

FREQUENTLY ASKED QUESTIONS – MORTGAGE ASSISTANCE

If you are facing financial hardship as a result of COVID-19 that will prevent you from making your mortgage payment, Highpoint Community Bank is here for you and we want you to know that short-term relief is available. As a result of the current situation, you have the option to temporarily stop your regular scheduled mortgage payments. This is called a forbearance and will have no impact on your credit. Highpoint Community Bank is committed to our customers and look forward to helping you through this time.

These frequently asked questions may be of help to you.

What is a forbearance agreement?

For qualified homeowners, a forbearance plan temporarily stops your regular scheduled payments due for an initial term. However, since all payments will need to be repaid we would encourage you to make any payments you can manage to offset the amount to be repaid (*i.e. interest only payments, interest and escrow, partial principal payments, etc.*).

Is forbearance the right option for you?

Before entering a forbearance agreement, it is important to know that any paused payments will need to be repaid. Highpoint Community Bank will work with you to arrange the best repayment solution. You have this option available to you if:

You have lost work due to COVID-19

You are sick with a COVID-19 related illness and cannot work

You are caring for a sick family member with a COVID-19 related illness and therefore, cannot work

You have experienced a significant decline in income due to COVID-19

A forbearance agreement would allow you the opportunity to pause your mortgage payments for an initial period. If at the end of the initial term you are unable to resume making payments, you have the option to extend to, but not exceed, a total of twelve months.

Please don't stop making your mortgage payments until you've been approved for a forbearance plan.

Will I be charged late fees or interest for entering into a forbearance agreement?

No. Highpoint Community Bank will not charge any late fees during your forbearance term, and no additional interest will be charged to your loan. Only your regular principal and interest payments will be due at the end of the agreement, as well as any escrow payments due.

What happens after a forbearance agreement?

Once your forbearance term is up, any payments not made during that time will have to be repaid. These programs are not payment forgiveness programs. We realize this will likely raise financial concern for you, which is why we are prepared to look at a few solutions. Your current loan program will determine the options that we have available whether it is to pay a lump sum, start a repayment plan, or enter a loan modification.

Pay a lump sum – The best option after your forbearance agreement is up, would be to pay back the amount owed in full at one time.

Start a repayment plan – If you cannot pay in full at the end of the forbearance term, you can pay back the amount owed over a set number of months by adding to your regular payment.

Modify your loan – After your forbearance term ends, we can work with you on a modification to your loan. Based on your current loan program, this option may include an extension at the end of your loan giving you more time to pay the amount owed.

Will my credit be impacted during a forbearance agreement?

No. During your forbearance term, any payments not made will not be reported as late to the credit bureaus.

Can my house be foreclosed on or can I be evicted?

No. Since March 18, 2020, a restriction has been put in place on all foreclosure and eviction proceedings for 60 calendar days, regardless of your decision to enter into a forbearance agreement. Upon entering into a forbearance agreement, Highpoint Community Bank will not pursue foreclosure proceedings during your forbearance term.

Will I receive past due notices and/or letters while in a forbearance agreement period?

Yes. You will receive past due notices and/or letters while in your forbearance agreement term as we are required to send you certain delinquency notices, and while you are not making payments your loan is technically considered delinquent. However, Highpoint Community Bank will not be charging late fees, reporting any delinquencies to the credit bureaus or engaging in foreclosure proceedings during this time.

Can I cancel the forbearance agreement later if I change my mind?

Yes. You are free to cancel your forbearance agreement at any time. However, it is important to know that when your agreement ends or is cancelled, all payments unpaid during that time will be due. If your financial situation changes during your forbearance agreement, notify us immediately so that we can discuss the best options for you.

Highpoint Community Bank is here to help our customers in times of need. While a forbearance agreement might be a great option for temporary payment relief during this time, we strongly encourage you to speak with your financial advisor and/or attorney before reaching a firm decision.

As always, we are here to serve you, so please do not hesitate to contact us by phone at 1-888-422-2280 or by email at collections@hcb.us.

