09.03.12.01

.01 Definitions.

A. In this chapter, the following terms have the meanings indicated.

B. Terms Defined.

(1) "Commissioner" means the Commissioner of Financial Regulation in the Department of Labor, Licensing, and Regulation.

(2) "Final loss mitigation affidavit" has the meaning stated in Real Property Article, §7-105.1(a), Annotated Code of Maryland.

(3) "Foreclosure mediation" has the meaning stated in Real Property Article, §7-105.1(a), Annotated Code of Maryland.

(4) "Housing counseling services" has the meaning stated in Real Property Article, §7-105.1(a), Annotated Code of Maryland.

(5) "Loss mitigation analysis" has the meaning stated in Real Property Article, §7-105.1(a), Annotated Code of Maryland.

(6) "Loss mitigation program" has the meaning stated in Real Property Article, §7-105.1(a), Annotated Code of Maryland.

(7) "Mediator" means the administrative law judge within the Maryland Office of Administrative Hearings who will serve as the neutral third party in a foreclosure mediation.

(8) "Mortgage lender licensee" means a person licensed under Financial Institutions Article, §§11-501—11-524, Annotated Code of Maryland.

(9) "Mortgage loan" means any loan or extension of credit secured by residential property.

(10) "Mortgage loan originator licensee" means an individual licensed under Financial Institutions Article, §§11-601—11-618, Annotated Code of Maryland.

(11) "Owner-occupied residential property" has the meaning stated in Real Property Article, §7-105.1(a), Annotated Code of Maryland.

(12) "Preliminary loss mitigation affidavit" has the meaning stated in Real Property Article, §7-105.1(a), Annotated Code of Maryland.

(13) "Residential property" has the meaning stated in Real Property Article, §7-105.1(a), Annotated Code of Maryland.

(14) Single Family Dwelling Unit.

(a) "Single family dwelling unit" means a structure principally designed for the residential habitation of one family.

(b) "Single family dwelling unit" includes an individual residential condominium unit within a larger structure or complex, regardless of the total number of individual units in that structure or complex.

(c) "Single family dwelling unit" does not include a structure that:

(i) Is not intended, and has never been used, for human habitation; or

(ii) Is intended for human habitation, has never been occupied, but for which a use and occupancy permit, if required, has never been issued.

09.03.12.02

.02 Notice of Intent to Foreclose.

A. Form.

(1) Subject to §B of this regulation, a notice of intent to foreclose in substantially the following form shall be used to comply with the notice of intent to foreclose requirements set forth in Real Property Article, §7-105.1, Annotated Code of Maryland:

Begin Cover Page

NOTICE OF INTENT TO FORECLOSE (Mortgage Loan Default)

This Notice is Required by Maryland Law (Real Property Article, §7-105.1(a), Annotated Code of Maryland).

You are at risk of losing the property described in this Notice to foreclosure. You are in default on your mortgage loan and if you do not pay what is owed, or otherwise cure your default, or enter into a loss mitigation agreement with us (such as a loan modification or other loss mitigation program) we may file a foreclosure action against the property upon the later of 45 days after we sent this notice to you or 90 days after your default.

You may be eligible for certain programs to avoid foreclosure, but you must submit the enclosed Loss Mitigation Application and required documents to your lender or servicer.

It is recommended that you seek housing counseling services. Call the Maryland HOPE Hotline at 1-877-462-7555 or go to www.MDHOPE.org for information on housing counseling.

Attached is a list of state and federal foreclosure-related resources available to help you. (Secured parties must include the list of nonprofit and government resources available at http://www.MDHOPE.org/Library.aspx)

Please follow the instructions that are outlined below.

Instructions

□ Read this entire Notice carefully and act immediately.

□ For more information about your loan status contact (insert name of an agent or employee of the secured party authorized to modify the terms of the mortgage loan. The agent or employee may be an individual or group of individuals or a department such as "loss mitigation department") at (insert the telephone number of the agent or employee).

□ Either: (i) pay the amount noted below that is required to reinstate your loan and/or otherwise cure your default in the manner identified below, **or** (ii) complete the enclosed Loss Mitigation Application according to its instructions.

- If you complete a Loss Mitigation Application:

- Mail your completed Loss Mitigation Application to your lender or servicer in (or at the address on) the preprinted envelope provided AS SOON AS POSSIBLE.

- Be sure to include copies of all required documentation.

Keep for your records a copy of your Loss Mitigation Application and accompanying documents, your mail receipt confirmation, and your date of mailing.

If you have already sent a loss mitigation request to your lender or servicer, please call your lender or servicer at the number above to confirm the status of your request.

Beware of anyone offering to "save" your home or who seeks an upfront fee before providing assistance. Free resources are available at the Maryland HOPE Hotline at 1-877-462-7555 or go to www.MDHOPE.org.

End Cover Page

The following is important information about your mortgage loan:

Date of Notice: _____

Address of Property Subject to This Notice: _____

Name of Borrower(s): _____

Mailing Address of Borrower(s): _____

Name of Record Owner (if different from Borrower(s)): _____

Mailing Address of Record Owner (if different from Borrower(s)): _____

Mortgage Loan Number (at least last four digits): _____

Lien Position (Indicate whether first or subordinate lien): _____

Date Most Recent Loan Payment Received: _____

Period to Which Most Recent Mortgage Loan Payment Was Applied: _____

Date of Default: _____

Total Amount Required to Cure Default as of the Date of this Notice: _____

(The person sending this notice may include a per-diem amount by which the amount required to cure the default continues to accrue, or any other formulation that takes into account such future increases.)

Name of Secured Party: _____

Telephone Number of Secured Party: _____

(If the secured party is a trust, real estate mortgage investment conduit (REMIC), or the like, the secured party may insert the telephone number of its authorized loan servicer.)

Name of Loan Servicer (if different from Secured Party): _____

Telephone Number of Loan Servicer (if applicable): _____

(Note type of default by inserting one or both of the following two default statements:

(1) Your mortgage loan payment is currently (insert number of days payment past due) past due and is in default.

(2) Your mortgage loan is in default because (insert type of default other than a past-due payment).

You can avoid foreclosure and cure the default by doing the following: (Insert the action required to cure the default and the date by which the action is required. Such an action, by way of example but not limitation, may be paying the amount of the loan in arrears plus any fees, penalties, or costs. A listing of the amount due to cure the default may include a

per-diem amount by which the amount required to cure the default continues to accrue, or any other formulation that takes into account such future increases.)

To obtain the exact amount needed to bring your loan current and cure this default, please call us at the toll-free telephone number provided above. Send your full payment to us at this address: (insert address to which payments should be sent).

If you are unable to cure the default, please contact us immediately to discuss loan repayment options or other possible foreclosure avoidance options, or you may fill out the enclosed Loss Mitigation Application and send it to us along with the required documents in (or at the address on) the preprinted envelope provided.

IMPORTANT NOTE: If you do not bring your loan current and cure your default or negotiate a resolution with us, we may file a foreclosure action upon the later of 45 days after this Notice is sent or 90 days from the default date. After a foreclosure action is filed, the residential property may be sold.

Name of Mortgage Lender (if applicable): _____

Maryland Mortgage Lender License Number (if applicable): _____

Name of Mortgage Loan Originator (if applicable): _____

Maryland Mortgage Loan Originator License Number (if applicable): _____

cc: As required by law, a copy of this Notice of Intent to Foreclose has been sent to the Commissioner of Financial Regulation, Foreclosure Unit, 500 N. Calvert Street, Suite 402, Baltimore, MD 21202.

Explanation of the Maryland Foreclosure Process and Time Line, Including Requests for Mediation, for Owner-Occupied First Mortgages:

The process leading up to a foreclosure of your home begins when you receive a "Notice of Intent to Foreclose" in the mail. Your home is not yet in foreclosure, but you should act immediately. You may avoid foreclosure by curing the default as described in the Notice. Alternatively, you may complete the Loss Mitigation Application you receive with the Notice of Intent to Foreclose and return it, together with all required documents, in (or to the address on) the envelope that was included.

A foreclosure may be filed in circuit court 45 days after the Notice of Intent to Foreclose was sent, or 90 days after your loan went into default, whichever is later. When a foreclosure action is filed against your property, you should be served with a packet of papers called an "Order to Docket" or "Complaint to Foreclose."

Maryland law requires most lenders or their servicers to review your circumstances to see if you are eligible for a loan modification or other program that avoids foreclosure before your home can be sold at foreclosure. This review is called loss mitigation analysis.

If the loss mitigation analysis is completed before the "Order to Docket" or "Complaint to Foreclose" is filed and there is a document called a "Final Loss Mitigation Affidavit" in the packet that you receive, you should refer to Timeline # 1 below.

If the loss mitigation analysis is not completed before the "Order to Docket" or "Complaint to Foreclose" is filed, there will be a document called a "Preliminary Loss Mitigation Affidavit" in the packet and you should look at Timeline # 2 below.

Timeline # 1
Where the Order to Docket or Complaint to Foreclose includes the "Final Loss Mitigation Affidavit."
(Times in this chart are for general information. The timing of specific events in an actual foreclosure action may vary as permitted by law.)

Day 1	Missed mortgage payment.
Day 45	Notice of Intent to Foreclose must be mailed by regular & certified mail.
Day 90	Order to Docket or Complaint to Foreclose filed in circuit court.
Day 105	Last day for homeowner to request foreclosure mediation.*
	* If foreclosure mediation is not requested by day 105, or if a motion to stay the sale has not been filed, the property may be sold on day 135 and the remainder of this timeline is inapplicable.
Day 110	If foreclosure mediation is requested, circuit court sends the request to the Maryland Office of Administrative Hearings by this day.
Day 170	If requested, foreclosure mediation must take place by this day unless postponement is requested.
Day 185	Foreclosure sale can be held unless a motion to stay the sale is filed.

Timeline #2
Where the Order to Docket or Complaint to Foreclose includes the "Preliminary Loss Mitigation Affidavit." (Times in this chart are for general information. The timing of specific events in an actual foreclosure action may vary as permitted by law.)

Day 1	Missed mortgage payment.
Day 45	Notice of Intent to Foreclose mailed regular & certified mail.
Day 90	Order to Docket or Complaint to Foreclose filed in circuit court.
Day 118	"Final Loss Mitigation Affidavit" and form to request foreclosure mediation sent by regular & certified mail.
Day 133	Last day for homeowner to request foreclosure mediation.*
	* If foreclosure mediation is not requested by day 133, or if a motion to stay the sale has not been filed, the property may be sold on day 148 and the remainder of this time line is inapplicable.

Day 138	If foreclosure mediation is requested, the circuit court sends the request to the Maryland Office of Administrative Hearings by this day.
Day 198	If requested, foreclosure mediation must take place by this day unless postponement is requested.
Day 213	Foreclosure sale can be held unless a motion to stay the sale is filed.

Process Regarding Foreclosure Sale:

The foreclosure sale must be advertised for 3 consecutive weeks prior to sale.

After the sale, the circuit court is notified and orders a date for exceptions to the sale to be filed.

Within 30 days after the sale of residential property, the sale is ratified and title to the property is transferred to the new owner. The circuit court is notified and the auditor reviews the notice. If no exceptions are filed, the circuit court issues a final order of ratification.

Within 3 years from the date of the foreclosure is completed, your former lender or its servicer may file for a deficiency judgment against you personally for the loan balance plus all fees and costs of the foreclosure.

NOTE: For additional information on the mediation process and your options after mediation visit www.MDHOPE.org.

(2) For purposes of the notice set forth in §A(1) of this regulation, the names and license numbers of mortgage lender licensees and mortgage loan originator licensees are required to be included in the notice only if this information is included on or recorded with the security instrument securing the mortgage loan related to the notice, or is otherwise known to the person sending the notice.

(3) The notice of intent to foreclose may include at the end of the form additional information, a notice, or advice relating to default that is required in advance of commencement of a foreclosure by a covenant of the deed of trust or mortgage that is the subject of the notice, or by the servicer, investor, insurer or government regulator guidelines applicable to the deed of trust or mortgage that is the subject of the notice, provided the additional information, notice, or advice does not contradict any information required to be contained in the notice of intent to foreclose.

(4) The notice of intent to foreclose shall be accompanied in the same envelope or package by:

(a) A loss mitigation application for loss mitigation programs that are applicable to the loan secured by the mortgage or deed of trust that is the subject of the notice. If the secured party does not have its own loss mitigation application and instructions, the secured party shall use the form of loss mitigation application set forth in Regulation .06 of this chapter;

(b) A description of the eligibility requirements for the loss mitigation programs offered by the secured party that may be applicable to the loan secured by the mortgage or deed of trust that is

the subject of the notice. If the mortgage loan is owned, securitized, insured or guaranteed by the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, or Federal Housing Administration, or if the servicing agent is participating in the federal Making Home Affordable Modification Program (also know as "HAMP"), providing documentation to the borrowers as required by those programs satisfies the requirement to provide a description of the eligibility requirement for the applicable loss mitigation program; and

(c) An envelope preprinted in conformity with Regulation .07 of this chapter with the address of the person (an individual, a group of individuals or a department such a "Loss Mitigation Department") responsible for conducting the loss mitigation analysis on behalf of the secured party for the loan secured by the mortgage or deed of trust that is the subject of the notice.

B. If the basis for the authority to foreclose on the residential property is a homeowners' association lien, condominium association lien, mechanic's lien, or similar statutory or contractual lien, or a basis other than a mortgage loan default, a notice of intent to foreclose in substantially the following form shall be used to comply with the notice of intent to foreclose requirements set forth in Real Property Article, §7-105.1, Annotated Code of Maryland:

NOTICE OF INTENT TO FORECLOSE (Alternative/Other Liens)

Pursuant to Real Property Article, §7-105.1, Annotated Code of Maryland

YOU ARE RECEIVING THIS NOTICE BECAUSE YOU ARE CURRENTLY IN DEFAULT ON YOUR (Insert the type of default, such as, by way of example but not limitation, past-due homeowners' or condominium association fees, or past-due contractual payments giving rise to a mechanic's lien). IF YOU DO NOT PAY WHAT IS OWED OR OTHERWISE CURE THIS DEFAULT, WE MAY SELL YOUR PROPERTY AT A FORECLOSURE SALE. PLEASE READ THIS NOTICE CAREFULLY.

Date of Notice: _____

Name of Record Owner: _____

Record Owner's Mailing Address: _____

Property Address: _____

Lien Position (Indicate whether first or subordinate lien): _____

Date of Receipt of Most Recent Payment on Debt: _____

Date of Default: _____

Name of Secured Party: _____

Telephone Number of Secured Party: _____

(This may be the telephone number of the agent of the secured party.)

(Insert description of the nature of the default such as, by way of example but not limitation:

"Your homeowners' association fees are currently ___ days past due").

Please contact (insert name of an agent or employee of the secured party authorized to negotiate the terms of an agreement to cure the default. The agent or employee may be an individual, or a team or group of individuals) at (insert the telephone number of the agent or employee) immediately upon your receipt of this Notice.

You may avoid foreclosure by doing the following: (Insert action required to cure the default and the date by which the action is required. Such an action, by way of example but not limitation, may be paying the amount homeowners' or condominium association fees in arrears plus any fees, penalties or costs. A listing of the amount due to cure the default may include a per-diem amount by which the amount required to cure the default continues to accrue, or any other formulation which takes into account such future increases.)

If you are unable to pay the total amount required to cure the default, which includes the amount in arrears plus any fees, penalties, or costs, or are otherwise unable to cure the default, please contact us immediately to discuss possible repayment options to cure the default.

To obtain the exact amount needed, or action required, to cure this default, please call us at (insert telephone number. Send your full payment to us at the following address:

(Insert name and address of contact person designated to receive payments.)

IMPORTANT NOTE: If you do not bring your account current and cure your default or negotiate a resolution with us, we may file a foreclosure action upon the later of 45 days after this Notice is sent or 90 days from the default date. Once a foreclosure action is filed, you could lose your home.

cc: As required by law, a copy of this Notice of Intent to Foreclose has been sent to the Commissioner of Financial Regulation, Foreclosure Unit, 500 N. Calvert Street, 4th Floor, Baltimore, MD 21202.

C. Filing Electronically.

(1) A person may submit to the Commissioner electronically the required copy of a notice of intent to foreclose, by a method established by the Commissioner.

(2) For purposes of this section, an electronic copy of a notice of intent to foreclose shall include:

(a) An electronic record, in a secure format acceptable to the Commissioner, consisting of the information contained in one or a group of notices of intent to foreclose, including a separate

entry for each person sent a notice of intent to foreclose listed on the record that sets forth the date that the notice of intent to foreclose was sent and the particular information sent to that person;

(b) A sample form of the notice of intent to foreclose that the person submitting the electronic record to the Commissioner has sent to each person identified in the record; and

(c) A certification by the person submitting the electronic record affirming that the persons identified in the record were sent a notice of intent to foreclose, on the dates indicated, in the form of the sample described in §C(2)(b) of this regulation that contained the information set forth in the electronic record.

D. The Commissioner shall retain the copies of notices of intent to foreclose for at least 6 months.

.03 Preliminary Loss Mitigation Affidavit.

A. A preliminary loss mitigation affidavit required by this chapter shall be in substantially the following form:

PRELIMINARY LOSS MITIGATION AFFIDAVIT

Caption of the Case:
Name and Address of the Parties:

My name is _____. I am authorized to act on behalf of the holder of the beneficial interest in the mortgage or deed of trust that is the subject of the above–referenced case, and I state the following:

□ Yes □ No The mortgage loan is owned, securitized, insured, or guaranteed by FNMA, FHLMC, or FHA or the servicing agent is participating in the federal Making Home Affordable Program or in a similar loss mitigation program.

The mortgage loan that is the subject of this foreclosure action may be eligible for loss mitigation and:

□ The loan currently is under loss mitigation analysis, but the analysis has not yet been completed.

□ The servicer has not received all the information from the borrower that the servicer needs to perform a loss mitigation analysis.

□ The servicer has had no contact with the borrower.

□ Other_____.

I affirm that the content of the foregoing affidavit is true to the best of my knowledge, information, and belief.

_____ _____
Signature of Affiant Date

_____
Print Name and Title of Affiant

.04 Final Loss Mitigation Affidavit.

A final loss mitigation affidavit required by this chapter shall be in substantially the following form:

FINAL LOSS MITIGATION AFFIDAVIT

Caption of the Case (including case number if available):
Names and Address of Parties:

My name is _____. I am authorized to act on behalf of the holder of the beneficial interest in the mortgage or deed of trust that is the subject of the above–referenced case, and I state the following:

□ Yes □ No The mortgage loan is owned, securitized, insured, or guaranteed by FNMA, FHLMC, or FHA or the servicing agent is participating in the federal Making Home Affordable Program or a similar loss mitigation program.

□ The mortgage loan that is the subject of this foreclosure action is not eligible for loss mitigation because:

- □ The foreclosure action is the result of a Condominium Association or Home Owner's Association lien for past-due fees, or is the result of past-due contractual payments giving rise to a mechanic's lien.
- □ The property is not owner-occupied (it is not the primary residence of at least one of the borrowers).
- □ The property has more than four dwelling units.
- □ The property is vacant or condemned.
- □ The mortgage loan is not a first mortgage.

- ☐ The amount of the mortgage loan makes it ineligible under all relevant loss mitigation programs.
- ☐ The borrower's income makes the borrower ineligible under all relevant loss mitigation programs.
- ☐ The borrower has already failed a modification trial period plan.
- ☐ The loan is owned by an investor or pool of investors that prohibits the servicer from entering into any loss mitigation with the borrower (include proof, such as relevant portions of the contract).
- ☐ Other (state reasons):_____.

☐ The mortgage loan that is the subject of this foreclosure action is eligible for loan modification or loss mitigation, and loan modification or loss mitigation has been denied.

- The reason for the denial is as follows: _____
  (attach a sheet if additional space needed).

☐ No other loss mitigation options have been identified as appropriate.

I affirm that the content of the foregoing affidavit is true to the best of my knowledge, information, and belief.

_____ _____
Signature of Affiant Date

_____
Print Name and Title of Affiant

.05 Request for Mediation.

A request for foreclosure mediation required by this chapter shall be in substantially the following form:

REQUEST FOR FORECLOSURE MEDIATION

To be Completed by Lender/Secured Party

In the Circuit Court for:
Caption of the Case (including case number):
Names and Address of Parties:

To be Completed by the Borrower

Instructions for Completing Request Form

"Foreclosure mediation" is a conference at which you and your representatives and other parties to the foreclosure and their representatives appear before a neutral third party, an administrative law judge, who works for the Maryland Office of Administrative Hearings. There will be a discussion and an attempt to reach agreement on a loan modification or other alternative that avoids foreclosure of your home.

Attention Borrower: Complete this form to request a foreclosure mediation in connection with your mortgage loan. Send one copy to the circuit court in the envelope provided along with your $50 filing fee (do not send cash; make your check payable to the "Clerk of the Circuit Court"). Send another copy to the foreclosure attorney in the envelope provided.

DO NOT DELAY: This form with your original signature(s) must be filed with the circuit court and sent to the foreclosure attorney within 15 days after personal service of the Order to Docket or Complaint to Foreclose or the post mark on the envelope containing this form and the Final Loss Mitigation Affidavit.

Keep a copy of your completed form for your records. Get a mail receipt confirmation for your records to show the date you mailed this form to the circuit court, the foreclosure attorney, and any other parties.

If you have questions or are unsure about how to fill out this form, call the Maryland HOPE Hotline at 1-877-462-7555 or go to www.MDHOPE.org.
You must act immediately.

Request for Foreclosure Mediation

My name is _____. I am requesting mediation of my foreclosure case to see if I qualify for a loan modification or other alternative to avoid foreclosure. I understand that a foreclosure mediation is an opportunity for a meeting with a neutral third party who will try to assist me and my lender/secured party to reach an agreement about the foreclosure of my home. I also understand that there may be a number of options available at a mediation, but to receive a loan modification or other loss mitigation program I must qualify for it and that making this request does not guarantee that I will receive a loan modification or relief through another loss mitigation program.

The following answers will assist the mediator in the foreclosure mediation process:

□ Yes □ No I requested a loan modification and I believe my loan should have been modified.

□ Yes □ No I was not given an opportunity to see if my loan could be modified but I think I deserve that opportunity.

□ Yes □ No The property is my home and I live there.

□ Yes □ No The property does not have more than four dwelling units.

□ Yes □ No I have not failed a trial modification plan and have not failed a prior modification under a federal loan modification program.

□ Yes □ No If no loan modification or other option will work, I am willing to discuss giving up my home and the best way to do that.

□ Other (explain) _____.

MEDIATION FEE

□ Yes □ No I have enclosed my $50 fee (a check made payable to the "Clerk of the Circuit Court") for filing this Request for Foreclosure Mediation.

□ Yes □ No I am requesting the Court to reduce or waive my filing fee because I qualify for free legal services under the Maryland Legal Services Guidelines. **You must submit a completed Request for Waiver of Filing Fee for Foreclosure Mediation form available at http://mdcourts.gov/courtforms/circuit/cc080.pdf.**

_____ _____

Borrower Signature Date

_____

Print Name

CERTIFICATE OF SERVICE

This must be completed and signed by the borrower

I certify that I have sent by regular U.S. mail, postage pre-paid, a copy of this Request for Mediation to the Clerk of the Circuit Court and to each of the parties identified, at addresses listed at the top of this form. I have served the party that brought this foreclosure action by sending this Request to Foreclose, by regular U.S. mail, postage pre-paid, to its foreclosure attorney in (or at the address on) the envelope provided with this form.

_____ _____

Borrower Signature Date

_____

Print Name

.06 Loss Mitigation Application and Instructions

A secured party, or its authorized designee or agent that does not have its own loss mitigation application shall use a loss mitigation application in substantially the following form:

[INTENTIONALLY LEFT BLANK]

Approved by Joint Committee on Administrative, Executive and Legislative Review

LOSS MITIGATION APPLICATION

See Instructions corresponding with numbers in brackets {} on form

Loss Mitigation Application page 1 **COMPLETE ALL PAGES OF THIS FORM**

Loan Number: **{1}** (at least last 4 digits) Servicer: **{2}**

BORROWER {3}	**CO-BORROWER {4}**
Borrower's Name	Co-Borrower's Name
Social Security No. Date of Birth	Social Security No. 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

I want to: {5} ☐ Keep the Property ☐ Sell the Property

The property is my: ☐ Primary Residence ☐ Second Home ☐ Investment

The property is: ☐ Owner Occupied ☐ Renter Occupied ☐ Vacant

Mailing address: **{6}**

Property address (if same as mailing address, just write "same" E-mail address

Is the property listed for sale? ☐ Yes ☐ No **{7}**
Have you received an offer on the property? ☐ Yes ☐ No
Date of offer _____ Amount of offer $ _____
Agent's Name? _____
Agent's Phone Number: _____
For Sale by Owner? ☐ Yes ☐ No

{8}
Have you contacted a housing-counseling agency for help ☐ Yes ☐ No
If yes, please complete the following:
Counselor's Name: _____
Agency Name: _____
Counselor's Phone Number: _____
Counselor's E-mail: _____

Who pays the real estate tax bill on your property: **{9}**
☐ I do ☐ Lender does ☐ Paid by condo or HOA
Are the taxes current? ☐ Yes ☐ No
Condominium or HOA fees ☐ Yes ☐ No $_____
Paid to: _____

Who pays the hazard insurance premium for your property? **{10}**
☐ I do ☐ Lender does ☐ Paid by condo or HOA
Is the policy current? ☐ Yes ☐ No
Name of Insurance Co.: _____
Insurance Co. Tel #: _____

Have you filed for bankruptcy? ☐ Yes ☐ No If yes: ☐ Chapter 7 ☐ Chapter 13 Filing Date: _____ **{11}**
Has your bankruptcy been discharged? ☐ Yes ☐ No Bankruptcy case number: _____

Additional Liens/Mortgages or Judgments on this property: {12}

Lien Holder's Name/Servicer	Balance	Contact Number	Loan Number

HARDSHIP AFFIDAVIT {13}

I am requesting review under your loss mitigation program.
I am having difficulty making my monthly payment because of financial difficulties created by (check all that apply):

☐ My household income has been reduced. For example: unemployment, underemployment, reduced pay or hours, decline in business earnings, death, disability or divorce of a borrower or co-borrower.	☐ My monthly debt payments are excessive and I am overextended with my creditors. Debt includes credit cards, home equity or other debt.
☐ My expenses have increased. For example: monthly mortgage payment reset, high medical or health care costs, uninsured losses, increased utilities or property taxes.	☐ My cash reserves, including all liquid assets, are insufficient to maintain my current mortgage payment and cover basic living expenses at the same time.
☐ Other:	

Approved by Joint Committee on Administrative, Executive and Legislative Review

Explanation (continue on back of page 3 if necessary):_____

INCOME/EXPENSES FOR HOUSEHOLD [1] Number of People in Household: **{14}**

Monthly Gross Wages **{15}**	$	First Mortgage Payment **{26}**	$	Checking Account(s) **{37}**	$
Overtime **{16}**	$	Second Mortgage Payment **{27}**	$	Checking Account(s) **{38}**	$
Child Support/ Alimony **{17}** / Separation [2]	$	Insurance **{28}**	$	Savings/ Money Market **{39}**	$
Social Security / SSDI **{18}**	$	Property Taxes **{29}**	$	CDs **{40}**	$
Other monthly income from pensions, annuities or retirement plans **{19}**	$	Credit Cards / Installment Loan(s) (total minimum payment per month) **{30}**	$	Stocks / Bonds **{41}**	$
Tips, commissions, bonus and self-employed income **{20}**	$	Alimony, child support payments **{31}**	$	Other Cash on Hand **{42}**	$
Rents Received **{21}**	$	Net Rental Expenses **{32}**	$	Other Real Estate (estimated value) **{43}**	$
Unemployment income **{22}**	$	HOA/Condo Fees / Property Maintenance **{33}**	$	Other: _____ _____ **{44}**	$
Food Stamps / Welfare **{23}**	$	Car Payments **{34}**	$	Other: _____ _____ **{45}**	$
Other (investment income, royalties, interest, dividends etc.) **{24}**	$	Other: _____ _____ _____ **{35}**	$	Do not include the value of life insurance or retirement plans when calculating assets (401K, pension funds, annuities, IRAs, Keogh plans, etc.)	
Total (Gross Income) {25}	**$**	**Total Debt / Expenses {36}**	**$**	**Total Assets {46}**	**$**

INCOME MUST BE DOCUMENTED

[1] **Include combined monthly income and expenses from the borrower and co-borrower (if any). If you include income and expenses from a household member who is not a borrower, please specify using the back of this form if necessary.**

[2] **You are not required to disclose Child Support, Alimony or Separation Maintenance income, unless you choose to have it considered by your servicer.**

LOSS MITIGATION APPLICATION
ACKNOWLEDGMENT AND AGREEMENT

In making this request for consideration under your loss mitigation program, I certify under penalty of perjury:

1. That all of the information in this document is truthful and the event(s) identified on page 1 is/are the reason that I need to request a modification of the terms of my mortgage loan, short sale or deed-in-lieu of foreclosure.

2. I understand that the Servicer, _____ , or its agents may investigate the accuracy of my statements and may require me to provide supporting documentation. I also understand that knowingly submitting false information may violate the law.

3. I understand the Servicer will pull a current credit report on all borrowers obligated on the Note.

4. I understand that if I have intentionally defaulted on my existing mortgage, engaged in fraud or misrepresented any fact(s) in connection with this document, the Servicer may cancel any loss mitigation agreement and may pursue foreclosure on my home.

5. That my Property is owner-occupied; I intend to reside in this property for the next twelve months; I have not received a condemnation notice; and there has been no change in the ownership of the Property since I signed the documents for the mortgage that I want to modify.

6. I am willing to provide all requested documents and to respond to all Servicer questions in a timely manner.

7. I understand that the Servicer will use the information in this document to evaluate my eligibility for a loan modification or short sale or deed-in-lieu of foreclosure, but the Servicer is not obligated to offer me assistance based solely on the statements in this document.

8. I am willing to commit to housing counseling if it is determined that my financial hardship is related to excessive debt.

9. I understand that the Servicer will collect and record personal information, including, but not limited to, my name, address, telephone number, social security number, credit score, income, payment history, government monitoring information, and information about account balances and activity. I understand and consent to the disclosure of my personal information and the terms of any loss mitigation agreement to any third party that needs this information to process this application, including but not limited to: any investor, insurer, guarantor or servicer that owns, insures, guarantees or services my first lien or subordinate liens (if applicable) mortgage loan(s); any companies that perform support services in conjunction with my mortgage; any HUD-certified housing counselor; and government regulators.

{47} _____ _____
Borrower Signature Date

_____ _____
Co-Borrower Signature Date

Maryland HOPE Hotline

Call the Maryland HOPE hotline at 1-877-462-7555 or go to www.MDHOPE.org for information on housing counseling.

Instructions for Completing Loss Mitigation Application

The numbers for each item below correspond to the same numbers in the form above.

{1} Your loan number on your mortgage loan statement.

{2} Your loan "Servicer" is the financial institution that collects your monthly payment.

{3} The borrower section must include information on the person whose name is on the "Note" for the mortgage loan.

{4} The co-borrower is a second person on the note for the mortgage loan. Do not fill out this section for someone who is not obligated on the note for the mortgage loan.

{5} For this section you should choose one option for each question.

{6} Please provide a mailing address and a residential "Property" address if different. The Property address should correspond to the mortgage for which you are submitting a Loss Mitigation Application.

{7} If your Property is not listed for sale, you do not need to fill out the rest of Section 7. Only include offers for sale that you received in the past year.

{8} Counselors are available free of charge and can be located on the Maryland Hope website www.MDHOPE.org.

{9} If your real estate taxes and property insurance are part of the monthly payment that you make to your servicer, select "lender does." "HOA" means Homeowner's Association.

{10} If your hazard insurance premium is part of the monthly payment that you make to your servicer, select "lender does." "HOA" means Homeowner's Association.

{11} The filing date indicates when you officially filed for bankruptcy. Only check the "yes" box for a discharged bankruptcy if you no longer owe any obligations.

{12} Additional liens include second (or third) mortgages and home equity lines of credit.

{13} Please select as many hardships as apply to your situation. You can use the extra lines to explain your hardship, though extensive explanations could delay the processing of your application.

{14} Indicate the number of people in your household who contribute to the total income.

{15} Monthly gross wages are what you receive before taxes. Use your most current pay stub to find this amount.

{16} This amount should be listed on a current pay stub.

{17} If you receive child support, alimony, or separation maintenance income, you are not required by law to report it. You should only include this amount if you would like it to be included in the income calculation.

{18} SSDI means Social Security/Disability Income.

{19} Only include if you are retired and collecting income from retired funds.

{20} If reported, this amount will be on your pay stub.

{21} Only include rental income if used as part of your overall income.

{22} You must have at least nine months of unemployment income to report on this form.

{23} Report the amount indicated on your benefits letter. You must provide a copy of this letter as documentation of this income.

{24} Add all other income and report sum in this box.

{25} Add all amounts in income column (boxes 15-24) and report sum.

{26} This amount can be found on your statement for your first mortgage.

{27} If applicable, this amount can be found on the statement for your second mortgage or home equity lines of credit.

{28} This refers only to homeowner's insurance and should be reported only if you pay this yourself.

{29} Only report these taxes if you pay them yourself.

{30} Add all credit cards and installment payments and report sum here.

{31} If you are responsible for paying child support or alimony, you must report the amount here.

{32} Report amount if your total rental income does not cover your total rental expenses.

{33} "HOA" means Homeowner's Association.

{34} Include car payments only if you are the owner of the vehicle.

{35} Include any other pertinent household expenses.

{36} Add all amounts in expense column (boxes 26-35) and report sum.

{37}-{39} Report amounts for all accounts, if applicable.

{40} "CDs" means certificates of deposit.

{41}-{42} Report amounts for all accounts, if applicable.

{43} Include estimated value for all other properties owned.

{44}-{45} Report any other assets other than the value of life insurance or retirement plans, including 401K, pension funds, IRAs, Keogh plans, etc.)

{46} Add all amounts in assets column (boxes 37-45) and report sum.

{47} Please be sure to read the entire Loss Mitigation Application Acknowledgement and Agreement before signing. Do not leave off a signature as this will decrease efficient document processing.

.07 Preprinted Envelopes.

A. The following preprinted envelopes are required by this chapter and shall be in the form and include the information set forth in this regulation.

B. Required preprinted envelopes.

(1) A preprinted envelope accompanying the Notice of Intent to Foreclose shall include the address of the person responsible for conducting loss mitigation analysis on behalf of the secured party (the person may be an individual, a group of individuals, or a department such as a "loss mitigation department").

(2) A preprinted envelope accompanying the Preliminary Loss Mitigation Affidavit (if applicable) shall include the address of the foreclosure attorney handling the foreclosure on behalf of the secured party.

(3) The two preprinted envelopes accompanying the Final Loss Mitigation Affidavit shall include:

(a) In the case of the preprinted envelope to be mailed to the clerk of the court with a request for foreclosure mediation:

(i) The address of the Clerk of the Court; and

(ii) The words "Request for Foreclosure Mediation" on the face of the envelope in at least 14 point bold font.

(b) In the case of the preprinted envelope to be mailed to the foreclosure attorney in connection with a request for foreclosure mediation, the address of the foreclosure attorney handling the foreclosure on behalf of the secured party.

C. A preprinted envelope may include an envelope affixed with labels that display the required address or other required information noted in this regulation.

.08 Notice of Filing.

A form substantially similar to the following form shall be used to comply with the notice of filing requirements, and accompany an order to docket or complaint to foreclose, as required by Real Property Article, §7-105.1, Annotated Code of Maryland:

NOTICE OF FORECLOSURE ACTION

An action to foreclose the mortgage/deed of trust on the property located at (insert address) has been filed in the Circuit Court for (county).

A foreclosure sale of the property may occur at any time after 45 days from the date that this notice is served on you.

You may stop the sale and reinstate your mortgage loan by paying all amounts due on your loan, plus fees and costs of the foreclosure action, at any time up to one business day before the sale. Please contact (insert name of authorized agent of secured party) at (insert telephone number) to obtain the amount due to cure the default on your mortgage loan and instructions for delivering the payment.

If you own and live in the home that is subject to foreclosure, your lender may be required to conduct an analysis of your loan to see if you qualify for a loan modification or some other loss mitigation. You must apply and provide your lender with specific information as part of this analysis. The results of your lender's analysis of your loan will be provided to you in the form of an affidavit submitted to the court.

If your lender determines that you are not eligible for any loan modification or other relief, you have the right to file a request with the court and have foreclosure mediation. This will be a conference with *you,* someone representing your lender, and a neutral third party to discuss your loan and possible options. To request foreclosure mediation, you must complete the Request for Foreclosure Mediation form that will accompany the lender's Final Loss Mitigation Affidavit and mail it to the court and the *lender's* foreclosure attorney within 15 days after receipt. If you file a Request for Foreclosure Mediation, your property cannot go to sale until at least 15 days after your mediation has been held.

You are urged to obtain legal advice and the assistance of a housing counselor to discuss possible loss mitigation programs, foreclosure mediation, and other options to stop the foreclosure sale.

If you are interested in selling your home to avoid a foreclosure sale, you may wish to contact a licensed real estate broker or salesperson as soon as possible.

There are government agencies and nonprofit organizations that you may contact for helpful information about the foreclosure process. Housing counseling and financial assistance programs are available through the Maryland Department of Housing and Community Development. Please call the Maryland HOPE Hotline at 1-877-462-7555 or go to www.MDHOPE.org for information on available resources.

Beware of anyone offering to "save" your home or who seeks an upfront fee before providing assistance. Free resources are available at the Maryland HOPE Hotline at 1-877-462-7555 or go to www.MDHOPE.org.

The State encourages you to become informed about your options in foreclosure before entering into any agreements with anyone in connection with the foreclosure of your home.

DO NOT DELAY DEALING WITH THE FORECLOSURE BECAUSE YOUR OPTIONS WILL BECOME MORE LIMITED AS TIME PASSES.

.09 Instructions to be provided by the Maryland Office of Administrative Hearings to the parties to foreclosure mediation regarding required documents and information.

A. The Office of Administrative Hearings shall provide instructions regarding the documents and information that must be provided by each party to the other and to the Office of Administrative Hearings in substantially the following form:

MARYLAND OFFICE OF ADMINISTRATIVE HEARINGS

Foreclosure Mediation Instructions--Requirements for Document Exchange

And Important Information Regarding Proceedings

Circuit Court Case Number:

OAH Case Number:

Foreclosure Mediation Date/Time:

Location of Foreclosure Mediation:

You are a party to a foreclosure mediation in the above-referenced case. By law you are required to provide certain documents and information to the other party to the mediation and to the mediator at the Office of Administrative Hearings prior to the mediation. These instructions set forth the documents and information you are required to provide and how and when they must be provided.

Note: If a party has already submitted a document to the Office of Administrative Hearings, the party should not send a duplicate copy of the document to the Office of Administrative Hearings.

1. The secured party or the secured party's agent(s) shall provide to the borrower(s) and to the Office of Administrative Hearings copies of:

(a) The Final Loss Mitigation Affidavit.

(b) The borrower(s)' Loss Mitigation Application received from the borrower(s).

(c) Any documents relied on in performing loss mitigation analysis.

(d) Summary of reason for denial of loan modification or loss mitigation.

(e) Relevant sections of investor guidelines if the denial of a loan modification or other loss mitigation program was based on investor guidelines.

(f) Payment history.

(g) Escrow activity history (if applicable).

(h) Property valuation documentation relied on, such as an automated valuation model that renders a reliable confidence score, a broker's price opinion, or an appraisal.

(i) Correspondence log of account activities from time of first contact with borrower after loan went into default (typically generated electronically by loss mitigation software showing a record of when material was received, posted, processed, etc.).

(j) The name of and contact information (telephone number, mailing address) for the individual who will represent the secured party at the foreclosure mediation and will have the authority to settle on behalf of the secured party or be able to readily contact a person with authority to settle the matter.

2. The borrower(s) shall provide to the secured party or the secured party's agent(s) and to the Office of Administrative Hearings copies of:

(a) The borrower(s)' signed federal tax returns (including all schedules and attachments) for the last two (2) years.

(b) The borrower(s)' proof of income—including:

- Employment income. Copies of two recent pay stubs not more than 90 days old that indicate year-to-date earnings.

- Self-employment income. The most recent quarterly or year to date profit and loss statement for each self-employed borrower.

- Other earned income. For example, bonus, commission, fee, housing allowance, tips, overtime. Reliable third party documentation describing the nature of the income, such as an employment contract or printouts documenting tip income.

- Benefit income. For example, social security, disability, death benefits, pension, public assistance, adoption assistance. Evidence of (i) the amount and frequency of the benefits such as letters, exhibits, a disability policy or benefits statement from the provider, and (ii) receipt of payment, such as copies of the two most recent bank statements or deposit advices showing deposit amounts. If a benefits statement is not available, servicers may rely only on receipt of payment evidence, if it is clear that the borrower's entitlement is ongoing.

- Unemployment benefits. Evidence of the amount, frequency and duration of the benefits (this information is found on your initial monetary determination letter). Any extension of length of the benefit (this information is found on your verification of unemployment status form).

- Rental income. Rental income is generally documented through the Schedule E—*Supplemental Income and Loss*, for the most recent tax year.

  a. When Schedule E is not available, a current lease agreement and bank statements or cancelled rent checks.

- Alimony, separation maintenance, and child support income. Borrowers are not required to use alimony, separation maintenance, or child support income to qualify for a loss mitigation program. However, if a borrower chooses to provide this income, it should be documented with (i)

copies of the divorce decree, separation agreement or other legal written agreement filed with a court, or a court decree that provides for the payment of alimony or child support and states the amount of the award and the period of time over which it will be received, and (ii) evidence of receipt of payment, such as copies of the two most recent bank statements or deposit advices showing deposit amounts.

- Non-borrower household income. Documents proving the income of any household member who is not a borrower but whose income will be relied upon to pay the modified loan.

- Budget and Expenses. A written summary of the borrower(s) complete monthly household budget including all expenses.

□ If the loan does not have an escrow account, which means you pay your property taxes and insurance directly—(i) a copy of the most recent property tax bill and proof of payment (if applicable) and (ii) a copy of current insurance bill and proof of payment (if applicable).

□ Any previous loan modification documentation (if applicable).

- Current second or other subordinate mortgage statement including the telephone number and mailing address for the subordinate lien holder.

3. Timing/Method of Sending.

Each party must send the documents and information required to be provided to the other party and to the Office of Administrative Hearings by one of the following methods at the times indicated:

- First-class U.S. mail, postage paid—Send no later than twenty-three (23) days before the scheduled date of the foreclosure mediation.

- Next-day air service or hand delivery—Ensure delivery no later than twenty (20) days before the scheduled date of the foreclosure mediation.

4. Newly Acquired Documents or Information.

Any party that obtains documents or information relevant to the foreclosure mediation that the party wishes to present at the foreclosure mediation after the party has provided documents and information to the other party and to the Office of Administrative Hearings as set forth in paragraph 3 shall:

- If the new documents or information are obtained seven (7) or more days prior to the scheduled date of the foreclosure mediation, the party obtaining the new material shall deliver to the other party and the Office of Administrative Hearings the newly obtained documents or information within one (1) day of receipt thereof by sending the materials by first class US mail, postage paid, or by sending via a next-day air service or hand delivery.

- If new documents or information are obtained less than seven (7) days, but more than three (3) days, prior to the scheduled date of the foreclosure mediation, the party obtaining the new material shall

deliver to the other party and the Office of Administrative Hearings the document or information on the date of receipt by next-day air service or hand delivery.

• If the new documents or information are obtained three (3) or fewer days prior to the scheduled date of the foreclosure mediation—the party obtaining the new material shall deliver it to the other party by facsimile and to the Office of Administrative Hearings at the time of the foreclosure mediation.

5. Addresses.

• The secured party or the secured party's agent shall send all required documents and information to the borrower(s) at the borrower(s) address set forth on the Request for Mediation form completed by the borrower(s).

• The borrower(s) shall send all required documents and information to the secured party or the secured party's agent at the address of the secured party or the secured party's agent set forth in the Final Loss Mitigation Affidavit filed with the court.

• Each party shall send all required documents to the Office of Administrative Hearings at:

Maryland Office of Administrative Hearings
Attn: Foreclosure Unit
11101 Gilroy Road
Hunt Valley, Maryland 21031

6. Bring Documents to the Foreclosure Mediation

Each party shall bring copies of all documents they have provided to the other party to the scheduled foreclosure mediation.

7. Other Important Information Regarding Foreclosure Mediation

• Authority to Settle:

The person representing the secured party must have authority to settle or be able to readily contact a person with authority to settle the matter.

• Postponement Rules:

1. A request for postponement shall be considered only if the party requesting the postponement establishes good cause for the postponement.

2. Except as provided in paragraph 4 below, a request for postponement shall be made in writing and filed with the Office of Administrative Hearings and mail the other party not less than five (5) days before the scheduled foreclosure mediation.

3. Documentation of the reasons for the postponement may be required from the party making the request.

4. Emergency Request for Postponement:

a. For purposes of this paragraph, "emergency" means a sudden, unforeseen occurrence requiring immediate attention that arises within five (5) days of the foreclosure mediation date.

b. In an emergency, a request for postponement may be made by telephone.

5. When practicable, all parties to the proceeding shall be contacted before a ruling on a postponement request is made by the Office of Administrative Hearings.

If you have questions regarding this matter call the Maryland Office of Administrative Hearings, Foreclosure Unit, at:_____.

.10 Time; Filing of Duplicate Forms.

A. In computing any period of time prescribed by this chapter, Rule 1-203 of the Maryland Rules shall apply.

B. Any affidavit, application, or other form submitted to a circuit court as required by this chapter may be a duplicate of the original affidavit, application, or other form.

NOTE: These emergency regulations are effective July 1, 2010 and will be published in the Maryland Register.