



Loan # [REDACTED]  
Property Address: [REDACTED]

**NOTICE OF DEFAULT AND INTENT TO ACCELERATE**

**Este es un aviso importante con respecto a su derecho a vivir en su casa. Favor de traducirlo de inmediato o llamar al departamento de servicio para los préstamos hipotecarios de Flagstar Bank al (800) 393-4887.**

**(This is an important notice concerning your right to live in your home. Have it translated at once or call Flagstar Bank's Loan Servicing Department at (800) 393-4887.)**

Dear Flagstar Customer(s):

Flagstar Bank is hereby notifying you that your above described loan is in default because the required payments have not been made. You have the right to cure the default. The total amount required to cure this default and bring the loan current, as of the date of this letter [REDACTED], is as follows:

Current Due Date of Loan:	[REDACTED]
Total of all Unpaid Payments:	[REDACTED]
Total of Unpaid Late Fees:	[REDACTED]
Total of Unpaid Other Fees:	[REDACTED]
Less - Partial Payment Balance:	[REDACTED]
<b>TOTAL DUE:</b>	[REDACTED]

To cure the default, within 90 days from the date of this letter [REDACTED], Flagstar must receive the amount of [REDACTED] plus any additional regular monthly payment or payments, late charges, fees and charges, which become due before payment is made. Please contact Flagstar at (800) 393-4887, Monday-Friday 8:30 a.m.-9 p.m. ET, to obtain the updated amount necessary to cure the default and bring your loan current. **Payments should be sent to: Flagstar Bank, P.O. Box 660263, Dallas, TX, 75266-0263.**

The default will not be considered cured unless Flagstar receives a payment or payments of "good funds." This means that if any check (or other payment) is returned to us for insufficient funds or for any other reason, then "good funds" will not have been received and the default will not have been cured. No extension of time to cure will be granted due to a returned payment.

Failure to cure the default by [REDACTED] may result in acceleration of the sums secured by your mortgage or deed of trust without further demand. If the loan is accelerated, a foreclosure may commence on the earliest date permitted under applicable law, and the property securing the loan may be sold at foreclosure sale. If the property is sold at foreclosure sale, a deficiency judgment may be pursued against you to collect the balance of the loan, if permitted by law.

This does not affect your right to otherwise redeem real property under any other provision of law. However, Flagstar shall be entitled to collect all expenses incurred in pursuing the remedies provided in the loan documents, including, but not limited to, reasonable attorneys' fees and costs of title evidence, to the full extent permitted by law.

In accordance with the terms of your loan documents, you have the right to reinstate the loan after acceleration. You also have the right to assert in a foreclosure proceeding and/or have the right to bring a court action to assert the nonexistence of a default or any other defense you might have to acceleration of the Loan and foreclosure.

In accordance with the terms of your loan documents, Flagstar or its agent may enter upon and inspect the property because the loan is in default. The purposes of such an inspection include: (i) observing the physical condition of the Property; (ii) verifying the Property is occupied; and/or (iii) determining the identity of the occupant. If you do not cure the default before the inspection, other actions to protect the Creditor's interest in the property (including, but not limited to, winterization, securing the property, and valuation services) may be taken. The costs of the above described inspections and property preservation efforts will be charged to your account as provided in your loan documents as permitted by law.

There may be options available other than foreclosure. If you request assistance, Flagstar will need to evaluate whether that assistance can be extended to you. In the meantime, Flagstar will pursue all rights and remedies under the loan documents and as permitted by law, unless it agrees otherwise in writing. If your loan is not eligible for a loan assistance program, please note this letter will continue to serve as notice of Flagstar's right to initiate foreclosure.

**Housing Counselors.** For help exploring your options, the Federal government provides contact information for housing counselors, which you can access by contacting:

- ◆ [The Consumer Financial Protection Bureau](http://consumerfinance.gov/find-a-housing-counselor): [consumerfinance.gov/find-a-housing-counselor](http://consumerfinance.gov/find-a-housing-counselor)
- ◆ [The Department of Housing and Urban Development \(HUD\)](http://hud.gov/offices/hsg/sfh/hcc/hcs.cfm): [hud.gov/offices/hsg/sfh/hcc/hcs.cfm](http://hud.gov/offices/hsg/sfh/hcc/hcs.cfm) or by calling (800) 569-4287 or TDD (800) 877-8339

As an additional resource, we have enclosed the Department of Housing and Urban Development's brochure, *Save Your Home: Tips to Avoid Foreclosure*.

If you have any questions, please call Flagstar at (800) 393-4887, Monday-Friday 8:30 a.m.-9 p.m. ET.

Sincerely,

Flagstar Bank

**FAIR DEBT COLLECTION PRACTICES.** THIS LETTER IS AN ATTEMPT TO COLLECT A DEBT. ALL INFORMATION OBTAINED RELATING TO THIS LETTER WILL BE USED FOR THAT PURPOSE. TO THE EXTENT YOUR ORIGINAL OBLIGATION WAS DISCHARGED, OR IS SUBJECT TO AN AUTOMATIC STAY OF BANKRUPTCY UNDER TITLE 11 OF THE UNITED STATES CODE, THIS STATEMENT IS FOR COMPLIANCE AND/OR INFORMATIONAL PURPOSES ONLY AND DOES NOT CONSTITUTE AN ATTEMPT TO COLLECT A DEBT OR IMPOSE PERSONAL LIABILITY FOR SUCH OBLIGATION. HOWEVER, THE CREDITOR RETAINS RIGHTS UNDER ITS SECURITY INSTRUMENT, INCLUDING THE RIGHT TO FORECLOSE ITS LIEN, AS PERMITTED BY GOVERNING LAW.

**Submit a Qualified Written Request, Notice of Error, or Request for Information** to the address listed below. Please include your loan number and sufficient detail to inform Flagstar of the basis of your inquiry, qualified written request, notice of error, or request for information.

Flagstar Bank  
Attn: QWR/NOE/RFI • 2B-116  
5151 Corporate Drive  
Troy, MI 48098-2639

**Attention Military Servicemembers and Dependents:** The Servicemembers Civil Relief Act and certain state laws provide important protections or benefits for eligible Servicemembers and their dependents, including protection from foreclosure during and after active duty, pursuant to governing law. Flagstar Bank will comply with the Servicemembers Civil Relief Act for eligible Servicemembers and dependents, unless it receives a court order or a written waiver from the Servicemember.



**Legal Rights and Protections Under the SCRA**

Servicemembers on "active duty" or "active service," or a spouse or dependent of such a servicemember may be entitled to certain legal protections and debt relief pursuant to the Servicemembers Civil Relief Act (50 USC §§ 3901-4043)(SCRA).

**Who May Be Entitled to Legal Protections Under the SCRA?**

- Regular members of the U.S. Armed Forces (Army, Navy, Air Force Marine Corps and Coast Guard).
- Reserve and National Guard personnel who have been activated and are on Federal active duty
- National Guard personnel under a call or order to active duty for more than 30 consecutive days under section 502(f) of title 32, United States Code, for purposes of responding to a national emergency declared by the President and supported by Federal funds
- Active service members of the commissioned corps of the Public Health Service and the National Oceanic and Atmospheric Administration.
- Certain United States citizens serving with the armed forces of a nation with which the United States is allied in the prosecution of a war or military action.

**What Legal Protections Are Servicemembers Entitled To Under the SCRA?**

- The SCRA states that a debt incurred by a servicemember, or servicemember and spouse jointly, prior to entering military service shall not bear interest at a rate above 6% during the period of military service and one year thereafter, in the case of an obligation or liability consisting of a mortgage, trust deed, or other security in the nature of a mortgage, or during the period of military service in the case of any other obligation or liability.
- The SCRA states that in a legal action to enforce a debt against real estate that is filed during, or within one year after the servicemember's military service, a court may stop the proceedings for a period of time, or adjust the debt. In addition, the sale, foreclosure, or seizure of real estate shall not be valid if it occurs during or within one year after the servicemember's military service unless the creditor has obtained a valid court order approving the sale, foreclosure, or seizure of the real estate.
- The SCRA contains many other protections besides those applicable to home loans.

**How Does A Servicemember or Dependent Request Relief Under the SCRA?**

- In order to request relief under the SCRA from loans with interest rates above 6% a servicemember or spouse must provide a written request to the lender, together with a copy of the servicemember's military orders. Send written request and copy of military orders to: Flagstar Bank, 5151 Corporate Drive, Troy, MI 48098-2639. If there are questions, a Flagstar representative may be reached at 1-800-968-7700, Monday-Friday 7:30 a.m. -8 p.m. and Saturday 7:30 a.m. -4 p.m. ET.
- There is no requirement under the SCRA, however, for a servicemember to provide a written notice or a copy of a servicemember's military orders to the lender in connection with a foreclosure or other debt enforcement action against real estate. Under these circumstances, lenders should inquire about the military status of a person by searching the Department of Defense's Defense Manpower Data Center's website, contacting the servicemember, and examining their files for indicia of military service. Although there is no requirement for servicemembers to alert the lender of their military status in these situations, it still is a good idea for the servicemember to do so.

**How Does a Servicemember or Dependent Obtain Information About the SCRA?**

- Servicemembers and dependents with questions about the SCRA should contact their unit's Judge Advocate, or their installation's Legal Assistance Officer. A military legal assistance office locator for all branches of the Armed Forces is available at <http://legalassistance.law.af.mil/content/locator.php>
- "Military OneSource" is the U. S. Department of Defense's information resource. If you are listed as entitled to legal protections under the SCRA (see above), please go to [www.militaryonesource.mil/legal](http://www.militaryonesource.mil/legal) or call 1-800-342-9647 (toll free from the United States) to find out more information. Dialing instructions for areas outside the United States are provided on the website.

## SHOULD I BE AWARE OF ANYTHING ELSE?

Beware of foreclosure prevention scams! You may be approached by organizations with official sounding names offering a quick fix to your mortgage problems. They often charge hefty fees or require that you "temporarily" sign over your deed to them. Remember — solutions that sound too good to be true usually are. These precautions will help you avoid being taken by a scam artist:

1. Never sign any papers you don't fully understand.
2. Check with a lawyer, your lender or trusted advisor or a HUD-approved housing counselor before entering into any deal involving a loan assumption, contract of sale or a transfer of the deed to your home.
3. If you can't afford your current mortgage, don't be talked into refinancing into a new loan with a higher payment.

To find a HUD counselor in your area call:  
**1-800-569-4287 or TDD 1-800-877-8339.**

Or go to <http://www.hud.gov/offices/hsg/sfh/hico/fel>

## WHAT IS FHA?

The Federal Housing Administration is part of the U.S. Department of Housing and Urban Development (HUD). FHA provides mortgage insurance to approved lenders who in turn offer mortgage loan financing to individuals and families throughout the United States and territories. The FHA mortgage insurance enables approved mortgagees to provide home loans to eligible borrowers who might not otherwise qualify for other mortgage loan financing. FHA borrowers are often first-time homebuyers, moderate income families or folks who can't afford a large downpayment.

To learn more about FHA's programs, please visit:  
[www.hud.gov/fha](http://www.hud.gov/fha) or contact the  
FHA Resource Center:

**1-800-CALL-FHA (1-800-225-5342)**

**Federally Insured, Always There!**

## SAVE YOUR HOME Tips to Avoid Foreclosure



[www.hud.gov/fha](http://www.hud.gov/fha)  
**1-800-CALL-FHA**  
(1-800-225-5342)



  
MAKING HOME AFFORDABLE.GOV  
1-888-995-HOPE

HUD-2008-6-FHA  
April 2012

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
FEDERAL HOUSING ADMINISTRATION  
451 SEVENTH STREET S.W.  
WASHINGTON, D.C. 20410



## HELP! I CAN'T MAKE MY MORTGAGE PAYMENT.

Every day thousands of people like you have trouble making the next mortgage payment. Though things may seem hopeless, help is available. However, you need to take the first step! If you ignore the problem you may lose your home to foreclosure, possibly affecting your ability to qualify for credit or to rent another home.

### WHAT SHOULD I DO?

1. Contact your lender right away. You can find a contact number on your mortgage statement. When you call, be prepared to explain:
  - ✓ Why you are unable to make your payment.
  - ✓ Whether the problem is temporary or permanent.
  - ✓ Details about your income, expenses, and other assets like cash in the bank.

2. If you are uncomfortable talking to your lender, a HUD-approved housing counseling agency can help you understand your options. These services are free of charge.

3. Open all of the mail you receive from your lender. It contains valuable information about repayment options. Later mail may have important legal notices. Failing to read the mail will not prevent a foreclosure action.

4. Look for ways to increase the amount you have available to make your mortgage payments. Can you cancel cable TV, pack lunches, or get a part-time job? While these actions may not replace all of your lost income, they send a strong message to your lender that you are serious about keeping your home.

**NOTHING IS WORSE THAN DOING NOTHING!**

## WHAT OPTIONS WILL HELP ME KEEP MY HOME?

FHA provides, as part of its insurance contract with lenders, loss mitigation actions the lender must evaluate and take, when appropriate, to reduce financial losses on loans in default. Your lender needs information from you to fully evaluate these options. If you want to keep your home, talk to your lender about available workout options for home retention. While the options listed here are for borrowers with FHA-insured loans, most lenders offer similar workout plans designed to help you keep your home.

**Special Forbearance.** Your lender may provide for a temporary reduction or suspension of your payments to allow you time to overcome the problem that reduced your income. Then you may be offered a payment plan so you can pay back the missed payments a little at a time until you are caught up. An extended forbearance period may be provided to unemployed borrowers who are actively seeking employment.

**Mortgage Modification.** A modification is a permanent change to your loan through which the overdue payments may be added to your loan balance, the interest rate may be changed or the number of years you have to pay off the loan may be extended.

**Partial Claim.** In a Partial Claim, a borrower receives a second loan in an amount necessary to bring the delinquent loan current. The loan is interest free and does not need to be repaid until you pay off your first mortgage or sell your house. This option is only available to borrowers with FHA-insured loans. However, if you have a conventional loan, ask your lender if they offer an "advance claim."

### FHA-Home Affordable Modification Program

(FHA-HAMP). This option combines an enhanced partial claim with a loan modification. Under the FHA-HAMP, the partial claim loan will not only include any amounts necessary to bring your mortgage current but

may also include an amount to reduce your existing loan balance by up to 30%. The reduced loan balance will then be modified to lower your monthly mortgage payment to an affordable level. As described above, the partial claim loan is interest free, but must be repaid when you pay off your first mortgage or sell your house.

To qualify for any of these options, you will need to provide your lender with current information about your income and expenses. Also, your lender may require that you agree to a payment plan for three or more months to demonstrate your commitment before you are approved for a modification or partial claim.

## WHAT OPTIONS DO I HAVE IF I CAN'T KEEP MY HOME?

If your income or expenses have changed so much that you are not able to continue paying the mortgage even under a workout plan offered by your lender, you should consider the options below.

**Pre-foreclosure sale.** With your lender's permission you can offer your house for sale and sell it at fair market value even if the amount you receive from the sale is less than the amount you owe. If you meet certain conditions, you may be eligible to receive relocation expenses.

**Deed-in-lieu of foreclosure.** As a last resort, you may be able to voluntarily give your property back to your lender. If you leave the property clean and undamaged you may be eligible to receive relocation expenses.

There could be income tax consequences to any plan that reduces the amount of debt you owe so check with a tax advisor before accepting these workout options.

### Contact FHA

Struggling homeowners with FHA-insured loans can get assistance by contacting HUD's National Servicing Center at (877) 622-8525. Persons with hearing or speech impairments may reach this number via TDD/TTY by calling (800) 877-8339.

Beware of Scams! If It Sounds Too Good To Be True... It Usually Is.

Report mortgage fraud. Call 1-800-347-3735.