

***INSTRUCTIONS TO LENDER: ALL
LANGUAGE IS MANDATORY - NO CHANGES PERMITTED***

Appendix A

BORROWER INFORMATION PACKET COVER LETTER

ASGN-1

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Aviso importante Para Las Personas Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente. Si usted no llama a responde _____ a este numero de telefono _____ usted puede perder su casa.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately. If you do not call _____ at this telephone number _____ you may lose your home.

=====

Dear Mr. and Mrs. Borrower:

We want to help you save your home. If the reason for the failure to pay was due to a temporary situation that will soon be corrected, we may be able to work with you to arrange for repayment on terms you can afford. Or we may be able to work out another alternative acceptable to you. Please call _____ at _____ as soon as possible to pursue this option. (TDD _____.)

We have enclosed the pamphlet "Saving Your Home" which describes methods to assist you in bringing your mortgage current. If you are unable to bring your mortgage current, the pamphlet also addresses other alternatives to foreclosure. Foreclosure is the legal means that we may use to take ownership of your home if you do not make your mortgage payments.

Your mortgage payments of \$_____ plus late charges of \$_____ for the months of _____ and _____ are past due. If these payments are not received by _____, you could lose your home. If you have already mailed the payments, please accept our thanks.

Prior to contacting us, you should contact a HUD-approved housing counseling agency. A list of agencies is enclosed. A counselor will review your financial situation. The counselor may be able to suggest how you can arrange to pay the overdue payment(s) and make timely mortgage payments in the future. The counselor will also discuss other available options.

We want to help you save your home. Please read the pamphlet carefully. It could assist you in preventing foreclosure.

Sincerely,

ABC Mortgage Company
Customer Service Department

Enclosures: List of housing counseling agencies
HUD Pamphlet PA-426H

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4330.2 REV-2

***INSTRUCTIONS TO LENDER: ALL
LANGUAGE IS MANDATORY - NO CHANGES PERMITTED*** Appendix A

LENDER ASSIGNMENT PACKET COVER LETTER ASGN-2

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Aviso Importante Para Las Personas Que Hablan Enpanol:

Esta notificacion es de suma importancia ya que afecta su derecho de continuar viviendo en su casa. Si usted no entiende el contenido de esta carta obtenga una traduccion inmediatamente. Si usted no llama al _____ dentro de los proximos 30 dias, usted puede perder su casa.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately. If you do not call this telephone number _____ within 30 days, you may lose your home.

Dear Mr. and Mrs. Borrower:

WE WOULD LIKE TO HELP YOU SAVE YOUR HOME. If the reason for non-payment is temporary, contact us immediately. We may be able to work out a plan that will bring your account current. If you have not paid because of a more serious financial situation that will not be resolved soon, you may be eligible for the Department of Housing and Urban Development (HUD) Single Family Mortgage Assignment Program.

You have missed the mortgage payments for the months of _____, _____ and _____. Including late charges, you are \$_____ past due. To avoid foreclosure you must act quickly.

The assignment program provides temporary relief in the way of reduced or suspended mortgage payments to qualified homeowners for up to 36 months. Relief is provided to qualified homeowners with FHA-insured mortgages who

fall behind on their mortgage through no fault of their own. These homeowners must also demonstrate reasonable prospects for being able to pay their full monthly mortgage payment after an approved period of reduced or suspended payments. If you qualify for the program, there will be no foreclosure. Instead, HUD will become your lender and arrange a repayment plan. You will make your mortgage payments directly to HUD.

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A-ASGN-2 ***INSTRUCTIONS TO LENDER: ALL
LANGUAGE IS MANDATORY - NO CHANGES PERMITTED***

To apply for the assignment program you must complete the enclosed forms and send the other information listed below to us. The materials must be postmarked no later than _____ which is 30 days from the date of this letter. Below are brief instructions for preparing the materials you must submit to us:

- o Request for Financial Information, form HUD-92068-F - you must complete this form.
- o Request for Verification of Employment, form HUD-92004-G - you must complete items 8 and 9. If there is more than one source of income in your household, make copies of the form and have the wage-earner complete items 8 and 9.
- o Written documentation that proves you have not paid your mortgage due to a situation beyond your control. Since the first payment you missed was in _____, your date of default is _____. You must document your problem that occurred before your date of default.

For example, if the reason for nonpayment is illness, attach a copy of receipts that prove payment of doctor and/or hospital bills. Also attach copies of pay stubs for each adult family member who was employed during the time of the medical problem. The pay stubs and medical bills will help prove that your income was insufficient to cover your mortgage, medical bills, and other household necessities.

If the reason for nonpayment is unemployment, provide a copy of either a layoff or termination notice or your unemployment benefits award notice.

- o Documentation that your financial situation will improve within three years - one of the requirements for acceptance into the assignment program is indication that your financial situation is likely to improve within three years. For example, if you are currently employed, you also may submit a letter from your employer on company letterhead that shows future salary increases and the probability of continued employment. If you are not currently employed, you may submit evidence of future employment possibilities, evidence that you are being retrained, and your last IRS return.

We strongly encourage you to contact a HUD-approved housing counseling agency. A list of agencies in your area is enclosed. The counselors can

help you review your alternatives to foreclosure. If you decide to apply for the assignment program, the counselors can help you prepare the necessary materials to send to us. The counseling services are provided at minimal or no cost.

Act now! We encourage you to apply now. If you are eligible, you will receive relief sooner. If you delay and foreclosure begins, additional attorneys' fees and costs will be added to the amount you owe.

Sincerely,

ABC MORTGAGE COMPANY

Enclosures: Housing Counselors List

Form HUD-92068-F
Form HUD-92004-G
Return envelope (addressed to lender)

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INSTRUCTIONS TO LENDER: ALL LANGUAGE IS MANDATORY - NO CHANGES PERMITTED Appendix A

STATUS LETTER 1 - POSITIVE RECOMMENDATION TO HUD ASGN-3

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Aviso Importante Para Las Personas Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately.

=====
Dear Mr. and Mrs. Borrower:

We have completed our review of your application for HUD's assignment program. We have recommended that HUD accept your mortgage for assignment. HUD is now reviewing your case and will make a determination soon. HUD will contact you directly regarding their decision.

If you have any questions, please contact _____ at _____.
(TDD _____).

Sincerely,

ABC MORTGAGE COMPANY

cc: HUD Field Office

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4330.2 REV-2

***INSTRUCTIONS TO LENDER: ALL
LANGUAGE IS MANDATORY - NO CHANGES PERMITTED***

Appendix A

STATUS LETTER 2 - NO RECOMMENDATION TO HUD

ASGN-4

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Aviso Importante Para Las Personas Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately.

=====

Dear Mr. and Mrs. Borrower:

We have reviewed your request for acceptance into HUD's assignment program. However, based on the information you submitted, we are unable to decide if you are eligible for the program. We are submitting your case to HUD for further review and analysis.

Attached is the Assignment Request Background Data for HUD Assignment of Mortgage, form HUD-92206, that we have forwarded to HUD with your case. Page 2 of this form states the reasons we cannot recommend assignment of your mortgage.

Your date of default is _____. This is the date HUD will use to process your case.

If HUD determines that your case does not meet the program criteria, you will be informed of that decision and you will be given an opportunity to explain why you feel your case should be accepted.

If you have information which you feel will assist HUD in their review of your case, you should send it to them immediately. You do not need to wait for HUD to request additional information.

If a housing counselor helped you in preparing your documentation, you should advise the housing counselor of the contents of this letter immediately.

If you have any questions about your case please contact the HUD Field Office at _____ or () _____. (TDD _____)

Sincerely,

ABC MORTGAGE COMPANY

Attachment: Form HUD-92206

cc: HUD Field Office

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INSTRUCTIONS TO LENDER: ALL LANGUAGE IS MANDATORY - NO CHANGES PERMITTED Appendix A

LENDER FOLLOW-UP ASSIGNMENT
PACKET COVER LETTER

ASGN-5

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Aviso Importante Para Las Personas Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente. Si usted no se comunica con HUD dentro de 15 dias a partir de la fecha de esta carta, usted puede perder su casa.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately. If you do not contact HUD within 15 days from the date of this letter, you can lose your house.

=====

IMPORTANT:THIS LETTER CONTAINS INFORMATION ABOUT A PROGRAM THAT MAY HELP YOU SAVE YOUR HOME. PLEASE READ IT CAREFULLY.

Dear Mr. and Mrs. Borrower:

YOUR SITUATION IS SERIOUS. YOU ARE FACING FORECLOSURE. IF YOU ACT NOW, YOU STILL MAY BE ABLE TO SAVE YOUR HOME.

We, as your mortgage company, can do no more to help you. As we informed you in a previous letter, HUD operates a program called the Single Family Mortgage Assignment Program. It is in your interest to apply to HUD as soon as possible if you want to save your home from foreclosure. If you qualify, we will assign (transfer) your mortgage to HUD and there will be no foreclosure. Instead, HUD will own your mortgage and you will make your

mortgage payments directly to HUD.

If you wish to apply for the assignment program, you must respond within 15 days of the date of this letter. Complete and mail the enclosed application form to the local HUD field office at _____. Or you may apply by telephone. The telephone number is _____. (TDD _____). If you use the form, it must be postmarked by _____. If you call, you must call by _____.

HUD will send you an application packet. You will have an additional 30 days to provide the information HUD needs to accept you into the program.

TIME IS ESSENTIAL. Contact a HUD-approved housing counseling agency immediately so a counselor can assess your financial situation and help you in preparing the necessary materials to apply for the assignment program within the time allowed.

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***INSTRUCTIONS TO LENDER: ALL

A-ASGN-5 LANGUAGE IS MANDATORY - NO CHANGES PERMITTED***

Your mortgage payments remain unpaid for the months of _____, _____, _____, and _____. The total amount past due including late charges is \$ _____. Your date of default is _____. This is the date HUD will use to process your case.

Sincerely,

ABC Mortgage Company

Enclosures:Housing Counseling Agency List
Short application
Assignment program flyer
Return envelope (if application is not a postcard)

cc: HUD Field Office

03/95

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4330.2 REV-2

MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

HUD ASSIGNMENT PACKET COVER LETTER

ASGN-6

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Aviso Importante Para Las Personas Que Hablan Espanol:

Esta notification es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente. Si usted no se comunica con HUD llamando al _____ dentro de 30 dias a partir de la fecha de esta carta, usted puede perder su casa.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately. If you do not contact HUD by calling _____ within 30 days from the date of this letter, you can lose your house.

=====

Dear Mr. and Mrs. Borrower:
HUD Account No.: _____

We have received your application for HUD's assignment program. Please complete the enclosed forms and send us the information listed below. The materials must be postmarked by _____. Below are brief instructions for preparing the materials you must submit to us:

oRequest for Financial Information, form HUD-92068-F - you must complete this form.

oRequest for Verification of Employment, form HUD-92004-G - you must complete items 8 and 9. If there is more than one source of income in your household, make copies of the form. Have each wage earner complete items 8 and 9 of the form.

oWritten documentation that proves you have not paid your mortgage because of a situation beyond your control. Your first payment missed was _____. Your date of default is _____. You must document a problem that occurred before your date of default.

For example, if the reason for nonpayment is illness, attach a copy of receipts to prove payment of doctor and/or hospital bills. Also attach copies of pay stubs for each adult family member employed when the medical problem existed. The pay stubs and receipts will help prove that your income was insufficient to cover your mortgage payment, medical bills, and other household necessities.

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A-ASGN-6

MANDATORY LANGUAGE MUST USE VERBATIM

If the reason for nonpayment is unemployment, provide a copy of either a layoff or termination notice or your unemployment benefits award notice.

oDocumentation that your financial situation will improve within three years - one of the requirements for acceptance into the assignment program is indication that your financial situation is likely to

improve within 36 months. For example, if employed you should submit a letter from your employer on company letterhead that suggests future salary increases and the probability of continued employment. If you are not currently employed, you may submit evidence of future employment possibilities, evidence of retraining, and your last IRS tax return.

We strongly encourage you to contact a HUD-approved housing counseling agency. Enclosed is a list of agencies in your area. If you decide to apply for the assignment program, the counselors can help you prepare the necessary materials to send to us. The cost of counseling services is minimal or free.

PLEASE DO NOT DELAY. YOU MUST RETURN THE INFORMATION TO US WITHIN 30 DAYS OF THE DATE OF THIS LETTER. IF YOU FAIL TO RESPOND TO THIS LETTER, YOU MAY GIVE UP YOUR RIGHT TO FURTHER CONSIDERATION.

Sincerely,

Director, Single Family Housing Division

Enclosures: Form HUD-92068-F

Form HUD-92004-G
Housing Counseling Agency List
Return envelope (addressed to the Field Office)

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4330.2 REV-2

MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

LETTER TO THE LENDER - MORTGAGE IS NOT FHA-INSURED

ASGN-7

Dear _____:

SUBJECT: Borrower Name: _____

Borrower Address: _____

HUD Account No.: _____

Loan No.: _____

Our office has received a request for assignment consideration for the subject mortgage. However, our records do not indicate that the mortgage for the subject property is FHA-insured for the following reasons:

- An FHA case number was not issued in connection with the mortgage for the subject property
- The FHA case number is not valid
- A single family insurance claim was previously paid for this case number

[] Other _____

Please forward a copy of the security instruments for this mortgage within 7 days to _____
(Contact Name) (Address)

so that we can reconcile the records. As soon as this issue is resolved we will complete the processing of this application.

We have notified the borrower of this action by copy of this letter. If the borrower believes he has been denied his rights under the assignment program, he may contact this office.

You cannot foreclose until this matter has been corrected and the borrower has been given due process for assignment consideration.

Sincerely,

Director, Single Family Housing Division

cc: Borrower

1 of 103/95

4330.2 REV-2

MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

FIELD OFFICE LETTER TO LENDER

REQUESTING MISSING DOCUMENTATION

ASGN-8

Dear _____:

SUBJECT: Borrower: _____
Address: _____

FHA Case No.: _____

HUD Account No.: _____ Loan No.: _____

We have reviewed the documentation you sent us for the subject case. However, key documentation is missing. Please submit the information below within 7 days. Failure to comply will result in the return of the case for further servicing.

[] Lender Servicing Records _____

[] Management Review Documentation _____

[] Request for Financial Information, form HUD-92068-F

[] Background Data for HUD Assignment of Mortgage, form HUD-92206

[] Analysis of Borrower's Income and Expenses, form HUD-92208

[] Date of Default Analysis, form HUD-92212

[] Lender Transmittal to HUD, form HUD-92203

[] Verification of Employment, form HUD-92004-G

[] Other _____

If you have any questions, please contact this office at _____.

Sincerely,

Loan Servicer

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MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

LETTER TO LENDER WHEN REQUESTED DOCUMENTATION
HAS NOT BEEN RECEIVED WITHIN SPECIFIED TIME FRAME ASGN-9

Dear _____:

SUBJECT: Borrower: _____

Address: _____

FHA Case No.: _____

HUD Account No.: _____ Loan No.: _____

On _____, we requested that you submit the information below:

[] Lender Servicing Records _____

[] Management Review Documentation _____

[] Request for Financial Information, form HUD-92068-F

[] Background Data for HUD Assignment of Mortgage, form HUD-92206

[] Analysis of Borrower's Income and Expenses, form HUD-92208

[] Date of Default Analysis, form HUD-92212

[] Lender Transmittal to HUD, form HUD-92203

[] Request for Verification of Employment, form HUD-92004-G

[] Other _____

Since we have not received the required information, we are closing our file and returning the case to you for further servicing.

The return for further servicing does not give you permission to begin foreclosure proceedings. HUD must fully process this request for assignment consideration before you initiate foreclosure. We will automatically reopen and process the above case upon receipt of the complete previously requested package. This action must not impose any

processing penalties on the borrower.

If you have any questions, please contact this office at ()

_____.

Sincerely,

Director, Single Family Housing Division

cc: Borrower

1 of 103/95

4330.2 REV-2

MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

FIELD OFFICE REQUEST FOR ADDITIONAL INFORMATION
FROM BORROWER

ASGN-10

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Aviso Importante Para Las Personas Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no el entiende contenido de esta carta, obtenga una traduccion inmediatamente. Si usted se comunica con HUD llamando al _____ dentro de 30 dias a partir de la fecha de esta carta, usted puede perder su casa.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately. If you do not contact HUD by calling _____ within 30 days from the date of this letter, you can lose your house.

=====

Dear Mr. and Mrs. Borrower:

SUBJECT: REQUEST FOR ADDITIONAL INFORMATION

FHA Case No.: _____
HUD Account No.: _____
Loan No.: _____
Date of Default: _____

We have reviewed the information you provided to help us decide whether you qualify for HUD's assignment program. We are unable to complete the processing of your case without additional documentation.

The date of your oldest unpaid installment is MM/DD/YY; therefore, your

date of default is MN/DD/YY.

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A-ASGN-10

MANDATORY LANGUAGE MUST USE VERBATIM

Below is a list of additional information we need. We have also provided a brief explanation of how the requested information relates to the acceptance criteria of the Assignment Program.

[LIST REQUESTED DOCUMENTATION AND A BRIEF EXPLANATION FOR EACH ITEM THAT SHOWS HOW THE INFORMATION RELATES TO THE CRITERIA]

PLEASE SUBMIT THE REQUESTED INFORMATION WITHIN 30 DAYS OF THE DATE OF THIS LETTER. If you do not respond within this timeframe, we will make a decision based upon the information we currently have.

A pre-addressed envelope is enclosed for your convenience. If you have not already done so, we strongly advise you to contact a housing counselor for assistance. Please call us at () _____ if you have any problems or questions. (TDD _____)

Sincerely,

Director
Single Family Housing Division

Enclosure: Housing Counseling Agency List

cc:Lender
Housing Counseling Agency or other authorized representative
(if applicable)

03/95

2 of 2

A-ASGN-11

=====

S a v e

Y o u r

H o m e !

oHave you missed a couple of mortgage payments?

oDo you live in the home for which you have missed mortgage payments?

oDid HUD/FHA insure your mortgage?

oDo you have only one HUD/FHA-insured mortgage?

oAre your financial problems caused by a problem you could not control?

oDo you want to keep your home?

If Y E S, We can H E L P !!!

It's called the Single Family Assignment Program

It's by the Department of Housing and Urban Development (HUD)

Read the letter that came with this flyer to get the details.

Call 1-800-569-4287 for the Housing Counseling Agency nearest you.

Telecommunications Device for the Deaf (TDD) - Federal Information Relay Service

Telephone Number: 1-800-877-8339

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GPO Stock # 023-000-00816-5 3/95

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MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

LETTER TO LENDER TERMINATING ASSIGNMENT EVALUATION

ASGN-12

Dear _____:

SUBJECT: Borrower: _____

Address: _____

FHA Case No.: _____

HUD Account No.: _____ Loan No.: _____

The Department will not accept assignment of this mortgage based on the following reasons:

[] After being advised of the options available for relief, the borrower has stated in writing that he or she has no intention of fulfilling the obligation under the mortgage.

[] The borrower did not furnish us with a completed Request for Financial Information, form HUD-92068-F within the required 30-day time period.

[] The borrower did not schedule a conference to appeal our assignment decision.

[] The borrower did not appear at a conference which he or she scheduled

to appeal our assignment decision.

[] The borrower did not apply within the required time period.

[] Other _____

Therefore, you may proceed with foreclosure.

Sincerely,

Director, Single Family Housing Division

cc:Borrower

Housing Counseling Agency (or other authorized representative)

1 of 103/95

4330.2 REV-2

MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

FIELD OFFICE REQUEST FOR DOCUMENTATION FROM LENDER
(FOR SCENARIO THREE)

ASGN-13

Dear _____:

SUBJECT: Borrower: _____

Address: _____

FHA Case No.: _____

HUD Account No.: _____ Loan No.: _____

This confirms our recent telephone conversation with your office regarding the FHA-insured mortgage referenced above. The above borrower has applied to our office directly for assignment consideration. We remind you that according to HUD regulations, you may not initiate foreclosure action until we have completed our review process and made a final determination.

In accordance with HUD's assignment regulations and procedures, we ask that you forward the following information:

a.A dated copy of the cover letters from both the Lender Assignment Packet and the Lender Follow-up Assignment Packet

b.A copy of the ledger record or payment record reflecting the payment history for the 24 months prior to the oldest unpaid installment on the account or since the present mortgagor assumed the indebtedness (if this date is more recent)

c.Copies of related collection records that show the lender's collection efforts and the borrower's responses during the 24 months prior to the

oldest unpaid installment on the account or since the present borrower assumed the indebtedness (if this date is more recent)

d. Creditworthiness review documents if mortgage was assumed

e. A copy of the Mortgage Insurance Certificate

f. Interest rate schedules for special mortgages, such as adjustable rate mortgages, growing equity mortgages, and graduated payment mortgages

g. For Section 235 loans only, copies of the last two recertifications [forms HUD-93101 and 93101-A] and form HUD-93114, Notice of Suspension, Termination, or Reinstatement of Assistance, if applicable

h. Evidence that the lender completed a comprehensive management review (i.e., foreclosure review committee checklist)

i. Mortgage holder's approval to foreclose

j. A copy of the lender's management review checksheet for the Assignment Program process

k. A completed Background Data for HUD Assignment of Mortgage, form HUD-92206

l. A completed Date of Default Analysis, form HUD-92212

m. Bankruptcy plan or court order indicating lift of stay (if applicable)

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A-ASGN-13

MANDATORY LANGUAGE MUST USE VERBATIM

Time is critical. We do not wish to delay foreclosure any longer than absolutely necessary. Please submit the material requested above within 15 days. Once we have received this material from you and the material requested from the borrower, we promptly will review the case and notify you of our final determination.

Should you have any questions on the above, please call our Loan Clerk at () _____.

Sincerely,

Director
Single Family Housing Division

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MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

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Aviso Importante Para Las Personas Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately.

=====

Dear Mr. and Mrs. Borrower:

SUBJECT: FHA Case No.: _____
HUD Account No.: _____ Loan No.: _____

We are pleased to inform you that we have accepted assignment of your mortgage. The Department of Housing and Urban Development will become your lender. You will receive a bill each month that will show you the amount of your monthly mortgage payment. This bill also will show any delinquency and late charges that have accrued.

The enclosed payment plan outlines the conditions under which you may remain in your home. The payment plan was prepared based on information which you provided. If your financial and employment situation has recently changed, please contact this office immediately and provide proof of the change. Your payment plan will be reviewed. As long as you comply with the terms of the payment plan, we will take no further action on the default which still exists under your original loan terms. If you break the payment plan, we will conclude that you do not wish to keep your home and will consider beginning foreclosure proceedings.

Your payments must be made in a check or money order with your loan account number (which appears on your bill) written in the upper right hand corner of the check. The checks or money orders must be made out to HUD and mailed so they are received on the first of each month. Please include the return portion of the bill with your payment.

Two copies of the payment plan are enclosed. Please read the payment plan, and sign and date all copies. Retain one copy for your personal records and return the other copy to this office by _____.

If you have any questions, please call _____ at () _____
- _____. (TDD _____)

Sincerely,

Director, Single Family Housing Division

Enclosures:Two payment plans
Housing Counseling Agency List

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MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

ASSIGNMENT ACCEPTANCE LETTER TO LENDER

ASGN-15

Dear _____ :

SUBJECT: Borrower Name: _____

Borrower Address: _____

FHA Case No.: _____

HUD Account No.: _____ Loan No.: _____

We have decided to accept the assignment of the subject mortgage. HUD regulations require that you record the assignment of the security and credit instruments to HUD within 30 days of the date of this letter.

Do not report this loan to the credit bureau as a foreclosure. If you have initiated foreclosure in error, contact the HUD Office immediately.

On the date the assignment is filed for record, you must submit your claim (original) to Department of Housing and Urban Development, ATTN: Insurance Claims Branch, Post Office Box 23998, Washington, DC 20026. On this same day, forward a copy of your claim to this office, ATTN: Loan Management Branch, and submit title evidence to the appropriate HUD Field Counsel.

You must submit title evidence under separate cover and it must be accompanied by a dated cover letter which includes the borrower's name, the FHA case number, the loan number, the property address, and the address to which all title-related correspondence should be sent and the name and telephone number of the person in your office to whom all title-related questions may be referred.

Prepare your claim on Form HUD-27011, Single Family Application for Insurance Benefits, and follow its accompanying instructions. Ensure that a copy of your title submission certificate is included with the Form HUD-27011 submitted to both HUD Headquarters and this office. Incomplete or incorrectly prepared claim packages will be returned to lenders, and, in such cases, the debenture interest allowance in the cash payment of the claim may be computed only to the date on which the assignment was filed for record. To avoid the loss of interest and additional work entailed in resubmitting a claim, please ensure that the claim is accurately completed. Claims must be received by the Insurance Claims Branch within 10 days of the date the assignment was filed for record.

Complete the following actions prior to recording the assignment:

1. Do not cancel the hazard or flood insurance policy. The lender must notify the insurance carrier of the change in lender and must authorize the carrier to amend the loss payable clause substituting as

lender "Secretary of Housing and Urban Development of Washington, DC his or her successors and assigns IN CARE OF (and insert the address of the local HUD Field Office)". The amendment should be effective as of the date the mortgage is assigned. A copy of the letter from the lender to each insurance carrier, authorizing the amendment, should be submitted to the local HUD Office, Single Family Loan Management

Branch with the original insurance policy.

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MANDATORY LANGUAGE MUST USE VERBATIM

Also instruct the insurance carrier to modify their standard billing procedures. The insurance carrier must be advised to send premium notices directly to the borrower with a copy of the notice to this office. The premium notice must clearly indicate that it is the original notice and the borrower is responsible for prompt payment. If the policy is canceled due to non-payment of the premium, the insurance carrier must provide this office with a copy of the cancellation notice.

Also instruct the insurance carrier to address all correspondence concerning hazard insurance to the borrower with a copy to this office, not HUD Headquarters, in Washington, DC.

2. Secure and pay all available tax bills prior to the date of assignment regardless of whether the taxes are payable before or after the expected date of the assignment. Any bills received after the date of the assignment must be mailed to the Loan Management Branch of this office. Notify all applicable taxing authorities of the change in lender and instruct them to send all future tax bills to this office -- not HUD Headquarters in Washington, D. C. If a taxing authority requires the borrower's written permission to send tax bills directly to this office, provide the taxing authority with the necessary documents.

3. On Section 235 mortgages, bill HUD for any assistance payments earned through the date the assignment was filed for record and apply these and any earned assistance on hand to the borrower's account. Since regulations require that lenders may not start foreclosure until the assignment process has been completed, eligible delinquent borrowers are still entitled to assistance payments even if they were not paying their share of the mortgage payments.

If the mortgage has a Section 235 Recapture provision, the HUD Field Office and HUD Headquarters Office of Finance and Accounting must be notified of the total amount of subsidy that HUD paid on behalf of the borrower.

Should you have any questions concerning the preparation or submission of your claim for the title evidence, please contact the Loan Management Branch on () _____-_____, or Field Counsel on () _____-_____.

Sincerely,

Director
Single Family Housing Division

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MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

FIELD OFFICE NEGATIVE DECISION LETTER

ASGN-16

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Aviso Importante Para Las Personae Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente. Si usted no se comunica con HUD dentro de 15 dias a partir de la fecha de esta carta, usted puede perder su casa.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately. If you do not contact HUD within 15 days from the date of this letter, you can lose your house.

=====

Dear Mr. and Mrs. Borrower:

SUBJECT: FHA Case No.: _____ Date of Default: _____
HUD Account No.: _____ Loan No.: _____

We have carefully reviewed all the information you provided. Our review shows that your case does not meet all the standards for assignment acceptance. Therefore, we are unable to provide any further assistance at this time.

THE DATE OF YOUR OLDEST UNPAID INSTALLMENT IS MM/DD/YY; THEREFORE, YOUR DATE OF DEFAULT IS MM/DD/YY.

You did not meet the following eligibility criteria:

CRITERION NOT MET (state criterion verbatim)

=====

FACTS AND REASONING (state reasons why criterion not met)

You have a right to appeal this decision at a face-to-face conference with us. YOU MUST ASK FOR THIS MEETING BY _____ AND THIS MEETING MUST BE HELD BEFORE _____. IF YOU ARE UNABLE TO MEET WITH US FACE-TO-FACE, YOU ALSO CAN ARRANGE A TELEPHONE OR MAIL-IN APPEAL. IF YOU DO NOT RESPOND TO THIS LETTER WITHIN THE TIME FRAME SPECIFIED ABOVE, YOU WILL GIVE UP YOUR RIGHT TO ANY FURTHER CONSIDERATION FOR ASSIGNMENT.

You will be asked at the conference to discuss why we should accept your application. When you call or write to request a meeting, we will schedule a time.

At the conference you will be asked to discuss why you disagree with our reasons for not accepting your case for assignment. If you need help in preparing for this meeting, please call a housing counseling agency on the enclosed list. Usually their help is free. You may bring an attorney or other party to represent or help you at the meeting. If you meet certain income requirements you may be able to obtain legal assistance at minimal or no cost from the legal services agencies in your community. You have a right to examine any records on which we base our review. These records may be reviewed in our office during our usual business hours.

If you want to schedule this appeal meeting, please call our loan clerk at _____, (TDD _____) or write to us at the address at the top of the letter. If we do not hear from you by the above date, we will think you are no longer interested in assignment consideration. We will then contact your lender and inform them that they may proceed with foreclosure.

If you have not already done so, we strongly advise you to contact a housing counselor for assistance.

Sincerely,

Director, Single Family Housing Division

Enclosure: Housing Counseling Agency List

cc:Lender
Housing counseling agency (if applicable)

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Aviso Importante Para Las Personas Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, obtain a translation immediately.

=====

Dear Mr. and Mrs. Borrower:

SUBJECT: FHA Case No.: _____
HUD Account No.: _____ Loan No.: _____

We are writing to confirm the arrangements for your appeal conference. Your appeal conference is scheduled for:

Day and Date: _____
Time: _____
Location: Single Family Loan Management Branch

Telephone: () _____ - _____
TDD _____

This meeting is not a formal hearing. We will simply discuss with you the reasons for our decision not to accept your request for assignment.

You should be prepared to discuss why you disagree with this decision and why you think we should take assignment of your mortgage. You should bring relevant documentation to support your arguments and any information we previously requested, but you have not provided. There are no restrictions on the information that you may submit for our review.

Sincerely,

Director, Single Family Housing Division

cc: Lender

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MANDATORY LANGUAGE MUST USE VERBATIM

Appendix A

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Aviso Importante Para Las Personas Que Hablan Espanol:

Esta notificacion es de suma importancia, pues afecta su derecho a continuar viviendo en su casa. Si no entiende el contenido de esta carta, obtenga una traduccion inmediatamente.

Important Notice for Spanish Speaking Persons:

This notice is of great importance since it affects your right to continue living in your house. If you do not understand the contents of this letter, get a translation immediately.

=====

Dear Mr. and Mrs. Borrower:

SUBJECT: FHA Case No.: _____ Date of Default: _____
HUD Account No.: _____ Loan No.: _____

We have carefully reviewed all the information you provided. Our review shows that your case does not meet all the standards for assignment acceptance. Therefore, we are unable to provide any further assistance.

THE DATE OF YOUR OLDEST UNPAID INSTALLMENT IS MM/DD/YY; THEREFORE, YOUR DATE OF DEFAULT IS MM/DD/YY.

You did not meet the following eligibility criteria:

CRITERION NOT MET (state criterion verbatim)

FACTS AND REASONING (state reasons why criterion not met)

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MANDATORY LANGUAGE MUST USE VERBATIM

We are unable to offer you further help. We are sending a copy of this letter to your lender and it may begin foreclosure if it wishes to do so. You may wish to contact a housing counseling agency on the enclosed list. They can explore with you the possibility of selling your home and can give you a list of lower cost rental housing.

Sincerely,

Director, Single Family Housing Division

Enclosure: Housing Counseling Agency List

cc:Lender
Housing counseling agency (if applicable)

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MANDATORY LANGUAGE MUST USE VERBATIM Appendix A

POST-APPEAL NEGATIVE DECISION LETTER TO LENDER ASGN-19

Dear _____:

SUBJECT: POST-APPEAL NEGATIVE DECISION ON REQUEST FOR
ASSIGNMENT CONSIDERATION

Borrower: _____

Borrower Address: _____

HUD Account No.: _____ Loan No.: _____

Date of Default: _____

Enclosed is a copy of the post-appeal negative decision on the above subject borrower.

You may pursue a deed-in-lieu of foreclosure, initiate foreclosure action, or attempt to extend a form of forbearance, as appropriate.

Very sincerely yours,

Director, Single Family Housing Division

Enclosure

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**INSTRUCTIONS TO LENDER: ALL
LANGUAGE IS MANDATORY - NO CHANGES PERMITTED** Appendix

A

LETTER RETURNING CASE TO LENDER ASGN-20

Dear _____:

SUBJECT: Borrower: _____

Address: _____

FHA Case No.: _____

HUD Account No.: _____ Loan No.: _____

The Department is returning this case based on the following reason(s):

[] The date of default was calculated incorrectly. This does NOT authorize you to proceed to foreclosure. The date of default must be re-calculated and the Lender Assignment Packet reissued to the borrower.

[] Other. _____

This does NOT authorize you to proceed to foreclosure until HUD has considered the application for assignment. NOR MAY YOU penalize the borrower further by assessing any additional fees/costs as a result of this action.

[] The loan referenced above has been completely reinstated. If the borrower defaults again, you must start the assignment process from the beginning.

Sincerely,

Director, Single Family Housing Division

cc: Borrower
Housing Counseling Agency (or other authorized representative)

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***INSTRUCTIONS TO FIELD OFFICES:
ALL LANGUAGE IS MANDATORY - NO CHANGES PERMITTED*** Appendix A

BANKRUPTCY CONDITIONAL APPROVAL LETTER TO LENDER ASGN-21

Dear _____:

SUBJECT: Borrower: _____ FHA Case No.: _____
HUD Account No.: _____ Loan No.: _____

We have decided to accept assignment of the subject mortgage contingent upon the automatic stay being lifted and upon the following actions being carried out by you:

1. Within 10 days you are to file a motion requesting that the bankruptcy court lift the automatic stay to allow the lender, its successors, and assigns, including HUD, to exercise any rights granted to it by the loan documents with respect to the property including, but not limited to, the initiation and completion of a foreclosure sale of the

property. The motion may be a joint motion or a motion based on a stipulation executed by the borrower or the borrower's attorney and by the bankruptcy trustee.

2. Within 10 days after the court has lifted the automatic stay permitting the lender, its successors and assigns, including HUD, to exercise any rights granted to it by the loan documents with respect to the property, you must complete the following:

a. Obtain from the trustee a record of mortgage payments made by the borrower under the bankruptcy plan.

b. Apply all mortgage payments paid through the court and reconcile your records with the trustee's records.

c. Send to the Field Office (Attention: Single Family Loan Management), a copy of the court order lifting the automatic stay and the updated payment ledger.

Upon receipt of the information requested above, we will forward to you the assignment acceptance letter. We will also send to the borrowers the Positive Decision Letter and a forbearance agreement (payment plan).

However, if after all payments are applied to the mortgage account, the loan no longer reflects three (3) payments due and unpaid, please advise us immediately so that we can closeout the case.

A copy of this letter has been sent to the borrower.

Should you have any questions concerning the conditional approval, please call () _____-_____.

Sincerely,

Director
Single Family Housing Division

cc: Borrower