

P.O. BOX 51850
LIVONIA MI 48151-5850
RETURN SERVICE REQUESTED



Phone Number: 866-825-2174
Fax: 866-467-1187
Email: Lossmitigation@shellpointmtg.com
Mon - Thurs: 8:00AM-6:00PM
Fri: 8:00AM-5:00PM



S-SFRECS20 L-1028 R-106
P7PVMW00200015 - 534082565J00268
[REDACTED]
C/O ZACHARY PERLICK
1420 WALNUT STREETSUITE 718
PHILADELPHIA PA 19102

Loan Number:	[REDACTED]
Property:	[REDACTED] Philadelphia, PA 19130

12/12/2017

Dear Borrower:

Congratulations, you are eligible for a Loan Modification, which will permanently change the terms of your mortgage! If you comply with the terms of the required Trial Period Plan, we will modify your mortgage loan and may waive all prior late charges that remain unpaid.

The enclosed Modification Agreement ("Loan Modification Agreement") reflects the proposed terms of your modified mortgage.
To Accept This Offer:

STEP 1 COMPLETE AND RETURN THE ENCLOSED AGREEMENT BY THE DUE DATE

- Sign and return** both original versions of the Loan Modification Agreement back to us in the enclosed, pre-paid envelope by 12/26/2017. If you do not send both signed original versions of the Loan Modification Agreement by the above date, you must contact us if you still wish to be considered for a modification.
 - If the Loan Modification Agreement has notary provisions at the end, you must sign both original versions before a notary public and return the notarized original versions to us.
 - We encourage you to make a copy of all documents for your records.

STEP 2 CONTINUE TO MAKE YOUR TRIAL PERIOD PAYMENTS ON TIME

- Make all remaining trial period payments** on or before the dates they are due. If the trial period payments are made after their due dates or in amounts different from the trial period payment amount required, your mortgage may not be eligible to be modified.

In the event you do not make the final trial period payment on or before the due date set forth in the Trial Period Plan Offer (but do make the final trial period payment before the end of the month in which it is due), the Modification Agreement may become effective on the first day of the second month following the final trial period month. The impact of delaying the modification effective day by one month includes (i) delay on implementation of the modified interest rate and (ii) increase in the delinquent interest capitalized.

To better understand the proposed terms of your modified mortgage, please read the attached Summary of Your Modified Mortgage and the Modification Agreement.

Don't delay—take advantage of this great offer by 12/26/2017.

Sincerely,

Loss Mitigation Department
Shellpoint Mortgage Servicing
866-825-2174

Attachments: Summary of Your Modified Mortgage, Two original versions of the Modification Agreement

SEE REVERSE SIDE OR ATTACHED FOR AN IMPORTANT STATEMENT OF YOUR RIGHTS.

SUMMARY**Here is a summary of your modified mortgage.**

UNPAID PRINCIPAL BALANCE. At the end of the Trial Period Plan, any past due amounts including unpaid interest, real estate taxes, insurance premiums, previous deferred amounts, and certain assessments paid on your behalf to a third party, will be added to your mortgage loan balance. In addition, your mortgage insurance premium may increase as a result of the higher mortgage loan balance. **If you fulfill the terms of the Trial Period Plan, including but not limited to, making any remaining trial period payments, we will waive ALL late charges that have accrued and remain unpaid at the end of the trial period.**

INTEREST RATE. The interest rate on your modified loan will be adjusted as noted in the attached Modification Agreement in Section 3.C. If it is not adjusted, the existing interest rate on your mortgage loan will be applied to your modified loan as noted in the attached Modification Agreement.

TERM EXTENSION. To reduce your mortgage payment, we will extend the term of your mortgage. This means we will spread your payments over a longer period.

DEFERRAL OF PRINCIPAL. To further reduce your mortgage payment, we will defer collection of and not collect interest on \$203,505.43 of your outstanding principal (the "Deferred Principal Balance"). You will not be required to make monthly payments on that portion. This portion of principal will be due when you pay off the modified loan, which will be when you sell or transfer an interest in your house, refinance the loan, or when the last scheduled payment is due. If you make a partial prepayment of principal, the lender may, at any time during the term of your loan and at the direction of the owner of your loan, apply that partial prepayment first to any Deferred Principal Balance before applying such partial prepayment to other amounts due.

ESCROW ACCOUNT. The terms of your Modification Agreement require the servicer to set aside a portion of your new monthly payment in an escrow account for payment of your property taxes, insurance premiums and other required fees. Any prior waiver of escrows by your lender is no longer in effect. Shellpoint Mortgage Servicing will draw on this account to pay your real estate taxes and insurance premiums as they come due. Please note that your escrow payment amount will adjust if your taxes, insurance premiums and/or assessment amounts change, so the amount of your monthly payment that Shellpoint Mortgage Servicing must place in escrow will also adjust as permitted by law. This means that your monthly payment may change. Your initial monthly escrow payment will be \$550.68. This amount is included in the loan payment noted in Section 3.C. of the enclosed Modification Agreement; you do not need to remit this amount separately.

PAYMENT TERMS. The enclosed Modification Agreement includes a payment schedule in Section 3.C. showing your payment plan for the life of your modified loan after the trial period.

FEES. There are no fees or other charges for this modification.

LOAN MODIFICATION AGREEMENT. Please read the enclosed Loan Modification Agreement carefully and make sure that you understand the terms. If you have any questions, please contact us at 866-825-2174.

BALLOON PAYMENT. When your mortgage does not fully amortize over the term of the note, there is a final remaining balance that is due upon maturity.

Upon recording return to:
Shellpoint Mortgage Servicing
55 Beattie Place Suite 110 (MS 157)
Greenville, SC 29601
Telephone: 866-825-2174
Loan Number: [REDACTED]
NMLS #: [REDACTED]



[Space Above This Line For Recording Data]
MODIFICATION AGREEMENT

Borrower ("I"): [REDACTED]
Lender or Servicer ("Lender"): Shellpoint Mortgage Servicing ("Shellpoint")
Date of mortgage, deed of trust, or security deed ("Mortgage") and Note:
Loan Number: [REDACTED]
Property Address ("Property"): [REDACTED] Philadelphia, PA 19130

If my representations and covenants in Section 1 continue to be true in all material respects, then this Modification Agreement ("Agreement") will, as set forth in Section 3, amend and supplement (1) the Mortgage on the Property, and (2) the Note secured by the Mortgage. The Mortgage and Note together, as they may previously have been amended, are referred to as the "Loan Documents." Capitalized terms used in this Agreement and not defined have the meaning given to them in Loan Documents.

I understand that after I sign and return the original versions of this Agreement to the Lender, the Lender will send me a signed copy of this Agreement. This Agreement will not take effect unless the preconditions set forth in Section 2 have been satisfied.

1. **My Representations and Covenants.** I certify, represent to Lender, covenant and agree:

- A. I am experiencing a financial hardship, and as a result, (i) I am in default under the Loan Documents or my default is imminent, and (ii) I do not have sufficient income or access to sufficient liquid assets to make the monthly mortgage payments now or in the near future.
- B. The Property has not been condemned.
- C. There has been no impermissible change in the ownership of the Property since I signed the Loan Documents. A permissible change would be any transfer that the lender is required by law to allow, such as a transfer to add or remove a family member, spouse or domestic partner of the undersigned in the event of a death, divorce or marriage.
- D. I have provided documentation for **all** income that I receive (and I understand that I am not required to disclose child support or alimony unless I chose to rely on such income when requesting to qualify for the Modification Program ("Program")).
- E. Under penalty of perjury, all documents and information I have provided to Lender in connection with this Agreement, including the documents and information regarding my eligibility for the Program, are true and correct.
- F. If Lender requires me to obtain credit counseling in connection with the Program, I will do so.
- G. I have made or will make all payments required under a Trial Period Plan.

2. **Acknowledgements and Preconditions to Modification.** I understand and acknowledge that:

- A. If prior to the Modification Effective Date as set forth in Section 3 the Lender determines that any of my representations in Section 1 are no longer true and correct or any covenant in Section 1 has not been performed, the Loan Documents will not be modified and this Agreement will terminate. In that event, the Lender will have all of the rights and remedies provided by the Loan Documents.
- B. The Loan Documents will not be modified unless and until (i) the Lender accepts this Agreement by signing and returning a copy of it to me, and (ii) the Modification Effective Date, as set fourth in Section 3, has occurred. I further understand and agree that the Lender will not be obligated or bound to make any modification of the Loan Documents if I fail to meet any one of the requirements under this Agreement.

3. **The Modification.** If my representations and covenants in Section 1 continue to be true in all material respects and all preconditions to the modification set forth in Section 2 have been met, the Loan Documents will automatically become modified

1 If more than one Borrower or Mortgagor is executing this document, each is referred to as "I." For purposes of this document words signifying the singular (such as "I") shall include the plural (such as "we") and vice versa where appropriate.

on 01/01/2018 (the "Modification Effective Date") and all unpaid late charges that remain unpaid will be waived. I understand that if I have failed to make any payments as a precondition to this modification under a Trial Period Plan, this modification will not take effect. The first modified payment will be due on 01/01/2018.

- A. The Maturity Date will be 04/01/2046.
- B. The modified principal balance of my Note will include all amounts and arrearages that will be past due as of the Modification Effective Date (including unpaid and deferred interest, fees, escrow advances and other costs, but excluding unpaid late charges, collectively, ("Unpaid Amounts") less any amounts paid to the Lender but not previously credited to my Loan. The new principal balance of my Note will be \$678,351.44 (the "New Principal Balance"). I understand that by agreeing to add the Unpaid Amounts to the outstanding principal balance, the added Unpaid Amounts accrue interest based on the interest rate in effect under this Agreement. I also understand that this means interest will now accrue on the unpaid Interest that is added to the outstanding principal balance, which would not happen without this Agreement.
- C. \$ 203,505.43 of the New Principal Balance shall be deferred (the "Deferred Principal Balance") and I will not pay interest or make monthly payments on this amount. The New Principal Balance less the Deferred Principal Balance shall be referred to as the Interest Bearing Principal Balance and this amount is \$474,846.01. Interest at the rate of 2% will begin to accrue as of 12/01/2017 and the first new monthly payment will be due on 01/01/2018. My payment schedule for the modified Loan is as follows:

years

Number of Monthly Payments	Interest Rate	Interest Rate Change Date	Monthly Principal and Interest Payment Amount	Estimated Monthly Escrow Payment Amount*	Total Monthly Payment*	Payment Begins On
36	2%	12/01/2017	\$1,437.96	\$550.68 May adjust periodically	\$1,988.64 May adjust periodically	01/01/2018
12	3%	12/01/2020	\$1,682.42	May adjust periodically	May adjust periodically	01/01/2021
12	4%	12/01/2021	\$1,941.51	May adjust periodically	May adjust periodically	01/01/2022
420	4.375%	12/01/2022	\$2,041.36	May adjust periodically	May adjust periodically	01/01/2023

*The escrow payments may be adjusted periodically in accordance with applicable law; therefore, my total monthly payment may change accordingly.

The above terms in this Section 3.C. shall supersede any provisions to the contrary in the Loan Documents, including but not limited to, provisions for an adjustable, step, or simple interest rate.

I understand that if I have a pay option adjustable rate mortgage loan, upon modification the minimum monthly payment option, the interest-only, or any other payment options will no longer be offered. The monthly payments, as described in the above payment schedule for my modified Loan, will be the minimum payment that will be due each month for the remaining term of the Loan. My modified Loan will not have a negative amortization feature that would allow me to pay less than the interest due resulting in any unpaid interest being added to the outstanding principal balance.

- D. I will be in default if I do not comply with the terms of the Loan Documents, as modified by this Agreement.
- E. If a default rate of interest is permitted under the Loan Documents, then in the event of default, the interest that will be due will be the rate set forth in Section 3.C.
- F. THIS LOAN IS PAYABLE IN FULL AT MATURITY. YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THAT IS DUE. THE AMORTIZED TERM OF YOUR LOAN IS GREATER THAN THE LENGTH OF YOUR MORTGAGE, RESULTING IN A FINAL BALLOON AMOUNT. YOUR FINAL BALLOON AMOUNT, \$223,516.57, AND ANY DEFERRED PRINCIPAL BALANCE IS DUE UPON YOUR MATURITY DATE OF 04/01/2046.

4. **Additional Agreements.** I understand and acknowledge that:

- A. All persons who signed the Loan Documents or their authorized representative(s) have signed this Agreement, unless (i) a borrower or co-borrower is deceased, (ii) the borrower and co-borrower are divorced and the property has been transferred to one spouse in the Divorce Decree, the spouse who no longer has an interest in the property need not sign this Agreement (although the non-signing spouse may continue to be held liable for the obligation under the Loan Documents), or (iii) the Lender has waived this requirement in writing.
- B. This Agreement shall supersede the terms of any modification, forbearance, trial period plan or other workout plan that I previously entered into with Lender.