

**UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION-FLINT**

**IN RE:**

**CHAPTER 13  
CASE NO:  
JUDGE JOEL D. APPLEBAUM**

**Debtor(s)**

\_\_\_\_\_/

Unemployment Mortgage Subsidy Program  
Loan Rescue Program  
Modification Plan Program  
Principal Curtailment Program

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

**NOW COMES** the Debtor(s), \_\_\_\_\_, by and through his/her/their attorney(s), \_\_\_\_\_ and states as follows:

1. Debtor filed a petition for Chapter 13 relief on or about *[Date of Petition]*.
2. Debtor's Chapter 13 plan was confirmed on or about *[Date of Confirmation]*.
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 do hereby agree:

1. Debtor(s) 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(s) 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(s) 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 shall make no further payments to [Name of Mortgage Creditor] for pre-petition or post-petition mortgage arrears until the Trustee either receives notice that the Debtor's application has been rejected or the mortgage creditor amends its claim to reflect funds received from Michigan's Helping Hardest Hit Homeowners program.

Dated: \_\_\_\_\_

/s/ \_\_\_\_\_  
Melissa Caouette P62729  
Chapter 13 Standing Trustee  
400 N. Saginaw Street, Suite 331  
Flint, MI 48502  
(810) 238-4675  
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/s/ \_\_\_\_\_  
Attorney for Debtor(s)

EASTERN DISTRICT OF MICHIGAN  
SOUTHERN DIVISION-FLINT

IN RE:

CHAPTER 13  
CASE NO:  
JUDGE JOEL D. APPLEBAUM

Debtor(s)  
\_\_\_\_\_ /

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

At a session of said Court held in the City of Flint, County of Genesee,  
State of Michigan, this day of  
\_\_\_\_\_.

PRESENT: HONORABLE DANIEL S. OPPERMAN  
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(s) is/are permitted to accept Hardest Hit Funds® assistance that will be paid directly to the mortgage lender.

**IT IS FURTHER ORDERED** that Debtor(s) 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(s) is/are 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** that the Chapter 13 Trustee shall make no further payments to [Name of Mortgage Creditor] for pre-petition or post-petition mortgage arrears until the Trustee either receives notice that the Debtor's application has been rejected or the mortgage creditor amends its claim to reflect funds received from Michigan's Helping Hardest Hit Homeowners program.

**"Exhibit A"**