

Mortgage Documents

Home Affordable Modification Agreement – Single-Family – Fannie Mae/Freddie Mac UNIFORM INSTRUMENT (Form 3157)

Type of Instrument

Modification Agreement

Instrument Revision Date

3/09

Instrument Last Modified

Summary Page Last Modified

Printing Instructions

The PDF document must be printed on letter size paper, using portrait format.

Use This Document For

State	Lien Type	Product Type	Property Type	Occupancy Type
All	First	All	One- to four-unit, single-family dwelling	Principal residence

Required Changes

The following changes MUST always be made to this document:

1. Lenders MUST revise the document as necessary to comply with applicable federal, state and local law.

Authorized Changes

The following changes MAY be made to this document at the lender’s option or MUST be made under certain circumstances only:

1. Lenders MUST insert the following new Section 1.H. if the borrower previously received a Chapter 7 bankruptcy discharge but did not reaffirm the mortgage debt under applicable law:

I was discharged in a Chapter 7 bankruptcy proceeding subsequent to the execution of the Loan Documents. Based on this representation, Lender agrees that I will not have personal liability on the debt pursuant to this Agreement.

2. Lenders MUST insert the following at the end of the first sentence in Section 3.B., after the word, “Loan” if the terms of the loan modification include principal forgiveness:

and less Principal in the amount of \$_____ which has been forgiven.

3. Lenders MUST amend the document as follows if the terms of the loan modification include a principal deferral:

(a) Delete the existing Section 3.C. and replace it with the following new Section 3.C.:

\$_____ 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 \$_____. Interest at the rate of _____% will begin to accrue on the Interest Bearing Principal Balance as of _____ and the first new monthly payment on the Interest Bearing Principal Balance will be due on _____. My payment schedule for the modified Loan is as follows:

<i>Years</i>	<i>Interest Rate</i>	<i>Interest Rate Change Date</i>	<i>Monthly Principal and Interest Payment Amount</i>	<i>Monthly Escrow Payment Amount</i>	<i>Total Monthly Payment</i>	<i>Payment Begins On</i>	<i>Number of Monthly Payments</i>
<i>1-5</i>	<i>[2.00%]</i>	<i>00/00/0000</i>	<i>\$0000.00</i>	<i>\$000.00, adjusts annually after year 1</i>	<i>\$000.00, adjusts annually after year 1</i>	<i>00/00/0000</i>	<i>60</i>
<i>6</i>	<i>[3.00%]</i>	<i>00/00/0000</i>	<i>\$0000.00</i>	<i>Adjusts Annually</i>	<i>Adjusts Annually</i>	<i>00/00/0000</i>	<i>12</i>
<i>7</i>	<i>[4.00%]</i>	<i>00/00/0000</i>	<i>\$0000.00</i>	<i>Adjusts Annually</i>	<i>Adjusts Annually</i>	<i>00/00/0000</i>	<i>12</i>
<i>8</i>	<i>[5.00%]</i>	<i>00/00/0000</i>	<i>\$0000.00</i>	<i>Adjusts Annually</i>	<i>Adjusts Annually</i>	<i>00/00/0000</i>	<i>12</i>
<i>9-[40]</i>	<i>[6.00%]</i>	<i>00/00/0000</i>	<i>\$0000.00</i>	<i>Adjusts Annually</i>	<i>Adjusts Annually</i>	<i>00/00/0000</i>	<i>[Insert Remaining months]</i>

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 or step interest rate.

(b) Insert after Section 3.E. the following new Sections 3.F. and 3.G.:

F. I agree to pay in full the Deferred Principal Balance and any other amounts still owed under the Loan Documents by the earliest of: (i) the date I sell or transfer an interest in the Property, (ii) the date I pay the entire Interest Bearing Principal Balance, or (iii) the new Maturity Date.

G. If I make a partial prepayment of Principal, the Lender may apply that partial prepayment first to any Deferred Principal Balance before applying such partial prepayment to other amounts due.

4. Lenders MUST delete the existing Section 4.D. if, under applicable law, a servicer may not establish an escrow account for the subject mortgage loan, and lenders MUST change, as necessary, any cross-references to other paragraphs in Section 4 in the document. As an alternative, lenders MAY delete Section 4.D. and replace it with “Intentionally Deleted” as follows:

D. Intentionally Deleted.

5. Lenders MUST insert the following new paragraph toward the end of Section 4 if the existing note provides for a prepayment penalty:

That, as of the Modification Effective Date, any provision in the Note, as amended, for the assessment of a penalty for full or partial prepayment of the Note is null and void.

6. Lenders MUST amend the document as follows if the Modification Agreement must be recorded and the original mortgage loan was registered with Mortgage Electronic Registration Systems, Inc. (MERS) and MERS was named in the security instrument as the nominee for the lender:

- (a) Insert a new definition under the “Property Address” definition on the first page, as follows:

“MERS” is Mortgage Electronic Registration Systems, Inc. MERS is a separate corporation that is acting solely as a nominee for Lender and Lender’s successors and assigns. MERS is organized and existing under the laws of Delaware, and has an address and telephone number of P.O. Box 2026, Flint, MI 48501-2026, (888) 679-MERS.

- (b) Insert a new paragraph toward the end of Section 4, as follows:

That MERS holds only legal title to the interests granted by the Borrower in the mortgage, but, if necessary to comply with law or custom, MERS (as nominee for Lender and Lender’s successors and assigns) has the right: to exercise any or all of those interests, including, but not limited to, the right to foreclose and sell the Property; and to take any action required of lender including, but not limited to, releasing and canceling the mortgage Loan.

(c) Add MERS to the signature lines at the end of the document, as follows:

Mortgage Electronic Registration Systems, Inc. – Nominee for Lender

7. Lenders MAY include at the bottom of each page “initial lines” on which borrowers may insert their initials to acknowledge that all pages of the document are present. If these lines are added, lenders MUST require the borrowers to initial the lines on each page of the document.
8. Lenders MAY adjust cross-references to section, paragraph, or page numbers, if needed to reflect changes in section, paragraph, or page numbers that result from adding, modifying, or deleting certain language in accordance with another authorized change.

Other Pertinent Information

Any special instructions related to preparation of this document, use of special signature forms, required riders or addenda, etc. are discussed below.

1. If the borrower is an *inter vivos* revocable trust, we may require: a special rider, a different signature form for the trustee signature, and a special signature acknowledgment for the settlor/credit applicant(s). Lenders are responsible for making any modifications, including the use of different terminology, needed to conform to the signature forms customarily used in the applicable jurisdiction and will be held fully accountable for the use of any invalid signature form(s).

- Each of the trustees must sign this document in a signature block substantially similar to the following, which should be inserted in the Borrower signature lines.

_____, Trustee of the _____ Trust
under trust instrument dated _____, for the benefit of
_____ (Borrower).