

July 2021

Mortgage Servicing: Early Intervention Written Notice Model Clauses and Translations

Model clauses for the early intervention written notice and Spanish translations

Introduction

The following provides model clause language from the Mortgage Servicing Rules in Regulation X. Separately, it also provides Spanish translations of that text.

The model clauses illustrate how a servicer can comply with the early intervention written notice content requirements in 12 CFR 1024.39(b)(2), as provided in Appendix MS-4 of Regulation X. 12 CFR 1024.39(b)(3). This document reprints that model clause language for ease of reference. The model clauses are just one way to comply with the requirements in the Mortgage Servicing Rules, and do not include all possible ways to satisfy the requirements in 12 CFR 1024.39(b)(2).

The model clauses include optionality and items for insertion by the servicer, based on the requirements of the regulation. Highlighted text indicates areas where information will need to be inserted. Bracketed text indicates variability. If the bracketed text is designated with “OPTIONAL,” the text is not required by the regulation. If designated with “ALTERNATIVE”, the clause is required by the regulation, but the regulation provides for options. If no designation, the clause is only required if applicable.

Separately, this document also provides a translation of the model clause language into Spanish. The translations provided are not a part of Appendix MS-4, and therefore do not qualify for safe harbor protection under section 19(b) of RESPA. See 12 CFR 1024.4(a)(2). The Mortgage Servicing Rules permit servicers to make required disclosures in languages other than English, so long as an English version is available for the borrower upon request. 12 CFR 1024.32(a)(2). The Bureau encourages servicers to ascertain the language preference of their borrowers and where appropriate provide translated materials, when done in a legal manner and without violating the Equal Credit Opportunity Act or Regulation B, to be responsive to borrower needs. See the Bureau’s [Statement Regarding the Provision of Financial Products and Services to Consumers with Limited English Proficiency](#) issued on January 13, 2021.

This is a Compliance Aid issued by the Bureau. The Bureau published a Policy Statement on Compliance Aids, available at <https://www.consumerfinance.gov/policy-compliance/rulemaking/final-rules/policy-statement-compliance-aids/>, that explains the Bureau’s approach to Compliance Aids.

MS-4(A): Statement Encouraging the Borrower To Contact the Servicer and Additional Information About Loss Mitigation Options

Below is a model clause encouraging the borrower to contact the servicer, a telephone number to contact the assigned servicer continuity of contact personnel, the servicer mailing address, and a statement on how to obtain more information about loss mitigation options from the servicer.

12 CFR [1024.39\(b\)\(2\)\(i\), \(ii\) and \(iv\)](#).

Call us today to learn more about your options and instructions for how to apply.

[OPTIONAL: The longer you wait, or the further you fall behind on your payments, the harder it will be to find a solution.]

- *SERVICER NAME*
- *SERVICER ADDRESS*
- *SERVICER TELEPHONE NUMBER*

[For more information, visit *SERVICER WEB SITE* [and][or] *EMAIL ADDRESS*].

Below is a Spanish translation of this model clause.

Llámenos hoy para obtener más información sobre sus opciones e instrucciones sobre cómo presentar una solicitud. **[OPTIONAL:** Cuanto más espere o más se atrase en sus pagos, más difícil será encontrar una solución.]

- *SERVICER NAME*
- *SERVICER ADDRESS*
- *SERVICER TELEPHONE NUMBER*

[Para más información, visite *SERVICER WEB SITE* [y][o] *EMAIL ADDRESS*].

MS-4(B): Available Loss Mitigation Options

Below is a model clause providing a brief description of examples of loss mitigation options that may be available from the servicer. 12 CFR [1024.39\(b\)\(2\)\(iii\)](#).

[If you need help, the following options may be possible (most are subject to lender approval):]

- [Refinance your loan with us or another lender;]
- [Modify your loan terms with us;]
- [Payment forbearance temporarily gives you more time to pay your monthly payment;] [or]
- [If you are not able to continue paying your mortgage, your best option may be to find more affordable housing. As an alternative to foreclosure, you may be able to sell your home and use the proceeds to pay off your current loan.]

Below is a Spanish translation of this model clause.

[Si necesita ayuda, las siguientes opciones pueden ser posibles (la mayoría están sujetas a la aprobación del prestamista):]

- [Refinanciar su préstamo con nosotros u otro prestamista;]
- [Modificar los términos de su préstamo con nosotros;]
- [El aplazamiento de pagos le da más tiempo para pagar su pago mensual;] [o]
- [Si no puede seguir pagando su hipoteca, es posible que su mejor opción sea buscar una vivienda más asequible. Como alternativa a la ejecución hipotecaria, es posible que pueda vender su casa y utilizar las ganancias para pagar su préstamo actual.]

MS-4(C): Housing Counselors

Below is a model clause providing access to the Bureau's website, the HUD website, and the HUD toll-free telephone number to access homeownership counselors or counseling organizations. 12 CFR [1024.39\(b\)\(2\)\(v\)](#). The telephone number and URLs are active as of July 2021.

For help exploring your options, the Federal government provides contact information for housing counselors, which you can access by contacting **[ALTERNATIVE 1]**: the Consumer Financial Protection Bureau at www.consumerfinance.gov/find-a-housing-counselor/ **[ALTERNATIVE 2]**: the Department of Housing and Urban Development at www.hud.gov/findacounselor or by calling 1-(800)-569-4287.

Below is a Spanish translation of this model clause.

Para ayudarle a explorar sus opciones, el gobierno federal proporciona la información de contacto de asesores de vivienda. Puede acceder a esta información comunicándose con **[ALTERNATIVE 1]**: la Oficina para la Protección Financiera del Consumidor al www.consumerfinance.gov/find-a-housing-counselor/ **[ALTERNATIVE 2]**: El Departamento de Vivienda y Desarrollo Urbano en www.hud.gov/findacounselor o llamando al 1-(800)-569-4287.

MS-4(D): Written Early Intervention Notice for Servicers Subject to FDCPA

Below is a model clause statement that the servicer may or intends to invoke its specified remedy of foreclosure. 12 CFR [1024.39\(d\)\(3\)\(i\)](#).

This is a legally required notice. We are sending this notice to you because you are behind on your mortgage payment. We want to notify you of possible ways to avoid losing your home. We have a right to invoke foreclosure based on the terms of your mortgage contract. Please read this letter carefully.

Below is a Spanish translation of this model clause.

Este es un aviso legalmente requerido. Le enviamos este aviso porque usted está atrasado en el pago de su hipoteca. Queremos informarle sobre las posibles maneras de evitar perder su vivienda. Tenemos el derecho a invocar una ejecución hipotecaria según los términos de su contrato hipotecario. Lea esta carta con atención.