

## Mortgage Loan Recast – Fact Sheet

### Did you know you may be able to lower your monthly payment without the stress of refinancing?

You may qualify for the chance to lower your monthly payment by recasting, or “re-amortizing”, your current home loan, avoiding the hassle and expense of refinancing.

#### How loan recasting works:

A recast is when you apply an additional sum of money to substantially reduce the unpaid principal balance of your loan, and as a result lower the monthly payment. Recasting is simple:

- > If your loan qualifies, we will recalculate your monthly payment based on the lower principal balance, using the original terms (interest rate and length of term) of your mortgage loan
- > By re-amortizing the loan on the new loan balance, your monthly payment will be lower

#### Is my loan eligible?

Below are a few of the eligibility requirements your loan must meet in order to be reviewed to be re-amortized:

- > Principal reduction of at least \$5,000 (over and beyond the loan’s original amortization schedule)
- > Senior Lien (1<sup>st</sup> mortgage)
- > Conventional mortgage (FHA, VA, and Rural Development loans are not eligible under this program)
- > Current with no outstanding amounts due
- > No past due payments within the last 12 months
- > 90 days after the mortgage closing date
- > 90 days prior to any scheduled Adjustable Rate payment changes

#### How to get started:

Simply complete, sign, and return the attached Mortgage Loan Recast Application (all original signors of the original Note must sign this application).

#### What happens next?

- > We will review your submitted Mortgage Loan Recast Application to make sure you qualify
- > If you qualify, you will receive a Mortgage Loan Recast Agreement, which will include your new monthly payment amount, within 15 days
- > You should then execute, notarize and return the Mortgage Loan Recast Agreement, along with the lump sum payment, and a one-time recast fee of \$500
- > Your new monthly mortgage payment amount will begin on the effective date specified on the Mortgage Loan Recast Agreement

#### Before requesting a loan recast, as a borrower, you should consider your goals and options.

- > If your main goal is to reduce your monthly payments rather than pay your loan off faster, then a recast could be a good option for you.
- > If your main goal is to limit the amount of interest paid and pay off your loan sooner, then a recast may not be a good fit for you.

**Note: Do not send funds for a Recast until you have received Confirmation of Eligibility for the program and the written Recast Agreement.**

**Customer Information**

**Loan Number:** \_\_\_\_\_  
 Borrower Name: \_\_\_\_\_ Co-Borrower Name: \_\_\_\_\_  
 Borrower Home Phone: \_\_\_\_\_ Co-Borrower Home Phone: \_\_\_\_\_  
 Borrower Cell Phone: \_\_\_\_\_ Co-Borrower Cell Phone: \_\_\_\_\_  
 Borrower Email: \_\_\_\_\_ Co-Borrower email: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_

**Important Message:** *It may be necessary for us to contact you regarding your mortgage account via email, text, and/or auto-dialer.*

**Do you authorize us to contact you using the above listed information regarding your mortgage account?**

Yes, I authorize       No, I do not authorize

**Principal Curtailment Information**

If you have already made additional principal reductions (curtailments), please indicate the amount and the date you remitted the funds for your curtailment payment to us in the spaces below:

Principal Curtailment Amount: \$\_\_\_\_\_ (Minimum \$5,000)      Principal Curtailment Date: \_\_\_/\_\_\_/\_\_\_

**Or**

Periodic principal curtailments have been made on various dates totaling \$\_\_\_\_\_ (Minimum \$5,000)

If you have **NOT** already made a principal curtailment payment, please indicate the payment amount you intend to remit in the spaces below:

Principal Curtailment Amount: \$\_\_\_\_\_ (Minimum \$5,000)      Principal Curtailment Date: \_\_\_/\_\_\_/\_\_\_  
 (Must be within 30 days of application date)

**Submit your completed application to:**

Attn: Special Loans/Recast P.O. Box 636005 Littleton, CO 80163-6005	<b>Or</b>	Email Recast@SLS.net
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**Customer Attestation:**

I certify, acknowledge, and agree the following:

1. I have read and understand the contents of the Mortgage Loan Recast Fact Sheet.
2. I understand that submission of this request does not guarantee I will be approved for a Recast.
3. If approved, and I have not already made a principal curtailment, I understand I must provide my lump sum payment, my one-time recast fee of \$500, along with my executed and notarized Mortgage Loan Recast Agreement in order to process the Recast.
4. If approved, and I have already made the required principal curtailments, I understand I must provide my one-time recast fee of \$500, along with my executed and notarized Mortgage Loan Recast Agreement in order to process the Recast.

**Note:** *If the lump sum payment is returned for any reason, the Mortgage Loan Recast Agreement shall be null and void and the loan will revert to the prior terms. In addition, the loan will be ineligible for a Recast during the next 12 months.*

Borrower signature: \_\_\_\_\_ Date: \_\_\_/\_\_\_/\_\_\_  
 Co-Borrower signature: \_\_\_\_\_ Date: \_\_\_/\_\_\_/\_\_\_