



COMMUNITY
PARTNERS for
**AFFORDABLE
HOUSING**

Main Office
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Highland Park, IL 60035

Preparing a Loan Workout Request

Whether you hope to stay in your home or transition out of it, you will most likely be required to submit a workout request to your lender. Requirements vary by lender, but will likely include the below steps. Tips for submitting your documentation are included below.

STEP 1: Complete the Uniform Borrower Assistance Form (Form 710). Google the form or download at www.cpahousing.org

- Complete the form in its entirety. Check the primary reason for your hardship.
- All borrowers on the mortgage must sign and date the form. It is essential that you carefully craft your hardship letter, concisely stating key events and dates that created your hardship situation. Examples of impactful statements include:
 - I lost my job in May 2013. I was without income for 6 months. When I obtained a new job in November 2013, it was at a 22% pay cut.
 - My ex-husband lost his job and I haven't received child support in 14 months, creating a \$600 monthly deficit.

STEP 2: Gather financial documentation for all borrowers and household members contributing to the finances.

- Most recent 30 days of pay stubs
- Profit & loss statement (if self-employed)
- Public assistance award letters, all sources (unemployment, social security, SNAP, disability, etc.)
- Rental income
- Investment income
- Divorce decree
- Child support & alimony
- Tax returns & W2s (last year)
- 2 most recent bank statements, all pages
- Homeowners insurance (declaration page)

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STEP 3: Prepare an accurate statement of monthly income & expenses for all borrowers. Be prepared to explain to your lender how you are covering a deficit or utilizing a surplus.

Income: Use items collected in Step 2. Note difference between gross & net income. Net income is what you have available to spend (i.e., your paycheck after taxes & deductions). Consider:

- Employment
- Alimony & child support
- Public assistance
- Retirement & pensions
- Other (odd jobs, help from family)

Expenses: Be as honest & accurate as possible. If time allows, track your spending (every penny!) for 30 days—a truly enlightening exercise about where your money goes.

- Housing payment (PITIA)
- Utilities
- Food & household supplies
- Childcare & tuition
- Medical
- Insurance
- Transportation
- Debt (loan payments, credit cards)

STEP 4: Complete CPAH's Counseling Enrollment Packet

Only complete IF entering counseling or mediation with the Community Partners for Affordable Housing and Lake County Courts. Download form at www.cpahousing.org Complete form in its entirety and provide all required financial documentation.

TIPS FOR SUBMITTING YOUR WORKOUT REQUEST

These guidelines are especially important if you are handling your situation on your own, without the free counseling and/or mediation assistance provided by the Lake County Courts and Community Partners for Affordable Housing.

- 1) Request a single point of contact to handle your file. Ask to submit one complete workout package (versus sending items piecemeal). Ask when a response is expected and then follow up on that date.
- 2) Provide all items requested, in the order requested and in one complete package. Do not provide items not requested. Be accurate, thorough & attentive to detail in your submission. Errors & omissions will create delays.
- 3) Keep a detailed log of all phone conversations and documentation submissions. Be on the lookout for phone & mail communications from your lender; answer and respond promptly.
- 4) Be relentless and meticulous in your follow through.