



May 11, 2020

Dr. Mark Calabria  
Director  
Federal Housing Finance Agency  
Constitution Center  
400 7<sup>th</sup> Street, S.W.  
Washington, D.C. 20219

Dr. Ben Carson  
HUD Secretary  
U.S. Department of Housing &  
Urban Development  
451 7<sup>th</sup> Street S.W.  
Washington, D.C. 20410

Marco Rubio  
U.S. Senator of Florida  
United States Senate  
7400 SW 87<sup>th</sup> Avenue  
Suite 270  
Miami, Florida 33173

Debbie Wasserman Schultz  
U.S. Representative of Florida  
United States House of Representatives  
1114 Longworth H.O.B.  
Washington, D.C. 20515

Dear Dr. Calabria, Dr. Carson, Mr. Rubio and Mrs. Wasserman Schultz,

My name is Melinda Payan. I am the President of a mortgage company called The Truth About Lending. My company has always strived to be one of the biggest proponents for consumer advocacy and education in the mortgage industry. I am writing you today to ask you to pass legislation to require lenders to educate consumers about the options that they have pertaining to loan modifications. This is a very urgent matter.

As a result of the CARES ACT many homeowners are currently in a forbearance agreement. These homeowners do not know what to expect when their forbearance agreement is finished. Many of these consumers will receive a notice from their mortgage company asking them to pay 6 months of mortgage payments or whatever number of months they did not pay during the forbearance agreement.

Currently there is no direct language within the bill that addresses how lenders are to handle the exit strategy of the forbearance agreement. The bottom line is the mortgage process itself tends to be a complicated procedure for the average consumer. We expect an onslaught of homeowners that will need guidance to complete loan modification paperwork. The homeowners in the forbearance program need to understand their rights that they have as a borrower and what parameters the banks will work within. It seems that homeowners are left guessing if they will qualify or not.

We are asking that the FHFA and HUD publish clear rules that pertain to what a homeowner should expect during the loan modification request. These guidelines should specify the following:

1. The time frame that homeowner must apply for the loan modification.
2. The time frame that the lender must respond by
3. The terms that should be offered from the lender on the loan modification.
4. The guidelines on which the ability to repay is calculated to determine the eligibility.

Many homeowners lost their homes during the crash of 2008-2011 because these guidelines were not clearly communicated to consumers. I implore you to prevent another disastrous crash like 2008. To do that, we must prepare the homeowners now rather than when its already too late.

Sincerely,

Melinda Payan  
President