

JUN 14 2019

Steven T. Salata, Clerk
Charlotte Division
KRT

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA

In re:)
)
MATTERS OF PRACTICE)
AND PROCEDURE BEFORE)
THE COURT)
)
_____)

**ADMINISTRATIVE ORDER ADOPTING
LOAN MODIFICATION MANAGEMENT
PROGRAM PROCEDURES AND FORMS**

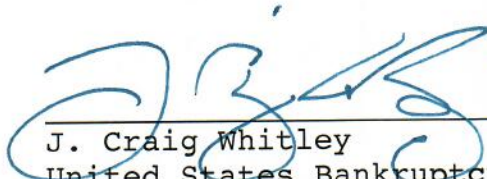
JUDGEMENT ENTERED ON JUN 14 2019

The court, having considered this matter and in consultation with a representative group of the attorneys and administrators that appear before it, has decided to adopt a Loan Modification Management Program in order to assist debtors and mortgage creditors with the process of consensual residential mortgage modifications.

Accordingly, effective July 1, 2019, it is hereby **ORDERED** that the attached Loan Modification Management Program Procedures are adopted to govern the Loan Modification Management Program, and the attached LMM Forms numbered 1 through 16 are adopted as local forms to assist parties in completing the Loan Modification Management Program.



Laura Turner Beyer
Chief United States Bankruptcy Judge



J. Craig Whitley
United States Bankruptcy Judge

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Loan Modification Management Program Procedures
United States Bankruptcy Court for the Western District of North Carolina

1. **Purpose.** These procedures and forms implement the Loan Modification Management Program (“LMM” or “LMM Program”). The Loan Modification Management Program is designed to function as a forum for debtors and creditors to reach a consensual resolution when a debtor’s property is at risk of foreclosure. The goal of the Loan Modification Management Program is to facilitate communication and the exchange of information in a confidential setting under the supervision of the United States Bankruptcy Court for the Western District of North Carolina (the “Bankruptcy Court”).
2. **Definitions.** The following definitions shall be applicable to the LMM and the procedures described herein:
 - a. **Adequate Protection Payments:** An amount equal to 80% of the contractual principal and interest payment plus one-twelfth of the annual escrow amounts for property taxes and insurance (including mortgage insurance, if applicable) due on account of a claim of a Creditor for an Eligible Loan.
 - b. **Creditor:** Any holder, servicer, or trustee of an Eligible Loan.
 - c. **Debtor:** Any individual debtor in a case filed under Chapter 13 of the Bankruptcy Code, including joint debtors. Where a Debtor is represented by an attorney, the term “Debtor” may mean the Debtor’s attorney on behalf of the Debtor unless the context requires otherwise.
 - d. **Document Preparation Software:** A secure online program maintained and operated by the Portal Manager that facilitates the preparation of the Initial LMM Package by populating the Standard LMM Documents and generating a customized checklist of required additional forms and supporting documents that a Debtor needs to initiate a loss mitigation review with a Creditor. The use of the Document Preparation Software ensures that the initial submission to the Creditor is complete and accurate and should expedite the Creditor’s review. By requiring its use by the Debtor prior to the filing of the Motion for Loan Modification Management (LMM Form 1) (“Motion for LMM”), the Debtor will signify to the Bankruptcy Court and the Creditor that the Debtor is prepared to engage in the LMM in good faith and provide the necessary information to the Creditor.
 - e. **Document Preparation Software Fee:** The non-refundable fee required by the Portal Manager for providing access to documents managed by the Portal Manager. The Document Preparation Software Fee shall be set by the Portal Manager and, as of April 1, 2019, is the amount of \$50.

- f. Eligible Loan: Any loan, lien, or extension of money or credit secured by an Eligible Property, regardless of whether the loan is considered to be subprime or non-traditional, was in foreclosure prior to the bankruptcy filing, is the first or junior deed of trust or lien on the Eligible Property, and/or has been pooled, securitized, or assigned to a creditor or trustee.
- g. Eligible Property: The Debtor's principal residence as defined by 11 U.S.C. § 101(13A).
- h. Facilitator: An independent, nonpartisan attorney, licensed to practice law in North Carolina and admitted to the Western District of North Carolina, who has demonstrable skill and experience in consumer bankruptcy loss mitigation to assist the Bankruptcy Court with facilitating compliance by the parties with the LMM.
 - i. Without limiting the generality of the foregoing, a Facilitator should:
 - 1. Have experience in the practice of consumer bankruptcy in the Western District of North Carolina, as an attorney representing consumer debtors or mortgage servicers or as a trustee;
 - 2. Have knowledge of the forms and supporting documents required by Creditors to complete a loss mitigation analysis;
 - 3. Have understanding of the various loss mitigation programs offered by Creditors and the terms of their availability to Debtors;
 - 4. Have the ability to accept electronic payment for the Facilitator Fee;
 - 5. Have competence in computer technology and use of the Portal; and
 - 6. Have sufficient staff dedicated to the LMM to ensure oversight of submission of documents to the Portal by the Required Parties and compliances with these procedures.
 - ii. The Office of the United States Bankruptcy Administrator for the Western District of North Carolina (the "BA") shall maintain and publish a list of approved Facilitators, as well as an application to be approved to serve as a Facilitator. In conjunction with the Clerk of Court for the United States Bankruptcy Court for the Western District of North Carolina, the BA will supervise the assignment of an approved Facilitator to a Debtor who initiates the LMM.
- i. Facilitator Fee: The non-refundable fee payable to the Facilitator for the fulfillment of the services provided herein, which shall be payable upon the terms set forth herein. The Facilitator Fee as of April 1, 2019 is set at the amount of \$500.

- j. Final Report: The report to be filed at the conclusion of the LMM per section 9(c)(ii).
- k. Initial LMM Package: The Standard LMM Documents and all of the forms and supporting documentation that the Creditor requires to initiate the assessment of a Debtor's loss mitigation options. The Creditor shall be responsible for providing the Creditor's Initial LMM Package to the Facilitator, as more particularly provided in section 8(b).
- l. LMM Period: The time during which the LMM is in effect prior to its expiration or termination by order of the Bankruptcy Court.
- m. Loss mitigation: The full range of solutions that may prevent either the loss of a Debtor's Eligible Property to foreclosure, increased costs to the Creditor, or both, including but not limited to, loan modification, loan refinance, forbearance, short sale, or surrender of the Eligible Property in full satisfaction of obligations arising under an Eligible Loan.
- n. Portal: A secure online service maintained and operated by the Portal Manager that allows LMM documents and communications between the Required Parties to be submitted, retrieved, and tracked. The Portal must be accessible to the Bankruptcy Court, the Bankruptcy Administrator, the Chapter 13 Trustee, and the Facilitator. Submitting documents to the Portal provides transparency in the loan modification process by making information immediately available to all parties through a secure website. To ensure that all Required Parties may obtain access to the Portal in a timely manner, registration on the Portal by any Required Party (including, without limitation, registration by the Creditor as provided in section 8(b)(i)) must be capable of being completed in three business days.
- o. Portal Manager: An independent, nonpartisan organization that has demonstrable skill and experience in consumer bankruptcy loss mitigation to assist the Bankruptcy Court with managing the LMM. Without limiting the generality of the foregoing, the Portal Manager should:
 - i. Have extensive knowledge of the forms and supporting documents required by Creditors to complete a loss mitigation analysis;
 - ii. Have extensive understanding of the various loss mitigation programs offered by Creditors and the terms of their availability to Debtors;
 - iii. Own or be able to provide access to the Document Preparation Software;
and
 - iv. Own or be able to provide access to the Portal.

- p. **Portal Submission Fee:** The non-refundable fee charged by the Portal Manager for the submission of an Initial LMM Package. The Portal Submission Fee shall be set by the Portal Manager and, as of April 1, 2019, is the amount of \$50.
 - q. **Required Parties:** The Debtor, the Debtor's attorney (if any), the Creditor, the Creditor's North Carolina legal counsel (if any), the Chapter 13 Trustee, the Facilitator, and any co-obligor, co-borrower, or third-party obligor.
 - r. **Standard LMM Documents:** The industry standard forms that are generally required by Creditors to initiate a review of a Debtor's loss mitigation options, which include, but are not limited to, the following:
 - i. HAMP Request for Mortgage Assistance;
 - ii. Uniform Borrower Assistance Form (Form 710);
 - iii. IRS Form 4506-T;
 - iv. Hardship Letter; and
 - v. Dodd-Frank Certification.
3. **Eligibility.** Any debtor who currently has a case pending under Chapter 13 and proposes to pay the on-going contractual mortgage payment through disbursements by the Chapter 13 Trustee is eligible to participate in the LMM Program with respect to any Eligible Property. Individuals who seek to modify a loan under the LMM must have paid their bankruptcy filing fee in full prior to filing a Motion for LMM. In addition, the Debtor must have funds available to pay the costs for the Document Preparation Software Fee, Portal Submission Fee, and one-half of the Facilitator Fee.
4. **Ineligibility.** The Bankruptcy Court may, after notice and a hearing, resolve any disputes regarding eligibility of the Debtor to apply for loss mitigation, the application process, or any other matters related to the LMM Program.
5. **Additional Parties.**
- a. **Co-debtors, Creditors, and Third Parties.** Where the participation of a co-debtor, additional creditors, or another third party may be necessary or desirable, any party may request, or the Bankruptcy Court may direct, that such party participate in loss mitigation to the extent that the Bankruptcy Court has jurisdiction over the party.
 - b. **Bankruptcy Administrator.** The Bankruptcy Administrator may participate in the LMM to the extent such participation would be consistent with the Bankruptcy Administrator's duties under the Bankruptcy Code.
6. **Commencement of LMM.** The Debtor, the Creditor, or the Bankruptcy Court may seek referral to the LMM Program beginning as of the filing date of the Chapter 13 case and continuing for a period of up to twelve months thereafter unless the Bankruptcy Court orders otherwise. Cases that are pending at the time of the implementation of the LMM

program in this district may seek referral to the Program for a period of up to twelve months following the Program implementation date.

a. By Debtor.

- i. Confirm Eligibility. Prior to filing a Motion for LMM (LMM Form 1), the Debtor shall perform reasonable due diligence to confirm that the Debtor may be eligible for loss mitigation and confirm all information necessary to make the certifications required on the Certification of LMM Eligibility and Readiness (LMM Form 2).
- ii. Complete Document Preparation Software. Prior to filing a Motion for LMM, the Debtor shall complete the tasks required by the Document Preparation Software and pay the Document Preparation Software Fee to the Portal Manager. The Debtor's Initial LMM Package shall be completed and ready for signature and submission before filing a Motion for LMM unless the Creditor is not registered in the Portal or is newly registered.
- iii. Contract for Representation in LMM. Prior to filing a Motion for LMM, if represented by an attorney, the Debtor shall execute a Supplemental Agreement to Attorney-Client Agreement for Chapter 13 Bankruptcy Services and Limited Power of Attorney for Participation in Bankruptcy Court Loan Modification Management Program (LMM Form 3) ("Contract for Representation in LMM") with such attorney detailing the costs, fees, duties, and limitations on representation.
- iv. Proposed Chapter 13 Plan. If the debtor elects to seek referral to the LMM Program prior to confirmation of a Chapter 13 plan, the Debtor shall include the following nonstandard provision in the proposed Chapter 13 plan:

"The Debtor has or will, within the first twelve months following the filing of this case, file a Motion for Loan Modification Management (LMM Form 1). Pursuant to the Loan Modification Management Program, mortgage creditors have twenty-one days from service of such motion to object to participation. During the pendency of the Loan Modification Management Program, the mortgage creditor shall be entitled to adequate protection payments paid or held in reserve on account of its claim in the amount equal to 80% of the contractual principal and interest payment plus one-twelfth of the annual escrow amounts for property taxes and insurance (including mortgage insurance, if applicable)."
- v. Modification of Chapter 13 Plan. If the Debtor's Chapter 13 plan has already been confirmed, the Debtor shall additionally plead sufficient details in the Motion for LMM (LMM Form 1) to satisfy the requirements for modification of such plan pursuant to 11 U.S.C. § 1329.

- vi. Pro Se Debtor Obligations. All pro se debtors shall have the same duties under the LMM Program as debtors who are represented by counsel. Nothing in these rules shall be construed to require the Portal Manager, Facilitator, or any other party to provide advice or assistance to a debtor who participates in the LMM Program pro se.
 - vii. Motion for LMM. Upon completion of the Debtor's Initial LMM Package, the Debtor may request the commencement of the LMM by filing a Motion for LMM (LMM Form 1). The Motion for LMM shall be served pursuant to Federal Bankruptcy Rules 7004 and 9014 on the Chapter 13 Trustee, the Bankruptcy Administrator, the Facilitator, the Creditor and all other creditors whose claims are secured by liens against the Eligible Property. A Certification of LMM Eligibility and Readiness (LMM Form 2), a fully executed Contract for Representation in LMM (LMM Form 3), and a proposed Order for Loan Modification Management (LMM Form 4) (the "LMM Order") shall be attached to any Motion for LMM.
- b. By Creditor. Any creditor seeking to commence the LMM must file a Motion for LMM (LMM Form 1) including a proposed Order for Loan Modification Management (LMM Form 4) with the Bankruptcy Court and serve the motion and proposed order pursuant to Federal Bankruptcy Rules 7004 and 9014 on the Debtor, the Debtor's counsel (if any), the Chapter 13 Trustee, and the Bankruptcy Administrator.
 - c. By the Bankruptcy Court. The Bankruptcy Court may order the assignment of a loss mitigation matter to the LMM on its own motion.
7. **Opportunity to Object.** The deadline for filing an objection to a Motion for LMM is twenty-one days from the service of the Motion for LMM. Objections shall identify the grounds for the objection, which may include unavailability of loss mitigation options, ineligibility of the Debtor, or the Creditor declining to participate in the LMM Program, with specificity. If no objection is filed, the Bankruptcy Court may enter an LMM Order without further notice or hearing.
8. **LMM Participation and Duties.**
- a. General. Upon entry of the LMM Order, the moving party shall serve a copy of the LMM Order on the Required Parties and file a certificate of service indicating the parties (including any parties in addition to the Required Parties) that were served with the LMM Order. Upon the entry of the LMM Order, the following shall apply:
 - i. Good Faith Requirement. The Required Parties shall act in good faith throughout the entirety of the LMM Period, including, but not limited to, promptly responding to all inquiries through the Portal and providing all requested documentation and information. A party failing to participate in

good faith may be subject to sanctions and/or termination of the LMM after notice and a hearing.

- ii. Deadlines. The Required Parties shall comply with all deadlines set forth in the LMM Order. Any deadlines may be extended by order of the Bankruptcy Court or by stipulation of the parties.
- iii. Communication through Portal. During the LMM Period, unless otherwise permitted by the Bankruptcy Court, all material communications between the Required Parties shall be conducted exclusively through the Portal. Any litigated matters required by or incidental to the LMM process, however, shall be considered as separate matters not subject to the Portal requirement. For example, all motions, including motions to compel mediation or motions related to discovery, and notices must be filed with the Bankruptcy Court and not through the Portal.
- iv. Authorized Parties. A person with complete knowledge of the file so as to be reasonably capable of answering questions related to the LMM shall attend all LMM-related hearings and conferences before the Bankruptcy Court on behalf of each participating party.
- v. Automatic Stay. Any Creditor seeking relief from the automatic stay with respect to real property subject to the LMM Program prior to the conclusion of the LMM Period shall, in its motion, set forth the reasons why relief is appropriate prior to the conclusion of the LMM Period. If a relief from stay motion pursuant to 11 U.S.C. § 362(d) is pending when an LMM Order is entered, or if such a motion is filed during the LMM Period, the Bankruptcy Court may condition the stay upon fulfillment of the Debtor's obligations under the LMM Order. If the Debtor fails to comply with the Debtor's LMM duties or the LMM Order, the Creditor may file a Motion to Terminate the LMM Program (LMM Form 10).
- vi. No Delay. The referral of a case to the LMM Program does not relieve the parties from complying with any other court orders or applicable provisions of the United States Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, or the Rules of Practice and Procedure of the United States Bankruptcy Court for the Western District of North Carolina (the "Local Rules"). Notwithstanding a matter being referred to the LMM Program, the bankruptcy case shall not be stayed or delayed without further order of the Bankruptcy Court.
- vii. Confidential Communications. All communications and information exchanged during the LMM Program shall be privileged and confidential and shall be inadmissible in any subsequent proceeding as provided by Federal Rule of Evidence 408.

b. Creditor's Duties upon Commencement of LMM.

- i. Registration on Portal. If a Creditor has not already registered, the Creditor and the Creditor's North Carolina counsel (if any) shall register on the Portal and provide the Creditor's most current Initial LMM Package to the Portal Manager within ten days after entry of the LMM Order. The Portal Manager will promptly upload and post the Creditor's Initial LMM Package on the Portal. A newly-registered Creditor shall also provide any Initial LMM Package or its own loss mitigation documents and requirements directly to the Debtor and the Debtor's Attorney. Registration on the Portal is a one-time event, and a Creditor and the Creditor's North Carolina counsel (if any) will not have to re-register for each subsequent matter. The Creditor, however, is responsible for providing any updates or changes to the Creditor's Initial LMM Package if and as necessary.
- ii. Acknowledge Receipt of Initial LMM Package. Within seven days after the Debtor submits a completed Initial LMM Package to a Creditor on the Portal, the Creditor shall: (i) acknowledge receipt of the Debtor's completed Initial LMM Package on the Portal; and (ii) designate its single point of contact and outside legal counsel (if any) on the Portal. The designated single point of contact and outside legal counsel (if any) shall have all requisite authority (within the investor's guidelines) to settle any and all issues that may arise during the LMM Period.
- iii. Payment of LMM Facilitator Fee. Within seven days after the Debtor submits the completed Initial LMM Package to the Creditor on the Portal, the Creditor shall pay one-half of the applicable Facilitator Fee directly to the Facilitator.
- iv. Process Debtor's Application. Upon receipt of the Debtor's Initial LMM Package, the Creditor shall promptly review the Initial LMM Package to determine the Debtor's eligibility for any loss mitigation options which may be available to the Debtor. In the event that the Creditor requires additional (or corrected) documentation, the Creditor shall promptly notify the Debtor through the Portal of such requirements and promptly respond to the Debtor's submissions thereof as well as any inquiries made by the Debtor.
- v. Servicer Transfer. In the event that the Creditor transfers a loan subject to the LMM Program, the Creditor shall promptly provide a copy of the LMM Order to the new holder of the loan (the "Successor Creditor"), and the Successor Creditor shall promptly comply with the provisions of Federal Rule of Bankruptcy Procedure 3001(e). Without limiting the generality of the foregoing, the Successor Creditor shall accept all documentation and information previously accepted by the original Creditor. Further, the Creditor shall file an Ex Parte Motion to Substitute LMM Creditor (LMM Form 5) with notice to the parties, submit an Order Substituting LMM

Creditor (LMM Form 6), and transfer the submission on the Portal to the Successor Creditor.

vi. Payment Changes. During the LMM Period, the Creditor shall comply with the requirements of Federal Rule of Bankruptcy Procedure 3002.1(b) regarding Notices of Payment Changes. Upon compliance by the Creditor, the Chapter 13 Trustee shall adjust the Adequate Protection Payment as follows:

1. For payment changes due to adjustments needed in the escrow account, the Adequate Protection Payment shall remain at 80% of the contractual principal and interest payment plus any increase or decrease in the monthly escrow payment;
2. For payment changes due to adjustments for interest rate changes, the Adequate Protection Payment shall be recalculated to reflect 80% of the new principal and interest payment plus any escrow payment as applicable.

c. Debtor's Duties upon Commencement of LMM.

- i. Submit Initial LMM Package. Within seven days after the entry of the LMM Order or the Creditor's registration on the Portal, whichever occurs later, the Debtor shall upload the Initial LMM Package and a copy of the LMM Order to the Portal.
- ii. Payment of Portal Submission Fee and Facilitator Fee. Within seven days after the entry of the LMM Order or the Creditor's registration on the Portal, whichever occurs later, the Debtor shall pay the Portal Submission Fee directly to the Portal Manager and one-half of the Facilitator Fee directly to the Facilitator.
- iii. Document Submissions. The Debtor shall promptly provide any additional documents requested by and/or answer any questions from the Creditor, the Facilitator, or the Portal Manager.
- iv. LMM Reports. The Debtor will complete the Final Report as more particularly provided in section 9(c).

d. Trustee's Duties.

Adequate Protection Payments. Upon the entry of the LMM Order, the Chapter 13 Trustee shall begin disbursing Adequate Protection Payments to the Creditor if the Debtor's Chapter 13 plan has been confirmed and the Creditor has filed a valid proof of claim. If the Debtor's Chapter 13 plan has not been confirmed or the Creditor has not filed a valid proof of claim

when the Bankruptcy Court enters the LMM Order, the Chapter 13 Trustee shall begin reserving Adequate Protection Payments for the Creditor. The amount of the Adequate Protection Payments shall be set out in the Motion for LMM (LMM Form 1) filed by the Debtor and in the LMM Order (LMM Form 4).

e. Facilitator's Duties.

- i. Monitoring of Communications. The Facilitator shall monitor all Portal communications between the Debtor and the Creditor to ensure that each party is performing its obligations and duties as required by the LMM Program, including, without limitation:
 1. Confirming that the Debtor has provided the correct Initial LMM Package;
 2. Facilitating the communication and document exchanges between the Creditor and the Debtor to ensure that the loss mitigation review is proceeding in accordance with the terms and deadlines of the LMM Program;
 3. Tracking and monitoring the deadlines for each party; and
 4. Preparing for, scheduling, and conducting LMM Conferences as more particularly described in section 9(b).
- ii. Reporting Non-Compliance. The Facilitator shall promptly report any non-compliance with the terms of the LMM Program by any of the Required Parties to the Bankruptcy Court within seven days of the failure of a Required Party to comply with any duties set forth in this section. The Facilitator shall report the non-compliance by filing a Certificate of Non-Compliance in Loan Modification Management Program (LMM Form 7) ("Certificate of Non-Compliance") with the Bankruptcy Court. The Certificate of Non-Compliance shall provide details of the Required Party's non-compliance along with any supporting evidence.

9. LMM Process.

a. Duration.

- i. Initial Duration. The LMM Period shall be 180 days from the date of the LMM Order unless otherwise specified in the LMM Order.
- ii. Extension. A request to extend the LMM Period shall be made by way of a Motion to Extend the LMM Period (LMM Form 8). A proposed Order Granting Motion to Extend LMM Period (LMM Form 9) and a complete

and current printout of the account history from the Portal shall be attached to the motion. A request to extend the LMM Period shall be served on all Required Parties on fourteen days' notice of opportunity for hearing pursuant to the Local Rules.

- iii. Early Termination. A request to terminate the LMM Period prior to its expiration shall be made by way of a Motion to Terminate the LMM Program (LMM Form 10). A proposed Order Terminating LMM Program (LMM Form 11) and a complete and current printout of the account history from the Portal shall be attached to the motion. A request to terminate the LMM Program shall be served on all Required Parties on fourteen days' notice of opportunity for hearing.

b. LMM Conferences.

- i. Scheduling. In the event that the Debtor and the Creditor are not able to reach mutually agreeable terms, then upon consultation with the parties and their attorneys (if any), the Facilitator shall fix a reasonable date and time for an LMM Conference and shall give the parties at least seven days' advance written notice of the date and time of the LMM Conference. The Facilitator shall report the scheduling of the LMM Conference on the Portal. The Facilitator may (in his or her sole discretion) schedule multiple LMM Conferences.
- ii. Appearances. Attendance at the LMM Conference by the Debtor and the Creditor is mandatory. All Required Parties may appear at the LMM Conference remotely unless otherwise agreed to by the parties or directed by the Facilitator.
 - 1. Debtor Represented by Attorney. If the Debtor is represented by an attorney, then the Debtor, the Debtor's attorney, and any co-obligor, co-borrower, or other third party obligated on the note or deed of trust may participate in the LMM Conference by telephone provided that they are physically present with the Debtor's attorney and present identification to the Debtor's attorney during all LMM Conferences.
 - 2. Translator. The Debtor shall provide a translator at the Debtor's own expense in the event one is necessary, unless otherwise required by the Americans with Disabilities Act.
 - 3. Creditor. The Creditor shall appoint a designated representative to appear on behalf of the Creditor.
 - 4. Settlement Authority. All parties attending the LMM Conference shall be ready, willing, and able to sign a binding settlement

agreement and have the ability to scan, send, and receive documents by facsimile, email, or other electronic means.

iii. Failure to Appear. In the event that a Required Party fails to appear at a scheduled LMM Conference, the Facilitator may file a Certificate of Non-Compliance (LMM Form 7) with the Bankruptcy Court. The Bankruptcy Court reserves the right to treat such non-compliance as a failure to act in good faith under the LMM, 11 U.S.C. § 1325(a)(3), (a)(5)(A) and/or (a)(7), 12 C.F.R. § 1024.41, North Carolina General Statute § 45-105, and the North Carolina Commissioner of Banks Rules 702 and 703.

c. LMM Reports.

Final Report. Within seven days after the conclusion of the LMM Period, the Debtor, on notice to the Creditor, shall file and serve a Final Report with an attached printout of the current and complete account history from the Portal. The Final Report shall be completed in accordance with the instructions provided on the Portal.

d. Debtor Payments. Any Debtor participating in the LMM Program shall be required to make any payments due to a Creditor through the Chapter 13 Trustee, including, but not limited to, Adequate Protection Payments, trial modification payments, and final modification payments, unless otherwise ordered by the court.

10. LMM Resolution.

a. Trial Loan Modification Agreement. If the parties reach a trial loan modification agreement, the Debtor shall file a Motion to Approve Trial Loan Modification Agreement (LMM Form 12) and a proposed Order Approving Trial Loan Modification Agreement (LMM Form 13) within fourteen days after the parties reach such agreement. The Motion to Approve Trial Loan Modification Agreement shall be served upon all interested parties with fourteen days' notice of opportunity for hearing pursuant to the Local Rules. Once entered by the Bankruptcy Court, the Debtor shall serve a copy of the Order Approving Trial Loan Modification Agreement on the Required Parties and shall file a certificate of service.

b. Final Loan Modification Agreement. If the parties agree to a final or long-term loan modification, the Debtor shall file a Motion to Authorize Final Loan Modification (LMM Form 14), which shall be served immediately on the Chapter 13 Trustee and all creditors whose claims are secured by liens against the Eligible Property. The motion shall contain a detailed description of the proposed loan modification and shall include a Final Loan Modification Summary (LMM Form 15). A copy of the loan modification agreement shall accompany the motion. The proposed Order Granting Motion to Authorize Final Loan Modification (LMM Form 16) shall include the following provisions, where applicable:

- i. If the loan modification approved by the Bankruptcy Court impacts the provisions of the Debtor's Chapter 13 plan, a motion to modify plan shall be filed within fourteen days of the entry of the Order Granting Motion to Authorize Final Loan Modification;
- ii. If the loan modification approved by the Bankruptcy Court results in a material change in the Debtor's expenses, the Debtor shall file an amendment to the impacted schedules reflecting income and expenses (Schedules I and J) within fourteen days of the entry of the Order Granting Motion to Authorize Final Loan Modification.

c. Additional Provisions.

- i. No Dismissal. Dismissal of the bankruptcy case shall not be made a requirement of an agreement reached through the LMM.
- ii. Consent. Consent to the resolution of the LMM shall be acknowledged in writing by an authorized representative of the Creditor, the Debtor, and the Debtor's attorney, if applicable.
- iii. Bankruptcy Court Review and Approval. LMM participants shall file a motion seeking approval from the Bankruptcy Court to enter into any agreement reached during the LMM process, including, but not limited to, a stipulation, sale, plan of reorganization, amended plan of reorganization, or loan modification. If a Debtor is represented by counsel, a resolution may be approved by the Bankruptcy Court pursuant to a notice of opportunity for hearing pursuant to Local Rule 9013-1(e). If a Debtor is not represented by counsel, the Bankruptcy Court will conduct a hearing at which the Debtor shall appear in person prior to approving a resolution. The Bankruptcy Court will not approve a proposed resolution unless it is in the best interests of the Debtor and the bankruptcy estate.

11. LMM Fees.

a. Compensation for Debtor's Counsel.

- i. Presumptive Non-Base Fee. Debtor's counsel may accept a presumptive non-base fee pursuant to Local Rule 2016-2(c)(1)(B) in a reasonable amount not to exceed \$2,000 to be paid in cases resulting in a successful (as determined by the Bankruptcy Court) loan modification. Debtor's counsel must indicate a selection of the presumptive non-base fee in the Motion for LMM. These fees are in addition to fees and costs incurred in the representation of the Debtor in the bankruptcy case. These non-base fees shall be considered to be earned in the following amounts for the corresponding events:

- \$1,000.00 upon entry of the LMM Order (LMM Form 4);
- \$500.00 upon entry of the Order Approving Trial Loan Modification Agreement (LMM Form 13); and
- \$500.00 or the remainder of the total fee upon entry of the Order Granting Motion to Authorize Final Loan Modification (LMM Form 16).

The presumptive non-base fee compensates the Debtor's counsel for the following services:

- Filing of the Motion for LMM (LMM Form 1) and preparation of the LMM Order (LMM Form 4);
- Preparation of the Initial LMM Package;
- Preparation of any additional forms that may be required throughout the LMM Period;
- Submission of all required documentation through the Portal;
- Filing of other required pleadings and preparation of proposed orders and settlement papers, including, as applicable, the various LMM motions and motions to modify Chapter 13 plans, with no duplicative compensation for such pleadings from the non-base fee schedule provided by Local Rule 2016-2(d);
- Communicating with the Creditor, the Facilitator, and the Portal Manager, including communications through the Portal;
- Attendance at LMM Conferences and Bankruptcy Court hearings related to the LMM;
- Review of all modified loan documents; and
- Review and modification, if necessary, of the Chapter 13 plan following completion of the LMM.

ii. *Hourly Fee Application.* Alternatively, Debtor's counsel may seek approval for reasonable compensation on an hourly basis for all reasonable and necessary work involved in connection with the LMM process and may file an application for allowance of attorney's fees and costs with the Bankruptcy Court.

- b. Facilitator Fees. The Facilitator shall be entitled to a fee in the amount of \$500 due and payable as set forth herein.
- c. Creditor Fees. If a proposed LMM resolution provides for a Creditor to receive payment or reimbursement from the Debtor of any fee, cost, or charge that arose from the LMM process, all such fees, costs, and charges shall be disclosed to the Debtor prior to approval of the resolution. The Creditor's counsel may be entitled to receive a reasonable fee for all work involved with the LMM and shall clearly delineate such fee in the LMM resolution or by a Notice of Fees, Expenses, and Charges pursuant to Federal Rule of Bankruptcy Procedure 3002.1(c).

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

MOTION FOR LOAN MODIFICATION MANAGEMENT

NOW COMES [Debtor(s) name] ("Debtor(s)") and hereby submits the following motion and shows unto the court as follows:

1. The Debtor(s) in this case hereby request the commencement of the court's Loan Modification Management Program ("LMM") with respect to property located at: [FULL ADDRESS OF THE ELIGIBLE PROPERTY].
2. The Creditor is [FULL NAME OF CREDITOR] and [is / is not] registered on the Portal.
3. The Creditor is the holder of a [first / second / third] mortgage.
4. A completed and executed Certification of LMM Eligibility and Readiness (LMM Form 2), a fully executed Contract for Representation in LMM (LMM Form 3), and a proposed Order for Loan Modification Management (LMM Form 4) are attached to this motion.
5. Any objection to the relief requested herein must be filed within 21 days of service of this motion.
6. The Adequate Protection Payments during the LMM are proposed in the amount of \$ _____.
7. Counsel for Debtor(s) hereby requests that the Order for Loan Modification Management approve a non-base fee in the amount of \$1000 pursuant to section 11(a)(i) of the court's LMM Procedures.

WHEREFORE, Debtor(s) respectfully request that the court enter an order approving participation in the LMM Program; approving fees for counsel for Debtor(s); and for any other relief the court deems just and proper.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:	)	Case No.:
	)	Chapter:
)	
	)	<u>NOTICE OF</u>
	)	<u>OPPORTUNITY FOR HEARING</u>
	)	(No Protest Notice: No
	)	Hearing Will Be Held Unless
TIN: XXX-XX-	)	Request For Hearing Is Filed)
)	
Debtor(s).)	
_____)	

TAKE NOTICE that [name of moving party] has filed papers with the court to [relief sought in motion or objection]. A copy of these paper(s) is included with this notice or copied on the reverse side of this notice.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

If you do not want the court to order [relief sought in motion or objection], or if you want the court to consider your views on the [motion] [objection], then on or before **DATE RESPONSE DUE** from the date of this notice, you or your attorney must do three things:

1. **File a written response with the court requesting that the court hold a hearing and explaining your position. File the response at:**

U.S. Bankruptcy Court
[Courtroom #]
[Address]

If you mail your request to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above.

2. **On or before the date stated above for written responses, you must also mail or fax a copy of your written request to:**

[Name/address/fax # of movant's attorney]

[Name/address/fax # of other parties to be served]

3. **Attend the hearing scheduled for [date], [year], at [time] a.m./p.m. in Courtroom [#], United States Bankruptcy Court, [court address].**

If you or your attorney do not take these steps, **A HEARING WILL NOT BE HELD**, and the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION

IN RE:)
)
) CASE NO.
) CHAPTER 13
TIN: XXX-XX-)
)
Debtor(s).)
_____)

CERTIFICATION OF LMM ELIGIBILITY AND READINESS

I. CERTIFICATION OF THE DEBTOR(S)

[Debtor(s) name] ("Debtor(s)") hereby certify that:

- 1. [I / We] will participate in the court's Loan Modification Management Program ("LMM") in good faith.
2. [I / We] understand and agree to the ongoing obligation to promptly provide information and documentation that may be reasonably requested by the Creditor during the LMM process.
3. [I / We] will make Adequate Protection Payments to [FULL NAME OF CREDITOR] (the "Creditor") in the amount of \$ _____ each month during the LMM Period, unless and until otherwise ordered by the court.
4. [I / We] understand that commencing the LMM is voluntary and that [I am / we are] not required to enter into any agreement or settlement with any other party and no other party is required to enter into any agreement or settlement with [me / us] as part of the LMM.
5. [I / We] understand that [I am / we are] not required to request dismissal of this case as part of any resolution or settlement that is offered or agreed to during the LMM Period.
6. [I / We] understand that if [I / we] do not fully comply with the requirements of the LMM, our participation in the LMM may be terminated.
7. [I / We] have completed the tasks required by the Document Preparation Software and [I /we] have paid the non-refundable Document Preparation Software Fee directly to the Portal Manager. [My

/ Our] Initial LMM Package has been completed and is ready for signature and submission. Attached is the Certification of Document Preparation [I / we] received upon completion of the Document Preparation Software.

8. [I / We] understand and agree that upon issuance of the Order for Loan Modification Management, [I / we] will be required to pay (i) a non-refundable Portal Submission Fee directly to the Portal Manager, and (ii) \$250 to the Facilitator (representing one-half of the Facilitator Fee).

9. Prior to filing the Motion for Loan Modification Management, [I / we] determined that: (select one)

_____ The Creditor is registered with the approved Portal.

_____ The Creditor is not registered with the approved Portal. [I / We] request that the court require the Creditor (and the Creditor's North Carolina counsel, if applicable) to register with the Portal and provide the Creditor's most current Initial LMM Package to the Facilitator within ten days after the entry of the Order for Loan Modification Management. The Facilitator will promptly post the Initial LMM Package on the Portal after it is provided by the Creditor.

Date: _____

Debtor

Date: _____

Joint Debtor (if any)

II. CERTIFICATION OF COUNSEL TO DEBTOR(S)

I, [ATTORNEY NAME] represent [NAME(S) OF DEBTOR(S)] in this case and hereby certify that:

1. I have discussed the details of the court's LMM with the Debtor(s).
2. I performed adequate due diligence to determine the Debtor(s) eligibility for the LMM.
3. In light of my due diligence, I [am aware of no reason why the commencement of the LMM

in this case would be futile or otherwise contrary to reasonable expectations of a successful outcome] OR [I have a colorable argument for the Debtor(s) participating in the LMM Program notwithstanding the following fact(s) which might hinder the pursuit of a successful outcome: [IF KNOWN, COUNSEL MUST SPECIFY THESE FACT(S), for example: the debt-to-income ratio is outside of the standard range for loan modification; the loan was recently denied for modification; the loan is currently under a modification; and any similarly problematic facts]. Nevertheless, I am moving for the commencement of the LMM because [FOR EACH OF THE AFOREMENTIONED FACTS, PROVIDE SPECIFIC REASONS WHY LMM IS SOUGHT IN GOOD FAITH].

4. I have fully complied with the requirements set forth in the LMM Program Procedures, and I am prepared to upload the required documents to the Portal upon entry of the Order for Loan Modification Management.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**SUPPLEMENTAL AGREEMENT TO ATTORNEY-CLIENT AGREEMENT FOR CHAPTER 13
BANKRUPTCY SERVICES AND LIMITED POWER OF ATTORNEY FOR PARTICIPATION IN
BANKRUPTCY COURT LOAN MODIFICATION MANAGEMENT PROGRAM**
(“Contract for Representation in LMM”)

I, _____, hereunder referred to as the “Client,” retain and employ _____ (“Law Firm”) for representation in trying to obtain a mortgage modification during my Chapter 13 Bankruptcy under the Bankruptcy Court’s Loan Modification Management Program (“LMM Program”).

Scope of Contract

1. Client hereby retains Law Firm to represent him/her under the Bankruptcy Court’s LMM Program in their current and active Chapter 13 bankruptcy proceeding. Specifically, the Law Firm will:
 - a. Review all documents and history of loans and give the Client an analysis of his/her situation with available options and advise whether seeking a loan modification is advisable and feasible;
 - b. Gather from the Client all necessary documents and information required under the LMM Program, prepare and upload the documents to the LMM Portal, and assist the Client in responding to requests for further documentation and information;
 - c. Appear at all court hearings, mediations, facilitation meetings, etc., file all pleadings as required by the LMM Program, respond to all requests from the LMM Facilitator and the Creditor, and negotiate with the Client’s Creditor to try to obtain a loan modification; and
 - d. Advise the Client regarding acceptance of any loan modification offered and seek approval and implementation of the Client’s choice based upon this discussion, including seeking allowance of that option and payment of attorney’s fees and costs through the Client’s Chapter 13 plan.

2. The Client agrees that:
 - a. The attorney’s fees for the Law Firm’s representation in the LMM program will be \$ _____ to seek a modification of the Client’s mortgage through the Chapter 13 case and shall be payable to the Law Firm. These fees and any related costs will be collected through the Chapter 13 plan. Absent a contrary determination by the Bankruptcy Court, the fees will be awarded as follows: \$1000 upon entry of an Order for Loan Modification Management (LMM Form 4); \$500 upon entry of an Order Approving Trial Loan Modification Agreement (LMM Form 13); and \$500 or the remainder of the total fee upon entry of an Order Granting Motion to Authorize Final Loan Modification (LMM Form 16). **ALL ATTORNEY’S FEES AND COSTS ARE NON-REFUNDABLE. This fee is for EACH mortgage the Client attempts to modify. Any additional mortgage modifications will be charged an additional fee at the same amount for each mortgage to be modified.**

- b. There shall be additional fees due in the amount of \$350 for the participation in the LMM Program. This includes one-half of the Facilitator Fee, the Document Preparation Software Fee, and the Portal Submission Fee. **ALL FEES ARE NON-REFUNDABLE, and they are for EACH mortgage that the Client attempts to modify. Any additional mortgage modifications will be charged fees at the same amount for each mortgage to be modified.** Further, even if a Motion for Loan Modification Management (“Motion for LMM”) is timely filed, the Client understands that the Creditor may object and that the Creditor cannot be compelled to participate in the LMM Program.
3. The Client understands that once the Order for Loan Modification Management is entered by the court, the Client must begin Adequate Protection Payments to the Creditor. The Adequate Protection Payments will be made through the Chapter 13 plan. The payments will be in an amount equal to 80% of the contractual principal and interest payment plus one-twelfth of the annual escrow amounts for property taxes and insurance (including mortgage insurance, if applicable).
4. The Client understands that there is **NO LEGAL RIGHT TO A LOAN MODIFICATION UNDER ANY APPLICABLE LAW IN THE UNITED STATES**. Therefore, the outcome of the LMM Program is uncertain. The Law Firm makes no representations as to the outcome. The Client understands that the amount of the Adequate Protection Payments is just an estimated payment and any final modification offered by the mortgage company may vary substantially.
5. The Client understands that it is his/her responsibility to obtain homeowners insurance, flood insurance, and any other required insurance under the terms of the mortgage. Failure to maintain the necessary insurance will jeopardize the probability of success in obtaining a loan modification.
6. The Client understands that he/she must provide all required documentation to the Law Firm within 72 hours of request. There may be substantial requests for documentation. The failure to provide this documentation will result in the denial of your loan modification.
7. The Client understands that he/she must attend such LMM Conferences as the Facilitator may schedule.
8. The Client understands that all owners of the property and all parties on the original promissory note must participate in the LMM Program, including attending the LMM Conferences. Their failure to do so will jeopardize the probability of success in obtaining a loan modification. These parties are not required to file bankruptcy to participate.
9. All terms of the original retainer agreement shall remain in full force and effort and shall not be altered by the execution of this agreement.

THE ENTIRE CONTRACT BETWEEN US IS CONTAINED IN THIS AGREEMENT. CLIENT HEREBY ACKNOWLEDGES THAT HE/SHE HAS READ AND FULLY UNDERSTANDS EACH AND EVERY PART OF THIS AGREEMENT, AGREES TO THE TERMS CONTAINED HEREIN, AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS AGREEMENT.

Date: _____

Client/Debtor

Date: _____

Joint Client/Debtor

Date: _____

Attorney

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

ORDER FOR LOAN MODIFICATION MANAGEMENT

A Motion for Loan Modification Management was filed by _____ on _____ . All interested parties have had notice and an opportunity to object, and the court has reviewed any objections. Now therefore,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

1. The following parties are directed to participate in the court's Loan Modification Management Program ("LMM Program") in good faith.

Debtor: _____

Creditor: _____

2. The Facilitator in this case shall be designated on the court docket.
3. During the LMM Period, the Debtor shall make Adequate Protection Payments in the amount of \$ _____ per month to the Creditor or the Creditor's designee. The Adequate Protection

Payments will be disbursed or reserved by the Chapter 13 Trustee following the entry of this order, depending on whether a Chapter 13 plan has been confirmed and whether the Creditor has filed a valid proof of claim. During the LMM Period, the Creditor shall still comply with the requirements of Federal Rule of Bankruptcy Procedure 3002.1(b) regarding Notices of Payment Changes, but the Chapter 13 Trustee shall adjust the Adequate Protection Payments consistent with section 8(b)(vi) of the LMM Program Procedures.

4. Within ten days after entry of this order, the Creditor and the Creditor's North Carolina counsel (if any) shall register on the Portal (if not already registered) and shall provide the Creditor's most current Initial LMM Package to the Portal Manager.

5. Within seven days after entry of this order or the Creditor's registration on the Portal, whichever occurs later, the Debtor shall: (i) upload the Debtor's Initial LMM Package to the Portal; (ii) upload a copy of this LMM Order to the Portal; (iii) pay the \$50 Portal Submission Fee to the Portal Manager; and (iv) pay \$250 directly to the Facilitator (representing one-half of the Facilitator Fee).

6. Within seven days after the Debtor submits the completed Initial LMM Package to the Creditor on the Portal, the Creditor shall: (i) acknowledge receipt of the Debtor's completed Initial LMM Package on the Portal; (ii) designate its single point of contact and outside legal counsel (if any) on the Portal; and (iii) pay \$250 directly to the Facilitator (representing one-half of the Facilitator Fee).

7. During the LMM Period, the Creditor shall promptly review the Debtor's Initial LMM Package to determine the Debtor's eligibility for any loss mitigation options that may be available to the Debtor. In the event that the Creditor shall require additional (or corrected) documentation, the Creditor shall promptly notify the Debtor through the Portal of such requirements and promptly respond to the Debtor's submissions thereof as well as any inquiries made by the Debtor.

8. During the LMM Period, upon request through the Portal, the Debtor shall promptly provide any additional documents requested by the Creditor, the Facilitator, and/or the Portal Manager and/or answer any questions.

9. The LMM Period shall terminate 180 days from the entry of this order unless extended by order of the court.

10. Within seven days of the conclusion of the LMM Period, the Debtor, on notice to the

Creditor, shall file and serve a Final Report with an attached printout of the current and complete account history from the Portal. The Final Report shall be completed in accordance with the instructions provided in the Portal.

11. The Debtor shall immediately serve a copy of this order on the Creditor and file a certificate of service evidencing same.

12. During the LMM Period, unless otherwise permitted by the court, all material communications shall be conducted exclusively through the Portal.

13. During the LMM Period, on behalf of each participating party, a person with complete knowledge of the file so as to be reasonably capable of answering questions posed by the court related to the LMM shall attend all LMM-related hearings and conferences.

14. The automatic stay as provided for under 11 U.S.C. § 362(a) shall be modified to the extent necessary to facilitate the LMM Program as more particularly provided in the Loan Modification Management Program Procedures.

15. The request of counsel for the Debtor(s) for a non-base fee in the amount of \$1000 is hereby approved.

This Order has been signed electronically. The judge's signature and court's seal appear at the top of the Order.

United States Bankruptcy Court

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

EX PARTE MOTION TO SUBSTITUTE LMM CREDITOR

NOW COMES [Former Creditor's name] ("Former Creditor") and hereby submits the following motion and shows unto the court as follows:

1. On [DATE OF MOTION FOR LOAN MODIFICATION MANAGEMENT], the Debtor(s) filed a Motion for Loan Modification Management upon which the court entered an Order for Loan Modification Management ("LMM Order") dated [DATE OF DOCKETING], naming the Former Creditor as the creditor in the Loan Modification Management Program ("LMM Program") and setting forth certain deadlines.

2. Subsequent to entry of the LMM Order, the Debtor(s) was notified that [FULL AND COMPLETE NAME OF SUCCESSOR CREDITOR] ("Successor Creditor") with an address of [FULL AND COMPLETE ADDRESS OF SUCCESSOR CREDITOR] has replaced the Former Creditor.

WHEREFORE, the Former Creditor respectfully requests that the court enter an order:

1. Relieving the Former Creditor of any further responsibility pursuant to the LMM Order and vacating the LMM Order as to it;

2. Designating [SUCCESSOR CREDITOR] as the Successor Creditor responsible for completion of all LMM Program duties, responsibilities, and obligations previously imposed on the Former Creditor, including compliance with all LMM Program requirements as if originally designated in the LMM Order in the first instance. Without limiting the generality of the foregoing, the Successor Creditor shall be obligated to accept all of the documentation submitted by the Debtor to the Former Creditor;

3. Requiring the Former Creditor to upload an Order Substituting LMM Servicer and to serve the Order Substituting LMM Servicer electronically on the Chapter 13 Trustee within three days of its entry at the following email address: _____; and

4. Authorizing and directing the Chapter 13 Trustee to make payments to [SUCCESSOR CREDITOR] beginning with the next distribution date that is not less than ten days from service of this order upon the Chapter 13 Trustee.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

ORDER SUBSTITUTING LMM SERVICER

On [DATE OF MOTION FOR LOAN MODIFICATION MANAGEMENT], the Debtor(s) filed a Motion for Loan Modification Management upon which the Court entered an Order for Loan Modification Management (“LMM Order”) dated [DATE OF DOCKETING], naming [FORMER CREDITOR] (“Former Creditor”) as the creditor in the Loan Modification Management Program (“LMM”) and setting forth certain deadlines.

Subsequent to the entry of the LMM Order, the Debtor(s) was notified that the Former Creditor changed and that the successor creditor is [FULL AND COMPLETE NAME OF SUCCESSOR CREDITOR] (“Successor Creditor”) with an address of [FULL AND COMPLETE ADDRESS OF SUCCESSOR CREDITOR].

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

1. [FORMER CREDITOR] is relieved from any further responsibility pursuant to the LMM Order and the LMM Order is vacated as to it;

2. [SUCCESSOR CREDITOR] is now designated as the Successor Creditor responsible for completion of all LMM duties, responsibilities, and obligations previously imposed on the Former Creditor, including compliance with all LMM requirements as if originally designated in the LMM Order in the first instance. Without limiting the generality of the foregoing, the Successor Creditor shall be obligated to accept all of the documentation submitted by the Debtor to the Former Creditor;

3. Within three days of entry of this order, the Former Creditor shall upload the signed order to the LMM Portal and serve this order electronically on the Chapter 13 Trustee at the following email address: _____; and

4. The Chapter 13 Trustee is authorized and directed to make payments to [SUCCESSOR CREDITOR] beginning with the next distribution date that is not less than ten days from service of this order upon the Chapter 13 Trustee.

This Order has been signed electronically. The judge's signature and court's seal appear at the top of the Order.

United States Bankruptcy Court

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

CERTIFICATE OF NON-COMPLIANCE
IN LOAN MODIFICATION MANAGEMENT PROGRAM

An Order for Loan Modification Management was entered in this matter on _____, 20___. The Facilitator hereby gives notice to the court that the [DEBTOR / CREDITOR] has failed to cooperate or perform its obligations as determined by the Facilitator acting in good faith.

[Facilitator to set forth the specific reasons detailing how the Debtor or the Creditor has failed to comply with the LMM Program together with any supporting evidence documenting such non-compliance].

Date: _____

[Facilitator's name]
LMM Facilitator

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

MOTION TO EXTEND THE LMM PERIOD

[FULL NAME OF MOVANT] hereby requests an extension of the Loan Modification Management Period (“LMM Period”) in this case, which is presently set to expire on [DATE], and in support for said request attests as follows:

Part 1: LMM Background

[In separately numbered paragraphs and in chronological order, identify each docket event related to the LMM in this case, such as relevant docket entries or dates of submissions of any required forms or information to the parties.] A complete and current printout of the entire account history from the Portal is attached hereto. [Do not provide copies of the documents submitted to the Portal, the Creditor, or the Creditor’s Attorney for LMM review.]

Part 2: LMM Progress

[In separately numbered paragraphs, provide a brief summary of the LMM process and the current status.]

Part 3: Reasons Supporting an Extension of the LMM Period

[In separately numbered paragraphs, set forth the specific reasons why the Creditor and the Debtor are unable to reach a consensual resolution on or before the present LMM termination date as ordered by the court and set forth the specific reasons why an extension of the LMM Period should be granted by the court.]

Based upon the foregoing, Movant respectfully requests that the court enter an order extending the LMM Period by an additional [NUMBER OF DAYS] through and including [DATE].

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:	)	Case No.:
	)	Chapter:
)	
	)	<u>NOTICE OF</u>
	)	<u>OPPORTUNITY FOR HEARING</u>
	)	(No Protest Notice: No
	)	Hearing Will Be Held Unless
TIN: XXX-XX-	)	Request For Hearing Is Filed)
)	
Debtor(s).)	
_____)	

TAKE NOTICE that [name of moving party] has filed papers with the court to [relief sought in motion or objection]. A copy of these paper(s) is included with this notice or copied on the reverse side of this notice.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

If you do not want the court to order [relief sought in motion or objection], or if you want the court to consider your views on the [motion] [objection], then on or before **DATE RESPONSE DUE** from the date of this notice, you or your attorney must do three things:

1. **File a written response with the court requesting that the court hold a hearing and explaining your position. File the response at:**

U.S. Bankruptcy Court
[Courtroom #]
[Address]

If you mail your request to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above.

2. **On or before the date stated above for written responses, you must also mail or fax a copy of your written request to:**

[Name/address/fax # of movant's attorney]

[Name/address/fax # of other parties to be served]

3. **Attend the hearing scheduled for [date], [year], at [time] a.m./p.m. in Courtroom [#], United States Bankruptcy Court, [court address].**

If you or your attorney do not take these steps, **A HEARING WILL NOT BE HELD**, and the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

ORDER GRANTING MOTION TO EXTEND LMM PERIOD

An Order for Loan Modification Management was entered in this case on _____. On _____, _____ filed a Motion to Extend the LMM Period. Now therefore, for good cause shown,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that the LMM Period is extended up to and including _____, 20 ____.

This Order has been signed electronically. The judge's signature and court's seal appear at the top of the Order.

United States Bankruptcy Court

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

MOTION TO TERMINATE THE LMM PROGRAM

[FULL NAME OF MOVANT] hereby requests the termination of the Loan Modification Management Program (“LMM”) in this case and in support of said request attests as follows:

Part 1: LMM Background

[In separately numbered paragraphs and in chronological order, identify each docket event related to the LMM in this case, such as relevant docket entries or dates of submissions of any required forms or information to the parties.] A complete and current printout of the entire account history from the Portal is attached hereto. [Do not provide copies of the documents submitted to the Portal, the Creditor, or the Creditor’s attorney for LMM review.]

Part 2: LMM Progress

[In separately numbered paragraphs, provide a brief summary of the LMM process and the current status.]

Part 3: Reasons Supporting a Termination of the LMM Program

[In separately numbered paragraphs, set forth the specific reasons why the Creditor and the Debtor are unable to reach a consensual resolution and/or set forth the specific reasons why the court should terminate the Loan Modification Management Program in this case.]

Part 4: Current Mortgage Status

[In separately numbered paragraphs, set forth the current monthly mortgage payment, the pre-petition mortgage arrearage, the post-petition mortgage arrearage, etc.]

Based upon the foregoing, Movant respectfully requests that the court enter an order terminating the LMM Program in this case and for any other relief the court deems just and proper.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:	)	Case No.:
	)	Chapter:
)	
	)	<u>NOTICE OF</u>
	)	<u>OPPORTUNITY FOR HEARING</u>
	)	(No Protest Notice: No
TIN: XXX-XX-	)	Hearing Will Be Held Unless
	)	Request For Hearing Is Filed)
)	
Debtor(s).)	
_____)	

TAKE NOTICE that [name of moving party] has filed papers with the court to [relief sought in motion or objection]. A copy of these paper(s) is included with this notice or copied on the reverse side of this Notice.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

If you do not want the court to order [relief sought in motion or objection], or if you want the court to consider your views on the [motion] [objection], then on or before **DATE RESPONSE DUE** from the date of this notice, you or your attorney must do three things:

1. **File a written response with the court requesting that the court hold a hearing and explaining your position. File the response at:**

U.S. Bankruptcy Court
[Courtroom #]
[Address]

If you mail your request to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above.

2. **On or before the date stated above for written responses, you must also mail or fax a copy of your written request to:**

[Name/address/fax # of movant's attorney]

[Name/address/fax # of other parties to be served]

3. **Attend the hearing scheduled for [date], [year], at [time] a.m./p.m. in Courtroom [#], United States Bankruptcy Court, [court address].**

If you or your attorney do not take these steps, **A HEARING WILL NOT BE HELD**, and the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

ORDER TERMINATING LMM PROGRAM

An Order for Loan Modification Management was entered in this case on _____. On _____, _____ filed a Motion to Terminate the LMM Program. Now therefore,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that the Loan Modification Management Program in this case is terminated, effective _____, 20 ____, and the Final Report is due seven days thereafter.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that the Chapter 13 Trustee shall commence disbursing the on-going monthly mortgage payment in the contractual amount of \$ _____ at the next regular disbursement date. The pre-petition arrearage is allowed, without prejudice to other objections, in the amount of \$ _____ as stated in the Proof of Claim, and the

post-petition arrearage is allowed in the amount of \$_____ through the date of this order.

This Order has been signed electronically. The judge's signature and court's seal appear at the top of the Order.

United States Bankruptcy Court

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

MOTION TO APPROVE TRIAL LOAN MODIFICATION AGREEMENT

NOW COMES [Debtor(s) names] (“Debtor(s)”) and hereby submits the following motion and shows unto the court as follows:

1. The Debtor(s) in this case hereby request that the court enter an order approving a trial loan modification agreement (the “Trial Modification”) with [NAME OF LENDER/SERVICER] (“Creditor”) pursuant to the court’s Loan Modification Management Program (“LMM”) with respect to the [FIRST/SECOND/THIRD] mortgage on the Debtor’s property at [PROPERTY ADDRESS].

2. The terms of the Trial Modification require monthly payments in the amount of [\$ AMOUNT] to begin on [DUE DATE OF FIRST TRIAL PAYMENT] and to continue in that amount until [DUE DATE OF LAST TRIAL PAYMENT].

3. A true and accurate copy of the Trial Modification documents are attached hereto as Exhibit A and incorporated herein by reference.

4. Beginning with the first month of the trial modification period and continuing thereafter, the Chapter 13 Trustee shall cease making Adequate Protection Payments to the Creditor and shall continue to reserve cure payments on all existing prepetition and administrative arrearage claims pending further order of the court.

5. Counsel for Debtor(s) hereby requests that the court approve a non-base fee in the amount of \$500 pursuant to section 11(a)(i) of the court’s LMM Procedures.

WHEREFORE, based upon the foregoing, the Debtor(s) respectfully requests that the court enter an order approving the Trial Modification and for any other relief the court deems just and proper.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:	)	Case No.:
	)	Chapter:
)	
	)	<u>NOTICE OF</u>
	)	<u>OPPORTUNITY FOR HEARING</u>
	)	(No Protest Notice: No
TIN: XXX-XX-	)	Hearing Will Be Held Unless
	)	Request For Hearing Is Filed)
)	
Debtor(s).)	
_____)	

TAKE NOTICE that [name of moving party] has filed papers with the court to [relief sought in motion or objection]. A copy of these paper(s) is included with this notice or copied on the reverse side of this notice.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

If you do not want the court to order [relief sought in motion or objection], or if you want the court to consider your views on the [motion] [objection], then on or before **DATE RESPONSE DUE** from the date of this notice, you or your attorney must do three things:

1. **File a written response with the court requesting that the court hold a hearing and explaining your position. File the response at:**

U.S. Bankruptcy Court
[Courtroom #]
[Address]

If you mail your request to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above.

2. **On or before the date stated above for written responses, you must also mail or fax a copy of your written request to:**

[Name/address/fax # of movant's attorney]

[Name/address/fax # of other parties to be served]

3. **Attend the hearing scheduled for [date], [year], at [time] a.m./p.m. in Courtroom [#], United States Bankruptcy Court, [court address].**

If you or your attorney do not take these steps, **A HEARING WILL NOT BE HELD**, and the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:

TIN: XXX-XX-

Debtor(s).

CASE NO.
CHAPTER 13

ORDER APPROVING TRIAL LOAN MODIFICATION

On [DATE OF TRIAL MODIFICATION AGREEMENT], the Debtor(s) and [NAME OF LENDER/SERVICER] ("Creditor") entered into a trial modification (the "Trial Modification") through the court's Loan Modification Management Program with respect to the [FIRST/SECOND/THIRD] mortgage on the Debtor's property at [PROPERTY ADDRESS]. The terms of the Trial Modification require monthly payments in the amount of [\$ AMOUNT] ("Trial Payments") to begin on [DUE DATE OF FIRST TRIAL PAYMENT] and to continue in that amount until [DUE DATE OF LAST TRIAL PAYMENT] (the "Trial Modification Period"). Therefore, the Debtor(s) requests that the court enter this Order Approving Trial Loan Modification until a final modification can be presented to the court for approval. Now therefore,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

1. The Debtor is authorized and directed to modify the distributions to the Creditor during the Trial Modification Period. Each Trial Payment shall be made in the amount of [\$ AMOUNT] for the following months: [Month 1], [Month 2], and [Month 3]. Following the Trial Modification Period, the Debtor shall continue to make distributions in the same amount as the Trial Payments until further order of this court;

2. Beginning with the first month of the Trial Modification Period and continuing thereafter, the Chapter 13 Trustee shall cease making Adequate Protection Payments to the Creditor and shall continue to reserve cure payments on all existing prepetition and administrative arrearage claims pending further order of the court;

3. In the event that a final modification is reached between the parties, the Debtor shall **immediately** file a Motion to Authorize Final Loan Modification;

4. The LMM Period is extended until fourteen days after the expiration of the Trial Modification Period. If the Debtor has not filed a Motion to Authorize Final Loan Modification within fourteen days after the expiration of the Trial Modification Period, then the Debtor shall **immediately** file and serve either a Motion to Extend the LMM Period or a Motion to Terminate the LMM Program that sets forth the specific reasons why an agreement was not reached;

5. Any party may seek a further hearing regarding the amendment or termination of this order at any time during the Trial Modification Period by filing an appropriate motion; and

6. The request of counsel for Debtor(s) for a non-base fee in the amount of \$500 is hereby approved.

This Order has been signed electronically. The judge's signature and court's seal appear at the top of the Order.

United States Bankruptcy Court

UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
_____)	

MOTION TO AUTHORIZE FINAL LOAN MODIFICATION

NOW COMES [Debtor(s) names] ("Debtor(s)") and hereby submits the following motion and shows unto the court as follows:

1. The Debtor(s) in this case hereby request that the court enter an order approving a final loan modification agreement with [NAME OF LENDER/SERVICER] ("Creditor") pursuant to the court's Loan Modification Management Program ("LMM") with respect to the [FIRST/SECOND/THIRD] mortgage on the Debtor's property at [PROPERTY ADDRESS].

2. The Debtor and the Creditor agreed to a final loan modification agreement. A true and correct copy of the final loan modification agreement is attached hereto as Exhibit A.

3. The summary of the loan modification terms are provided in the Final Loan Modification Summary attached hereto as Exhibit B.

4. Counsel for Debtor(s) hereby requests that the court approve a non-base fee in the amount of \$500 pursuant to section 11(a)(i) of the court's LMM Procedures.

WHEREFORE, based upon the foregoing, the Debtor(s) respectfully requests that the court enter an Order Granting Motion to Authorize Final Loan Modification; approve fees for counsel for Debtor(s); and for any other relief that the court deems just and proper.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:	) ) ) ) ) ) ) ) ) ) ) )	Case No.: Chapter: <u>NOTICE OF OPPORTUNITY FOR HEARING</u> (No Protest Notice: No Hearing Will Be Held Unless Request For Hearing Is Filed)
TIN: XXX-XX- _____ <p style="text-align:right">Debtor(s).</p>		

TAKE NOTICE that [name of moving party] has filed papers with the court to [relief sought in motion or objection]. A copy of these paper(s) is included with this notice or copied on the reverse side of this notice.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. If you do not have an attorney, you may wish to consult one.

If you do not want the court to order [relief sought in motion or objection], or if you want the court to consider your views on the [motion] [objection], then on or before **DATE RESPONSE DUE** from the date of this notice, you or your attorney must do three things:

- File a written response with the court requesting that the court hold a hearing and explaining your position. File the response at:**

U.S. Bankruptcy Court
 [Courtroom #]
 [Address]

If you mail your request to the court for filing, you must mail it early enough so the court will **receive** it on or before the date stated above.

- On or before the date stated above for written responses, you must also mail or fax a copy of your written request to:**

[Name/address/fax # of movant’s attorney]

[Name/address/fax # of other parties to be served]

- Attend the hearing scheduled for [date], [year], at [time] a.m./p.m. in Courtroom [#], United States Bankruptcy Court, [court address].**

If you or your attorney do not take these steps, **A HEARING WILL NOT BE HELD**, and the court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Date: _____

[Attorney Name]
[State Bar #]
[Address]
[Telephone #]
[Email address]
Attorney for Debtor(s)

EXHIBIT A

FINAL LOAN MODIFICATION AGREEMENT

EXHIBIT B

FINAL LOAN MODIFICATION SUMMARY

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF NORTH CAROLINA
[insert correct division name] DIVISION**

IN RE:)	
)	
	)	CASE NO.
	)	CHAPTER 13
TIN: XXX-XX-)	
)	
Debtor(s).)	
<hr style="border: 0.5px solid black;"/>		

ORDER GRANTING MOTION TO AUTHORIZE FINAL LOAN MODIFICATION

On _____, the Debtor(s) filed a Motion to Authorize Final Loan Modification (the "Motion") seeking approval of the final loan modification agreement (the "Final Agreement") entered into with [NAME OF LENDER/SERVICER] ("Creditor") with respect to the [FIRST/SECOND/THIRD] mortgage on the Debtor's property at [PROPERTY ADDRESS]. The Final Agreement was attached as Exhibit A to the Motion. A Final Loan Modification Summary was attached as Exhibit B. Upon due consideration and for good cause shown,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

1. The Motion is granted;
2. The Final Agreement is approved and the Debtor(s) is authorized to enter into the Final Agreement;
3. The Debtor(s) and the Creditor are authorized to execute any and all documents necessary to effectuate and implement the terms of the Final Agreement;
4. The terms of the Final Agreement are incorporated into this order;

5. The Debtor's new loan payment to the Creditor shall be \$_____ per month, which includes principal, interest, and escrow amounts for property insurance and taxes. The payments shall commence on _____, 20____ and continue through _____, 20____. The Chapter 13 Trustee shall make these payments payable to _____ and mail the payments to _____. The Chapter 13 Trustee is authorized to reduce all balances currently owing on all arrearage claims in the plan to a total of \$_____.

6. The request of counsel for Debtor(s) for a non-base fee in the amount of \$500 is hereby approved; and

7. The court shall retain jurisdiction with respect to all matters arising from or related to the implementation of this order, including, but not limited to, interpretation and enforcement of the Final Agreement.

This Order has been signed electronically. The judge's signature and court's seal appear at the top of the Order.

United States Bankruptcy Court