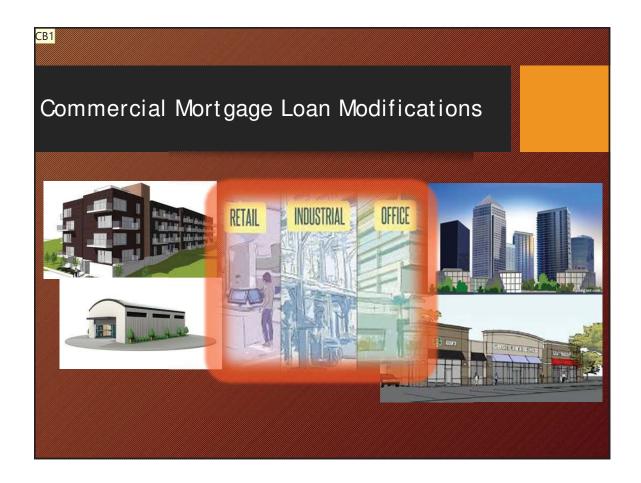
# 51<sup>st</sup> Annual Mortgage Lending Institute

Loan Modification Agreements
J. Cary Barton
Barton East & Caldwell, P.L.L.C.



## **Events leading to loan modification**

- Loan maturity without ability to payoff or refinance
- Event of default remaining uncured



## Remedies

Foreclose



# Pemedies • Deed in Lieu (hand in keys)



## Loan Modification Agreement

- Memorializes agreement to amend a loan to:
  - · Extend maturity date
  - · Change interest rate
  - Pay expenses
  - Pay forbearance fee or modification fee
  - Pay down principal
  - · Provide additional collateral
- Enables the loan to stay in place

# Other agreements on the modification map

- Pre-negotiation letter
  - Ensure borrower performs timely and in good faith
- Forbearance agreement (standstill agreement)
  - Ensure lender does not exercise remedy of foreclosure
  - Allow sufficient time to complete
    - due diligence
    - · modification negotiations
    - · execution of documents





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### Title search: Mortgage Loan Modifications

Also available as part of the eCourse 2017 William W. Gibson, Jr. Mortgage Lending eConference

First appeared as part of the conference materials for the  $51^{\rm st}$  Annual William W. Gibson, Jr. Mortgage Lending Institute session "Mortgage Loan Modifications"