



Disaster Assistance Loan Guarantee Program Forbearance Agreement

LENDER NAME _____ WHEDA LENDER # _____

CONTACT PERSON _____ PHONE _____

MAILING ADDRESS _____ FAX _____

CITY _____ STATE _____ ZIP CODE _____

EMAIL ADDRESS _____

WHEDA LOAN # _____ BORROWER _____

OUTSTANDING PRINCIPAL BALANCE _____ AGREEMENT DATE _____

This Forbearance Agreement is made and entered into as of the above date by and between the above-referenced Lender, Borrower, and the Wisconsin Housing and Economic Development Authority.

WITNESSETH:

WHEREAS, the Borrower has been unable to pay the Disaster Assistance loan originated by the Lender by its original maturity date, and the outstanding principal balance referenced above is now due and payable, and the Borrower has requested relief from the prospect of immediate collection of the Disaster Assistance loan.

THEREFORE, the Lender, the Borrower, and WHEDA agree to enter into this Agreement, subject to the following conditions:

BORROWER AND LENDER INITIAL TO THE LEFT OF EACH STATEMENT BELOW:

- 1) Any breach of this Agreement may result in its immediate termination and the Lender, at its option, may commence immediate proceedings without further notice to the Borrower and demand the full amount due and outstanding.

- 2) The Borrower promises and agrees to notify the Lender of any changes in employment, income and debt service during the term of this Agreement.

- 3) This Note amount is limited to the outstanding principal balance of the Disaster Assistance loan only; unpaid interest cannot be included in this Agreement. Any interest accrued by the Borrower from the original Note is the sole responsibility of the Borrower. WHEDA is not responsible for subsidizing any portion of the interest on the outstanding principal balance of this Agreement.

4) Payments due and owed will be paid by the Borrower according to the following schedule and must adhere to Disaster Assistance Loan Guarantee Program guidelines for Forbearance Agreements (see manual for guidelines):

5) This Agreement will remain in full force and effect until all payments are received by the Lender or the Agreement is terminated due to a breach by the Lender or Borrower in the terms of this Agreement.

This Agreement and corresponding Note will expire on _____

6) This Agreement will not be accepted unless all parties to the Disaster Assistance loan have executed this document.

7) Lender agrees that no collection or attorney fees will be assessed as long as the Borrower adheres to the terms of this Agreement.

8) All provisions of the Security Agreement and Note will remain in full force. This Agreement should not be construed as a waiver of the rights of the Lender to exercise its rights to seek any and all remedies of default in accordance with the terms of the Note and Security Agreement.

All parties acknowledge that they have read this Agreement, understand it, and agree to be bound by its terms:

Primary Borrower Signature

Lender Signature

Disaster Administrator
Signature

Co-Borrower Signature

Print Lender Name

Print Disaster Administrator
Name

Date

Date

Date

COMPLETE FORBEARANCE PACKAGE

Submit copies of the following documents along with this Forbearance Agreement. All materials must be received before the Agreement will be reviewed for approval. If any documents cannot be obtained, include an explanation for the omission. WHEDA must receive forbearance requests before the third anniversary of the original Note date. Renewal Agreements must be submitted within 30 days of the previous Agreement's expiration date.

REQUIRED:

EXECUTION FEE (\$300 for each executed Agreement)

COMPLETED FORBEARANCE AGREEMENT (DISASTER Form 5)

SIGNED COPY OF NEW NOTE adhering to Disaster Assistance Guarantee Program

INCOME AND EXPENSE STATEMENT (Current within last 90 days)

BALANCE SHEET (Current within last 90 days)

PROJECTED INCOME STATEMENT for the term of the Forbearance Agreement

LOAN DISBURSEMENT RECORD (DIASTER Form 3)

COMPLETE LOAN HISTORY PRINTOUT (include payments, disbursements, breakdown of principal and interest over full loan history)

IN ADDITION, A WRITTEN SUMMARY MUST BE INCLUDED WHICH DETAILS:

- *Explanation of the need for the Forbearance*
- *Explanation /summary of collateral securing the new Note if different than original collateral*

IF APPLICABLE:

UCC FINANCING STATEMENT (if original UCC has expired or been updated)

OTHER SECURITY INSTRUMENTS (relating to this Disaster Assistance loan)

**Mail to:
WHEDA - DISASTER
PO Box 1728
Madison WI 53701-1728**