

What is a Mortgage Loan Recast?

A mortgage loan recast is when you pay a substantial amount of principal on your loan to reduce the balance and monthly payment.

How does a Mortgage Loan Recast Work?

- If approved, you make a substantial (minimum of \$10,000) lump sum payment to reduce the loan balance
- We then recalculate the monthly payment based on the lower principal balance, using the same interest rate and time remaining under the original mortgage term
- As a result, you receive a lower monthly payment

Is There a Fee?

- *7 Servicing* will assess you a fee of \$250 depending on state and contractual limitations. Fees are only charged for approved Mortgage Loan Recasts. *7 Servicing* will discuss fee payment options with you.

How do I Qualify?

- Your loan must be a conventional mortgage owned by Fannie Mae, Freddie Mac or *7 Servicing*
- Your loan must be current on your monthly payment with no amounts outstanding
- We must have an available copy of the Recorded Deed of Trust (please include a copy with your application to expedite the process)
- Your request must be at least 90 days after the mortgage closing date
- Your request must be at least 90 days prior to any scheduled Adjustable Rate payment changes
- You must have a lump sum principal payment of \$10,000 or more available within 30 days (do not start this process if your payment will not be available within 30 days)

How do I Get Started?

- Complete, sign, and return the Mortgage Loan Recast Application (please note, all original signors of the original Note must sign this application)
- Submit the Application with the following:
 - If available, a copy of the Recorded Mortgage Deed of Trust

What Happens Next?

- We will review your submitted Mortgage Loan Recast Application and determine your eligibility
- If you are denied, you will receive a letter explaining the reason for denial
- If you are approved, you will receive a form Mortgage Loan Recast Agreement within 15 days (The Agreement will include the new monthly mortgage payment amount)
- You will then be required to execute, notarize, and return the Mortgage Loan Recast Agreement
- You will be required to include your lump sum payment with the Mortgage Loan Recast Agreement
- You will be required to pay any applicable processing fee.
- Begin paying your new monthly mortgage payment on the effective date specified in the Mortgage Loan Recast Agreement (no more than 45 days from the date of the agreement)

Principal Curtailment Information

Principal curtailment amount: \$ _____ (Minimum \$10,000)

Principal curtailment date: ____ / ____ / ____ (Must be within 30 days of date of application)

Principal Contact Information

Loan Number

Borrower Name

Co-Borrower Name

Borrower Home Phone

Co-Borrower Home Phone

Borrower Mobile Phone

Co-Borrower Mobile Phone

Borrower Email Address

Co-Borrower Email Address

Mailing Address Street / City / State / zip

Important Message—From time to time it may be important for ORNL Federal Credit Union to contact you regarding your mortgage account via text, email and/or auto-dialer. Do you authorize ORNL Federal Credit Union to contact you regarding your mortgage account via text, email and/or auto-dialer?

Yes, I authorize. No, I do not authorize.

Return Address for Application

Please submit your completed application, along with a copy of the Recorded Mortgage Deed of Trust to the below address:

7 Servicing
Attn: Recast
2077 Town Center Blvd, Suite 304
Knoxville, TN 37922

Customer Attestation

I certify, acknowledge, and agree the following:

1. I have read and understand the contents of the MORTGAGE LOAN RECAST INFORMATION SHEET.
2. I understand that submitting this request does not guarantee an approval for recast.
3. If approved, I understand that I must provide my lump sum payment and the processing fee along with my executed and notarized Mortgage Loan Recast Agreement in order for ORNL Federal Credit Union to process the recast.

Borrower Signature

Date

Co-Borrower Signature

Date