



## MyCity Modification – Detroit, Michigan

*Mortgage Modification Solution to Help You Achieve a More Affordable Mortgage Payment*

**Are you behind on your mortgage?** You may be eligible for a new mortgage loan modification called the MyCity Modification — even if you are in bankruptcy or were unable to qualify for, or afford, other loan modification programs.

**What is the MyCity Modification?** The MyCity Modification is a mortgage loan modification offered as part of a pilot program aimed at helping stabilize communities within the City of Detroit, Michigan.

### You May be Eligible\* If:

- Your mortgage loan is secured by a property located in the City of Detroit, Michigan.
- Your mortgage is owned by Freddie Mac. Visit our Loan Look-up Tool at: <https://ww3.freddie.mac.com/loanlookup>
- Your mortgage is owned by Fannie Mae. Visit our Loan Look-up Tool at: <https://knowyouroptions.com/loanlookup>
- The property is your primary residence, a second home, or an investment property.

\*Your eligibility for a MyCity Modification is based on a number of factors, including those described above. Your mortgage loan servicer can tell you whether you are eligible.

### Steps to Obtain a MyCity Modification

- If you've missed your mortgage loan payments, or if you're at risk of missing a payment, contact your mortgage loan servicer.
- If you are 90 days or more delinquent on your mortgage loan, you may qualify for the MyCity Modification without having to provide a complete application, also known as a Borrower Response Package.
- If you're eligible, your servicer will offer you a trial period plan where you pay a reduced monthly payment amount that is an estimate of your anticipated modified monthly payment. The length of the trial period plan will be determined based on your delinquency status.
- To successfully complete this trial period plan and receive a permanent modification, you will need to make the reduced monthly trial period plan payments on time, and then return a signed loan modification agreement (sent separately from the trial period plan offer).

### About the New Mortgage Payment

Our goal is to offer up to a 60% reduction in your principal and interest payments. Your servicer will apply the following steps as necessary to achieve the reduced mortgage payment:

1. Capitalize Arrearages – Add any accrued and unpaid interest, plus any amounts paid by your servicer to other parties on your behalf, such as for taxes or insurance, to your existing mortgage balance.
2. Lower Your Interest Rate – Lower the current interest rate in increments of 0.125% to get as close as possible to the reduced mortgage payment, this rate will be fixed for the term of your modification. After your modification, your interest rate may be as low as 2%.
3. If necessary, extend the term of your modified mortgage loan incrementally, up to 480 months (40 years).
4. If necessary, forbear (defer) principal. With principal forbearance, part of the mortgage loan principal balance will be deferred. Interest will not accrue and no monthly payments will be due on the deferred amount. The monthly principal and interest payments of your modified mortgage will be based on the remaining, interest-bearing principal balance. The amount of principal forbearance will become fully due and payable upon the earliest of the payoff of the interest-bearing unpaid principal balance, the maturity date of the modified mortgage loan, or upon transfer of the property.

Note: If all the steps above are utilized and the modification has not achieved a 60% payment reduction, the borrower may still be eligible for the modification as long as the modification results in a reduction in the current monthly principal and interest payment.

\*See the back side of this page for helpful resources.



We make home possible®



## RESOURCES

- Contact your Servicer. The telephone number and mailing address should be listed on your monthly statement or coupon book.
- Call Fannie Mae's special homeowner help line at 844-324-5899 or email [detroit\\_outreach@fanniemae.com](mailto:detroit_outreach@fanniemae.com).
- Visit the Freddie Mac "Mortgage Help Resource Center" at: [http://www.freddie.mac.com/mortgage\\_help/](http://www.freddie.mac.com/mortgage_help/).
- Visit the Fannie Mae "Mortgage Help Center Network" at: <https://knowyouroptions.com/find-resources/mortgage-assistance/>
- Refer to the U.S. Department of Housing and Urban Development website at <http://www.hud.gov/offices/hsg/sfh/hcc/fc/index.cfm> for a list of HUD-approved nonprofit counseling agencies in your area that you can visit in-person or talk to over the phone.
- Free assistance is also available locally, through the NID-Housing Counseling Agency Borrower Help Center. Visit their website at: [http://nidonline.org/education/Freddie\\_Mac\\_Help\\_Center/index.html](http://nidonline.org/education/Freddie_Mac_Help_Center/index.html).