



### **Principal Recast Policy and Eligibility Criteria**

A principal recast is a re-amortization of the principal and interest after making a minimum lump sum principal payment (please reference the first point under eligibility for details). The re-amortization is based on the remaining principal balance after the curtailment is applied. The interest rate and terms do not change and the request is subject to approval from Fannie Mae or Freddie Mac in some instances.

\*Please note, a recast differs from a principal payment. A principal payment can be made at any time with no approval being necessary with the regularly scheduled principal and interest remaining unchanged after the payment is made. Should a borrower wish to lower their monthly principal and interest payment they will need to meet the criteria listed within this guidance.

### **Eligibility**

- The curtailment amount is a minimum of \$10,000.00
- The loan type is not an FHA, USDA or VA
- The amortization is Fixed (ARM's are not eligible)
- A minimum of 6 full payments need to have been made
- No late payments reported in the last 12 months, no active bankruptcy
- A fee of \$300 will be assessed to the customer to complete the recast documentation
- The borrower must submit a written request for approval to complete the principal recast. If funds are received prior to the written request, the funds will be applied, but the recast will not be reviewed until the request is received
- A previous modification cannot have been completed/performed on the subject loan

### **Initiation of Request**

Interested borrowers should contact VanDyk Mortgage's Customer Service at 888-482-6395 or [servicemyloan@vandykmortgage.com](mailto:servicemyloan@vandykmortgage.com) for further guidance.

### **Remittance of Funds**

Funds must be received and cleared prior to recast documents being sent to the borrower(s).

#### Overnight and Regular Mail

VanDyk Mortgage Corporation  
2141 W. Bristol Rd  
Flint, MI 48507

#### Wire Instructions

PNC Bank  
VanDyk Mortgage Corporation  
ABA: 041000124  
Account: 4117234853

### **Execution of Recast**

Upon receipt of all required documentation, the borrower(s) will receive two modification agreements and two Agreements for Modification of Extension of a Mortgage (Fannie Mae Form 181). One originally signed and notarized set of these documents will be required to be returned to VanDyk Mortgage, one copy may be retained for the customers records. This process may take up to 60 days to complete.



**One-Time Principal Recast Request Form**

A principal recast is a re-amortization of the principal and interest of a loan after a minimum principal payment is made. It is permitted to be exercised once over the life of a loan. Please acknowledge all the below before completing the form:

Initial(s)

- \_\_\_\_\_ I am submitting a minimum amount of \$10,000.00 in principal payment.
- \_\_\_\_\_ I understand there is a \$300.00 processing fee which will be included with my payment.
- \_\_\_\_\_ I understand I can only exercise this option once over the life of the loan.
- \_\_\_\_\_ I understand this request may be subject to investor approval.
- \_\_\_\_\_ I understand I need to be paid current with no 30 day late payments in the previous 12 months.
- \_\_\_\_\_ I understand that my revised payment may take up to 31 days to go into effect once completed.
- \_\_\_\_\_ I understand that should mortgage insurance (PMI) be eligible to be removed after this payment, the request for any cancellation of PMI must be made separately from this request.

Loan Number: \_\_\_\_\_ Date: \_\_\_\_\_

Borrower 1 Name: \_\_\_\_\_ Borrower 2 Name: \_\_\_\_\_

Borrower 3 Name: \_\_\_\_\_ Borrower 4 Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

Property City: \_\_\_\_\_ Property State: \_\_\_\_\_ Property Zip: \_\_\_\_\_

Amount of Principal Payment: \$ \_\_\_\_\_  
+ \_\_\_\_\_

Additional Escrow Payment: \$ \_\_\_\_\_  
+ \_\_\_\_\_

Processing Fee: \$300.00  
= \_\_\_\_\_

Total Amount Being Remitted: \$ \_\_\_\_\_

**\*Please note this process can take up to 60 days to be completed and may be subject to investor approval. All borrowers associated with a loan are required to sign this request form and all subsequent information provided needing acknowledgment. By acknowledging below and remittance of funds, I understand that I am requesting my monthly principal and interest payment to be modified from the original terms of the note only, all other terms will not be modified.**

Borrower 1 Signature: \_\_\_\_\_ Borrower 2 Signature: \_\_\_\_\_

Borrower 3 Signature: \_\_\_\_\_ Borrower 4 Signature: \_\_\_\_\_

