divorce or legal separation; Separation of Borrowers unrelated by marriage, civil union or similar domestic partnership under applicable law	<ul style="list-style-type: none"> ▪ Divorce decree signed by the court OR ▪ Separation agreement signed by the court or that non-occupying Borrower has a different address OR ▪ Recorded quitclaim deed evidencing that the non-occupying Borrower OR Co-Borrower has relinquished all rights to the property
<input type="radio"/> Death of a borrower or death of either the primary or secondary wage earner in the household or dependent family member	<ul style="list-style-type: none"> ▪ Death certificate OR ▪ Obituary or newspaper article reporting the death
<input type="radio"/> Long-term or permanent disability; Serious illness of a borrower /co-borrower or dependent family member	<ul style="list-style-type: none"> ▪ Doctor's certificate of illness or disability OR ▪ Medical bills OR ▪ Proof of monthly insurance benefits or government assistance
<input type="radio"/> Disaster (natural or manmade) adversely impacting the property or Borrower's place of employment	<ul style="list-style-type: none"> ▪ Insurance claim OR ▪ Federal Emergency Management Agency grant or Small Business Administration loan OR ▪ Borrower or Employer property located in a federally declared disaster area
<input type="radio"/> Distant employment transfer	<ul style="list-style-type: none"> ▪ Proof of transfer
<input type="radio"/> Excessive Obligations	<ul style="list-style-type: none"> ▪ Documentation listed on Document Checklist
<input type="radio"/> Business Failure	<ul style="list-style-type: none"> ▪ Tax return from the previous year (including all schedules) AND ▪ Proof of business failure supported by one of the following: Bankruptcy filing for the business; OR ▪ Two months recent bank statements for the business account evidencing cessation of business activity; OR ▪ Most recent signed and dated quarterly or year-to-date profit and loss statement
<input type="radio"/> Payment Increase	<ul style="list-style-type: none"> ▪ Documentation listed on Document Checklist
<input type="radio"/> Other (explain):	

INCOME/EXPENSES FOR HOUSEHOLD

EMPLOYMENT INFORMATION	
Borrower Monthly Income: \$ _____	Co-Borrower Monthly Income: \$ _____
Employer 1 Name: _____	Employer 1 Name: _____
Employer 1 Address: _____ _____	Employer 1 Address: _____ _____
Employment Start Date: _____	Employment Start Date: _____
Employer 2 Name: _____	Employer 2 Name: _____
Employer 2 Address: _____ _____	Employer 2 Address: _____ _____
Employment Start Date: _____	Employment Start Date: _____
Are you Self-Employed? <input type="checkbox"/> Yes <input type="checkbox"/> No	Are you Self-Employed? <input type="checkbox"/> Yes <input type="checkbox"/> No

OTHER INCOME
Is there a person not on the mortgage note who lives in the residence and contributes financially to the household? <input type="checkbox"/> Yes <input type="checkbox"/> No
If yes, complete the following:
First and Last Name: _____
Monthly amount and/or contribution to the household: \$ _____

Monthly Household Income	Monthly Household Expenses/Debt	Household Assets (associated with the property and/or borrower)
Monthly Gross Wages - \$ _____	First Mortgage Payment - \$ _____	Checking Account(s) - \$ _____
Overtime - \$ _____	Second Mortgage Payment - \$ _____	Checking Account(s) - \$ _____
Child Support/Alimony* - \$ _____	Homeowner's Insurance - \$ _____	Savings/Money Market - \$ _____
Taxable SS benefits or other monthly income from annuities or retirement plans - \$ _____	Credit Cards/Installment Loan(s) (total min pymt per month) - \$ _____	CDs - \$ _____
Tips, Commissions, bonus and self-employed income - \$ _____	Child Support/Alimony Payments - \$ _____	Stocks/Bonds - \$ _____
Rents Received - \$ _____	Mortgage Payments on other properties - \$ _____	Other Cash on Hand - \$ _____
Unemployment Income - \$ _____	HOA/Condo Fees/Property Maintenance - \$ _____	Other Real Estate - \$ _____ (estimated value)
Food Stamps/Welfare - \$ _____	Car Lease Payments - \$ _____	Other - \$ _____
Less: Federal & State Tax, FICA	Water/Sewer/Utilities/Phone - \$ _____	Total Assets - \$ _____
Less: Other deductions	Food/Spending Money - \$ _____	
Other - \$ _____	Other - \$ _____	
Total Gross Income - \$ _____	Total Debt/Expenses - \$ _____	

*Notice: Alimony, Child Support, or separate maintenance income need not be revealed if you choose not to have it considered for repayment.

I/we agree as follows: My/our Lender/Mortgage Servicer may discuss, obtain and share information about my/our mortgage and financial situation with third parties regarding a possible alternative to foreclosure. I/we will pay all allowable costs and expenses incurred by Lender/Mortgage Servicer and their agents in connection with a foreclosure prevention alternative, including, but not limited to recording fees, title examination, and broker price opinion. Negotiations for a possible foreclosure alternative will not constitute a waiver of or defense to my Lender's/Mortgage Servicer's right to commence or continue any foreclosure or other collection action, and an alternative to foreclosure will be provided only if an agreement has been approved in writing by my Lender/Mortgage Servicer. The information herein is an accurate statement of my financial status.

Submitted this _____ day of _____, 20 ____

By _____
Signature of Borrower

Date: _____

By _____
Signature of Co-Borrower

Date: _____