

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

IN RE:

_____ ,

Debtor.

_____ //

Case No.:
Chapter 13
Hon.
Filed:

**STIPULATED MOTION TO PERMIT EXECUTION AND
RECORDING OF MORTGAGE NOTE AND LIEN**

NOW COMES the Debtor, _____, by and through his/her/their attorney, _____ and states as follows:

1. Debtor filed a petition for Chapter 13 relief on or about _____.
2. Debtor's Chapter 13 plan was confirmed on or about _____.
3. Debtor has applied for assistance from Michigan's Helping Hardest Hit Homeowners program, otherwise known as Step Forward Michigan.
4. Step Forward Michigan will consider applications for homeowners in bankruptcy provided they receive authorization from the Bankruptcy Court permitting the Debtor to:
 - a. Accept Hardest Hit Funds® assistance that will be paid directly to the mortgage lender (See attached Exhibit A: *Instructions for Bankruptcy Clients letter*).
 - b. Execute a Note which will have a 0% interest rate, and require no payments. The principal amount of assistance will be forgivable over a five-year (5) term at 20% per year. During that time, any portion of the principal not forgiven is due only if there is a transfer of the property or if the property ceases to be the homeowner's principal residence.
 - c. Execute and record a Michigan Housing Authority Mortgage Lien on the principal residence.

5. If Debtor's application is approved, the awarded funds will be paid directly to the mortgage lender and be applied to the mortgage account.
6. The awarded funds may be paid in one lump sum or over a twelve month period.
7. This request will not reduce the amount received by the unsecured creditors.
8. In all other respects, this Chapter 13 plan remains unchanged.

THEREFORE, the Debtor and Trustee agree that:

1. Debtor should be permitted to accept funds from Michigan's Helping Hardest Hit Homeowners program, otherwise known as Step Forward Michigan if Debtor's application is approved.
2. Debtor should be permitted to execute a Note in favor of Michigan Housing Authority which will have a 0% interest rate, and require no payments. The principal amount of assistance will be forgivable over a five-year (5) term at 20% per year. During that time, any portion of the principal not forgiven is due only if there is a transfer of the property or if the property ceases to be the homeowner's principal residence.
3. Debtor should be permitted to execute and record a Michigan Housing Authority Mortgage Lien on Debtor's principal residence.
4. The Chapter 13 Trustee shall continue to submit the regular ongoing mortgage payments while the debtor(s) applies for funds from MHA to cure their arrears.
5. The Chapter 13 Trustee will reserve funds that would have been disbursed for the pre-petition and post-petition arrearage for three months following the Order of this Stipulation, and the Chapter 13 Trustee will disburse all funds on reserve for the pre-petition and post-petition arrearage in fourth month from date of Stipulation, unless Debtor affirmatively notifies the Chapter 13 Trustee and mortgage holder, and/or their attorney of record by end of the third month from date of Stipulation of the acceptance by the Michigan's Helping Hardest Hit Homeowners program and that the pre-petition and post-petition arrearage will be paid in full via said program.

Dated: _____

Debtor's Attorney

Dated: _____

 Barbara Foley
 Chapter 13 Trustee
 425 W Michigan
 Kalamazoo MI 49007
 (269) 343-0305
 Email: bfoley@chpt13.com

**UNITED STATES BANKRUPTCY COURT
WESTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

IN RE:

_____ ,

Debtor.

_____ //

Case No.:
Chapter 13
Hon.
Filed:

**ORDER GRANTING MOTION TO PERMIT EXECUTION AND
RECORDING OF MORTGAGE NOTE AND LIEN**

At a session of said Court held in the City of Grand
Rapids, County of Kent, State of Michigan, this day of

_____.

PRESENT: HONORABLE _____
BANKRUPTCY JUDGE

THIS MATTER having coming before the Court on *Stipulated Motion to Permit Execution and Recording of Mortgage Note and Lien*, and the Court having read and reviewed same and being otherwise fully advised in the premises,

IT IS THEREFORE ORDERED Debtor is permitted to accept Hardest Hit Funds® assistance that will be paid directly to the mortgage lender.

IT IS FURTHER ORDERED that Debtor shall be permitted to execute the MHA Note which will have a 0% interest rate, require no payments, and the principal amount of assistance is forgivable over a five-year (5) term at 20% per year. During that time, any non-forgiven portion of the principal is due only if there is a transfer of the property or if the property ceases to be the homeowner's principal residence.

IT IS FURTHER ORDERED that Debtor is permitted to execute and record a MHA Mortgage Lien on his/her principal residence.

IT IS FURTHER ORDERED The Chapter 13 Trustee shall continue to submit the regular ongoing mortgage payments while the debtor(s) applies for funds from MHA to cure their arrears.

IT IS FURTHER ORDERED The Chapter 13 Trustee will reserve funds that would have been disbursed for the pre-petition and post-petition arrearage for three months following the Order of this Stipulation, and the Chapter 13 Trustee will disburse all funds on reserve for the pre-petition and post-petition arrearage in enter date of the fourth month from date of Stipulation, unless Debtor affirmatively notifies the Chapter 13 Trustee and mortgage holder, and/or their attorney of record by enter – last day of the third month from date of Stipulation of the acceptance by the Michigan's Helping Hardest Hit Homeowners program and that the pre-petition and post-petition arrearage will be paid in full via said program.

END OF ORDER