



SOUTH JERSEY FEDERAL CREDIT UNION
COVID-19 MORTGAGE HARDSHIP REQUEST

PLEASE READ THE FOLLOWING BEFORE FILLING OUT THE COVID-19 MORTGAGE HARDSHIP REQUEST

If you are experiencing a hardship due to Covid-19, you may be eligible for a forbearance on your mortgage payments for up to (90) days. You may have heard some information in the news about the CARES Act, and that federally backed mortgages can request a forbearance. Please note that our loans are not federally backed and the CARES Act is not applicable. Regardless, we are granting forbearance requests.

Forbearance is just another term for deferral or temporary suspension of your monthly mortgage payment. During the forbearance period, your payments are suspended for a specified length of time. Interest will accrue. There is no fee for this service and it will not impact your credit. However, you will be expected to pay the suspended payment amount(s) and any accrued interest on that amount at the end of the forbearance period.

In the alternative, you may request a ***loan modification*** to avoid having to pay the deferred amount in one lump sum. In order to qualify for a loan modification. You will need to submit a loan modification application and, if approved, sign a new loan modification agreement. The first payment on the loan modification will be at least (90) days from the date you sign the loan modification agreement depending on your normal payment due date. Interest will accrue during that time period also your first payment may have a very high amount paid to interest or your first payment may even be solely an interest payment. Also, the loan modification will extend the life of your loan beyond its current maturity date. The credit union will attempt to keep your current payments the same, and your interest rate will not change. The loan modification will not affect your credit.

A NOTE ON LOANS WITH ESCROWS: Regardless of whether you opt for a forbearance or a loan modification, your escrow account needs to be funded. You may do this voluntarily during the forbearance period (or for loan modifications during the time between signing the modification agreement and the first payment). If no voluntary escrow payments are made, your escrow will be recalculated in October, 2020. Therefore your total loan payments after the escrow recalculation will be higher to compensate for the lack of escrow payments during the forbearance period.



COVID 19 Mortgage Hardship Request Application

Member Name(s): _____

Account Number: _____ Phone Number: _____

Email Address: _____

Loan Options: I am interested in a: (pick one)

Loan Modification. I am requesting that my first payment under the loan modification be 90 days from the date of my next current payment. I understand that a loan modification will extend the life of my loan. I further understand that interest will continue to accrue. A formal loan modification must be signed.

Forbearance for 90 days. I understand that a forbearance is a suspension of payments during the forbearance time period and I am responsible for full payment of suspended payments at the end of the forbearance period. I further understand that finance charges will continue to accrue. No late fees will be assessed until 30 days after the forbearance period. If I fail to pay the suspended payment amounts after the forbearance period, my loan will be considered to be in default.

I ALSO UNDERSTAND that if there is a co-borrower, we both must make this request and sign any additional documents that may be required.

By signing my name(s) below, I/we are affirming that I/we have been affected by the Covid-19 virus so as to not be able to make payment on my/our mortgage as agreed.

Borrower Signature: _____ Date: _____
Print Name: _____

Co-Borrower Signature: _____ Date: _____
Print Name: _____

Please send the completed/signed application to South Jersey FCU by email, fax or mail:

Email: LoanSkip@SouthJerseyFCU.com Fax: (856) 232-6301

Mail: PO Box 5530 Deptford, NJ 08096 (Attn: Loan Operations)